

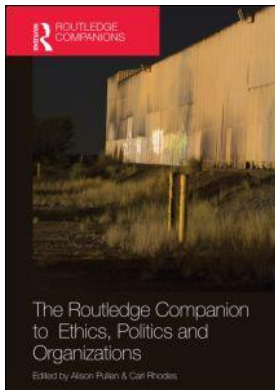
This article was downloaded by: 10.2.97.136

On: 20 Mar 2023

Access details: *subscription number*

Publisher: *Routledge*

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: 5 Howick Place, London SW1P 1WG, UK



## The Routledge Companion to Ethics, Politics and Organizations

Alison Pullen, Carl Rhodes

### 'Who said we're flogging a dead horse?'

Publication details

<https://test.routledgehandbooks.com/doi/10.4324/9780203566848.ch16>

Matthew Higgins, Nick Ellis

**Published online on: 28 May 2015**

**How to cite :-** Matthew Higgins, Nick Ellis. 28 May 2015, '*Who said we're flogging a dead horse?*' *from:* The Routledge Companion to Ethics, Politics and Organizations Routledge  
Accessed on: 20 Mar 2023

<https://test.routledgehandbooks.com/doi/10.4324/9780203566848.ch16>

**PLEASE SCROLL DOWN FOR DOCUMENT**

Full terms and conditions of use: <https://test.routledgehandbooks.com/legal-notices/terms>

This Document PDF may be used for research, teaching and private study purposes. Any substantial or systematic reproductions, re-distribution, re-selling, loan or sub-licensing, systematic supply or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The publisher shall not be liable for an loss, actions, claims, proceedings, demand or costs or damages whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.

# 'Who said we're flogging a dead horse?'

## Reframing ethics and the supply chain

*Matthew Higgins and Nick Ellis*

---

The arrest and subsequent release of Willy Selten in late May 2013 marked a significant moment in what has been dubbed the European horsemeat scandal. Selten, a director of a now bankrupt meat wholesaling firm was being investigated for false accounting and fraud by allegedly supplying adulterated beef. His meat processing plant in the southern Dutch city of Oss was suspected of obtaining and relabelling horsemeat as beef and allowing this produce to enter the food chain through the supply to a myriad of different processing firms located around Europe. The horsemeat was sourced from suppliers in the Netherlands, England and Ireland, with concerns that this meat was contaminated with phenylbutazone. Whilst some 50,000 tonnes of potentially contaminated meat was recalled by the Dutch Food and Consumer Product Safety Authority, the incident has highlighted a problem of transparency and accountability within the food chain. As regulatory authorities took measures to reassure consumers of the safety, identity and provenance of their food products, reports of the supply chain extending beyond Europe has illustrated the global nature of contemporary supply chains (Glutz, 2013).

Stories of unlicensed abattoirs, shadowy intermediaries and unscrupulous retailers are of course nothing new. Reporters following the Selten investigation scoured archives for historical precedents and inevitably drew attention to a British Pathé newsreel report on the horsemeat scandal of 1948. This earlier scandal, captured in a brief and grainy news report, focused on the black market trade in horsemeat. Regardless of your dietary predilections, the film still makes for uneasy viewing and the nature of this trade and the images contained in the report resulted in a note being placed on the report's paperwork cautioning about its release: it read, "The horsemeat scandal – not to be used under any circumstances." Beyond the equine link, the parallels between the Selten case and the 1948 scandal are perhaps less clear than on first impression. The 1948 horsemeat debacle was a localized issue, prevalent in the North East of England and London. Even though the scandal involved farmers, abattoirs, retailers and restaurateurs there were relatively few parties involved. In contrast, the Selten incident was pan-European, involving numerous suppliers, processing firms and retailers. Attempting to draw parallels highlights the difference in the scale, constituency and reach of the supply chains between these two scandals.

The horsemeat scandal usefully sets the scene for our discussion in this chapter. The food supply industry has been particularly marked by rapid change in tastes, technology and the organizations involved. One of the most notable changes has been in the inversion of power relations between the producers, wholesalers and retailers. Historically manufacturers within this sector sought to attract customers with minimal recourse to their supply chain. The major brands spent considerable sums on advertising to pull custom into the retailers and in so doing enjoyed considerable power within the chain. Today, retailers are often dominant and exert this influence through their buying behaviour, often setting the systems, standards (and prices) of the goods that manufacturers must comply with in order to enjoy shelf space in-store. This dominance is exemplified by Wal-Mart which has grown to be one of the largest retailers in the world by sales (Huang et al., 2012). Their low price/high volume strategy has enabled them to exercise considerable power in the sector, pushing other smaller retailers out of regions and forcing suppliers to move overseas to reduce costs. This concentration of power in a relatively small number of retailers and their reliance on a chain that outsources to a global network of suppliers has encouraged some to suggest that the contemporary marketplace is marked by a growing geographical and psychological distance between manufacturer and consumer (Davies and Crane, 2010).

The issues of power that are evident in this relationship permeate in varying degrees all inter-organizational relationships. Today, the impact of issues in supply chain management are international in scale and constitute one of the significant threats to human and environmental well-being in what has been termed by some as the 'risk society' (Beck, 1992). In this chapter we examine the role of ethics within the supply chain. We will focus on how the metaphor of the chain within supply chain management literature is used to obfuscate issues of power amongst the various parties involved, and how the movement and transmogrification of materials and services are rendered to enable them to be presented in an amenable form to the consumer.

For the most part, these processes of movement and transformation are concealed from the end user in what has become a complicit deceit which in itself is essential for the efficient running of a consumer society. This collusion is powerfully depicted by Hall who relays his observations of touring the cotton fields of the southern United States at the beginning of the 1820s (1895, cited in Weightman, 2008: 111). The lucrative trade in cotton was founded and dependent on slavery; Hall writes:

In condemning slavery, and scorning slave-holders, we are apt to forget the share which we ourselves contribute towards the permanence of the system . . . The planter gives his orders to the overseer, the overseer instructs the driver, who compels the negro to work, and up comes the cotton. But he cannot make the smallest use of his crop, however luxuriant it be, unless, upon an invitation to divide the advantages with him we agree to become partners in the speculation . . . The transfer of the cotton from Georgia to Liverpool is no more than a step in the transaction. Its manufacture into the goods which we scruple not to make use of, and without which we would be very ill off, is but another link in the same chain, and the end of which is the slave.

Of course, when significant problems are exposed in the supply chain, this deceit is unable to function and the complexity of today's production and distribution systems is liable to become subject to a critical gaze. As we proceed through this chapter we will offer an alternative reading of supply chain management, exploring how issues of power and ethics can be seen as a critical sinew through which inter-organizational relations are developed.

## The limits of metaphors in the supply chain

Ultimately, all organizations buy and sell goods and/or services in order to create their own offerings. Firms then sell these products to other businesses which use them to create other products (as in the case of producers of ready meals) or to resell to corporate buyers or consumers as finished goods (as in the case of supermarkets). The trade between the supplying and buying organizations constitutes what is commonly referred to as ‘the supply chain’. As a metaphor it draws attention to the interconnections between the marketplace, distribution network, manufacturing process and suppliers of components and raw materials. It represents the physical flow of goods between linked firms ‘downstream’ to the end customer.

Supply chain management (SCM) is about understanding and managing the complex set of buying and selling relationships between these organizations. At their most basic, these inter-organizational relationships (IORs) can be seen as the links in the chain but this provides only a partial picture. Supply chains are not quite as straightforward as they may seem or as coherent as presented in the textbooks. In order to facilitate the core supplier–customer relationship, other organizations often have to be involved, such as providers of finance, insurance, advertising agencies and logistics companies. Moreover, it is rare for a firm to function simply as a member of a linear supply chain. Relationships are much more likely to occur between more than two firms at any one point in the chain, especially upstream with several suppliers for the manufacture of a complex product, or downstream with a range of distributors serving mass markets. In this way, what we term ‘industrial networks’ are formed by patterns of IORs between collaborating and sometimes competing firms. As opposed to a chain, the metaphor of a ‘net’ seeks to capture the many links that form up, down and ‘across’ an industrial sector as different organizations strive together to reach the end user. Whilst the term ‘chain’ may be an insufficient metaphor given the complexity of such systems, this does not invalidate discussion of supply relationships nor reduce the importance of trying to identify an inter-organizational context for them (Lamming et al., 2004).

Whether examined through the metaphor of a chain or a net, the behaviour of supply systems and their constituent components has been a preoccupation of marketing scholars since the formation of the discipline at the end of the nineteenth century. More recently the shift in perspective to relational accounts of the supply chain has been associated with a renewed moral inflection within the Marketing discipline (Tynan, 1997). The popularization in the 1980s and 1990s of theories of relationship marketing were presented as a response to impressions of manipulation acquired by the transactional approach, and the development of ‘relationships’ with trading partners was seen as a means of reinstalling moral values. Indeed Fisk (1997: 6), displaying marketing’s typical ambition, suggests that relationship marketing could be a valuable tool in making the world a safer place. He writes:

The globalization of business relationships suggests that international interdependency is increasing. Consequently, network theory, relationship marketing and strategic partnering forms of business co-operation are attracting increased attention from the academic as well as the business community. These trading relationships promise a more valuable approach to mutual gain than the military conflicts still common in developing areas of the planet. Increasingly, marketing organizations can augment intergovernmental efforts to dampen threats of violence by further extending agreements between business firms and host countries that bind potential enemies into associations of trading partners.

This is a view of relationships that emphasizes ‘associations, and ‘harmonic connections’ which contrast with the power-based notions of conventional marketing. This approach involves the

incorporation of various key elements of our lifeworld, concepts such as ‘trust’ ‘promise’ ‘commitment’ and ‘mutuality’ (Smith and Higgins, 2000). Parties are encouraged to pursue the goal of longevity for mutual benefit, developing the confidence to rely on their partner’s customer ‘intimacy’.

However, many have grown cynical of the claims of relationship marketing. Critics tend to focus upon its unfulfilled claims and point to glaring inconsistencies between rhetoric and practice. Indeed, problems in the supply chain and the behaviours of the parties involved have attracted considerable media attention in recent years. One such high profile case occurred in April 2013 when Rana Plaza, a commercial building in Bangladesh, collapsed causing the deaths of over 1,100 people.

The Rana Plaza had not been designed for industrial use and the heavy machinery associated with garment manufacture had placed considerable tension on the structural integrity of the building. Building inspectors had identified structural problems a day before the collapse, problems caused by the locating of garment factories on the upper floors. Despite encouragement to evacuate, managers within the garment factories threatened to withhold wages if workers failed to turn up to work. The building collapsed at 9 a.m. the following day when there were over 3,000 people working there. The scale of this industrial accident ensured that the incident was reported around the world. More significantly within the context of this chapter, connections were quickly made between the working conditions of those in the factories and the wider chain involved in producing and selling branded garments. Major international retail brands such as Mango, Wal-Mart, Primark and Matalan were implicated in the incident and very quickly worker rights groups sought to expand the issue to other countries where garment production had been established thanks largely to low wages and limited health and safety regulation (Butler, 2013).

The Rana Plaza is but one tragic incident involving the structure, membership and relationships between organizations within a supply chain. Scandals regarding labour standards in the developing world have meant that such issues are now on the corporate agenda in many western nations. Over the last decade high profile authors such as Naomi Klein (2000) and George Monbiot (2000) have outlined the social and economic impact of business practices through the supply and distribution channels. As Klein (2000) points out, at every link in the supply chain, as marketers representing manufacturers regularly bid against each other to drive down the price, contractors and subcontractors struggle to earn their profit. Often lost in this arrangement is the plight of the worker, whether employed in garment factories in Bangladesh, or on banana plantations in Dominica. Global outsourcing fragments the supply chain and can result in vague lines of responsibility and minimal surveillance of parties. The outcomes of this on quality and human safety is exemplified by product recalls such as that undertaken by toy manufacturer Mattel in 2007 when it recalled over 18 million of its products due to concerns over lead within the toy’s paint. The company blamed the potentially dangerous amount of lead in the paint on a subcontracted Chinese firm called Hong Li Da which used paint from unauthorized suppliers. Given that so many other companies source in China, and the probability that the local paint supplier did not just supply Hong Li Da, it is likely that there are other companies that may be discovering their products have some serious shortcomings. Unfortunately these supply chain scares were not confined to the toy market. A number of Chinese manufactured products have caused alarm both at home and abroad, including pet food tainted with melamine, toothpaste with diethylene glycol and truck tyres with a fault that could cause blow-outs. The anonymous nature of firms like Hong Li Da’s arrangements with its more high profile customers enables the firm to win contracts from several competing foreign companies. It also suits their clients who do not always want consumers to know the provenance of their goods (Topping, 2007).

Such incidents may explain why notions of supply chain ‘transparency’ have become more salient in recent years. Yet the language of transparency is seductive: it seems ‘natural’ that a close, information-sharing network of actors must be more efficient than a fragmented one. As New (2004: 82) puts it, “who can be against ‘integration’ or the disintegration of boundaries? The language of the supply chain is appealing both for what it promises and what it seems to be against.” This is especially so in industrial networks where the language of ‘the supply chain’ can construct a context in which the goals of individual actors are effectively subsumed within the larger (unified) entity, ‘the chain’. The discourses of relationship marketing and SCM can thereby deflect any questions of power, control and interest.

Nevertheless, media attention has moved this largely ‘behind the scenes’ management of supplier relations to the forefront of corporate social responsibility debates. Mindful of the perceptions of their consumers, some corporate customers are making demands for greater sustainability upstream in their supply chains. Whilst the examples listed above are relatively recent, the need for a reappraisal of the relationships within the supply chain and the role of the manager in these arrangements prefigure these. To exemplify this, we can turn to a speech given in New York in October 1948 by Thomas Roy Jones, the president of American Type Founders, to the Society for Advancement of Management. Jones was asked to speak on the topic of ‘Industry’s Responsibilities in a Changing World’ and in response he noted the considerable amount of legislation that had been introduced to address perceived problems in the operation of firms. He also, however, highlights that the responsibilities of business are not new and that omissions and errors from previous managers need to be addressed through the rise of a professional managerial class. He states (Jones, 1949: 252):

But the moral responsibility has always been there and whenever management has failed to recognize its responsibilities to others an aroused public has disciplined and regulated it with laws, commissions and bureaus. The responsibilities of management are inherent in its job without regard to external change, and are co-extensive with the powers of management and the effects of its decisions. If we accept this statement as basic how can we say that management has new responsibilities just because of changes which have been going on since the beginning of creation? Hasn’t the manager always had the responsibility that goes with leadership? Hasn’t he [*sic*] always had the responsibility that goes with being a vital factor in the economy and society of a Democracy?

Nada Sanders’s (2012) textbook on supply chain management devotes an entire chapter to what he terms ‘Sustainable SCM’. His text addresses one of the themes raised by Jones, that of the need for managers to demonstrate moral leadership in their dealings with supply chain partners. It is interesting to explore the approach he takes to ethics in this chapter since, as we shall see, this is typical of contemporary textbooks in the areas of SCM, purchasing and marketing. Sanders acknowledges (2012: 375) that, “While indispensable to our daily lives, supply chains can have significant environmental and social consequences . . . As a result, the challenge to managers posed by sustainability is to incorporate environmental and social responsibilities into their management practices.” He characterizes two types of sustainable practices: environmental sustainability, which is concerned with the preservation of diverse biological systems, and social sustainability, which seeks to maintain society’s long-term well-being. He argues that both forms of sustainability are mediated by supply networks. Drawing partly on the work of Beamon (2005), Sanders identifies that the former depends on how procurement, manufacturing, or upstream and downstream logistics relate to, *inter alia*, global warming, smog, ozone layer depletion, toxin release, habitat destruction and resource depletion; while the latter depends on the relation of

supply chain activities to issues such as income inequality, poverty, gender inequality, migration, dislocation, and urban or minority unemployment.

To assist the manager with incorporating these issues within their day-to-day activities, Sanders adapts Epstein's (2008) work on sustainability to provide the reader with nine 'principles of sustainability'. These principles, Sanders argues, will enable managers "to spot critical sustainability issues and offer adequate solutions" (2012: 380). These nine principles, which reflect many of the metaphorical constructs we have discussed above, including relationships and transparency, are outlined below:

- "*Ethics* – ethics involves promoting a corporate culture that fosters truthful and fair conduct between all stakeholders. Ethics are maintained by monitored and enforced codes of conduct . . .
- "*Governance* – governance concerns the conscientious execution of duties held by corporate board members and managers . . . Good governance should mandate the evaluation of senior management along multiple dimensions, such as sustainability measures . . .
- "*Transparency* – transparency involves visibility. Companies that care about the information needs of others are transparent with them . . .
- "*Business Relationships* – companies should treat all suppliers, distributors, and partners fairly . . . Not doing so can put a company's reputation in jeopardy.
- "*Financial Return* – . . . Although positive financial returns are necessary, they should be evaluated in conjunction to other principles of sustainability.
- "*Community Involvement and Economic Development* – (this) improves the economic welfare of the community in which the company does business. It serves to enhance the company's long-term profitability by creating additional opportunities in that community.
- "*Value of Products and Services* – companies typically state a general commitment to customer satisfaction . . . however they should clarify their obligations and responsibilities to their customers.
- "*Employment Practices* – (these) should maximize the productivity and quality of employees by fostering a culture of mutual respect, appreciation, and care in pursuit of the corporate mission . . .
- "*Protection of the Environment* – at a bare minimum, all corporations should comply with applicable environmental laws. However . . . innovations that allow corporations to meet demand while simultaneously . . . consuming fewer resources are genuinely praiseworthy" (Sanders, 2012: 380–381).

Arguably, the discussion about sustainable supply chains draws from the attempts in the late 1990s to shift the business discourse from 'free' to 'fair' trade (McDonagh, 2006). In doing so it framed economic, social and sustainability goals as potentially complementary (Hoffman and Ventresca, 2002). Fair trade is concerned with reducing the proximity between producer and consumer, and improving the equity and transparency of trade involved in moving goods and services through the channel. It brings into focus the roles of the supply chain members and the issue of fairness within these arrangements. For instance the supply chain members who probably add the most value through human interaction with the product, e.g. coffee farmers who plant, grow, pick, wash and dry the beans, typically get only a tiny percentage of the price of a cup of coffee for their efforts.

As a political movement, fair trade can be seen to challenge the presumptions surrounding the measures of performance in a supply chain. It aims to destabilize the idea that the market's primary purpose is efficiency and to provide a source of income for corporations. The fair trade

position, however, is reliant on a strategy of working ‘in and against’ the market (Brown, 1993), moving trading relations from transactional-oriented, ‘zero-sum’ exchanges to more sustainable and equitable relationships which remain located in the free market. Even the most cursory review of the SCM textbooks that sit alongside Sanders (2012) on our business school library shelves shows how students (who include practising and future managers) are presented with maxims that reflect this market(ing) imperative. Thus when we find references to ethics or sustainability, they are usually confined to ‘green’ issues (and always in those telling quote marks) or the business/economic risks associated with non-compliance to environmental legislation. For example, Monczka et al. (2009: 371–378) include a section on “Purchasing Ethics” with “rules” for purchasing managers regarding ethical behaviours towards their employer, suppliers and the profession, with risks revolving around prosecution, and personal and corporate reputations; while Harrington et al. (2011: 55) provide just one relevant paragraph, structured entirely around “risk management” for companies due to “financial penalties” for infringing ‘green’ or environmental regulations. Van Weele (2010: 388) at least offers a chapter on “Purchasing, CSR and Ethics” which discusses “the importance of CSR to large international companies . . . the importance of integrity codes within purchasing; and how companies can act responsibly in their relationships with their suppliers”.

Within the constraints of this chapter it is not possible to explore each of Sanders’s nine principles, so we shall concentrate on Codes of Practice. This is because Codes of Practice cut across many of these principles and provide us with a means to explore some of the assumptions informing the idea of power and the exercise of that power in the supply chain. These assumptions are important because despite the large number of scholars heralding relationship marketing and sustainability as some sort of panacea for organizational marketing and purchasing’s ills, the fact is that many IORs do not ‘work’ in accordance with the idealistic worldview being presented. Basically, the links in the chain are not as strong as it is thought they should be and insufficient consideration is given to the relative basis of power between members. As Sanders (2012) and other texts exemplify, and Hardy et al. (1998: 65) assert, the literature on IORs “tends to focus on surface dynamics and to ignore the fact that power can be hidden behind a façade of ‘trust’ and a rhetoric of ‘collaboration’ and can be used to promote vested interests through the manipulation and capitulation of weaker partners”.

Unfortunately, our understanding of power in the marketing channels and supply chain literature has been restricted due to the extensive use of French and Raven’s (1959) ‘power bases’ approach (encompassing so-called reward, coercive, legitimate, referent and expert categories of power). Notwithstanding the limitations of the original 1959 work itself, wherein the derivation of these sources is elusive, as Blois and Hopkinson (2013: 1150–1151) point out, assumptions underpinning the transfer of interpersonal power bases to IORs remain “inadequately argued”. Moreover, the adoption of notions of ‘social’ power sources by management scholars analysing supply chain relations has rarely acknowledged theories of power from other disciplines.

However, some marketing commentators have begun to conceptualize power with more subtlety. For instance, Hackley (2013: 185–186) suggests that we might conceive of power in marketing relationships as structural, or ‘hard’, power and constitutive, or ‘soft’, power. The former might include legal enforcement or control of supply, and the latter “the power to influence thinking so that people internalize values and relations and regard them as taken-for-granted” (p. 185) through communication channels like PR or press lobbying. Hackley recognizes that ‘end users’ also have power. Thus corporate buyers within supply chains can exert “considerable individual power” (p. 185) and consumers can have the economic power of choice as well as access to social media. He argues that “power is not necessarily hegemonic



and dominant: it can be resisted, subverted and adapted . . . The power marketing wields is culturally negotiated, and as consumers and citizens we are often complicit in the power we accede to marketing” (Hackley, 2013: 186).

Taking a discursive turn allows us to build on these conceptualizations of relational power. To an extent, we follow Foucault (1998: 94) in asserting that power “is not something that is acquired, seized, or shared . . . power is exercised from innumerable points, in the interplay of nonegalitarian relations”. Under this view, power is not directly connected to social agents, but “represents a complex web of relations determined by systems of knowledge constituted in discourse” (Hardy and Phillips, 2004: 303). While valuable, Foucault’s rather deterministic approach can be criticized for failing to recognize that power discourses are manifestations of actors’ control strategies in wider social contexts (Fairclough, 1992). Thus discourses are always partial and therefore, to a degree, contestable. This suggests the importance of analysing the construction of the social categories and meanings within political struggles (Hardy and Phillips, 2004). Concomitantly, scholars seeking to understand supply chain management must recognize that, as Mumby and Clair (1997: 184) put it, “The most effective use of power occurs when those with power are able to get those without power to interpret the world from the formers’ point of view.”

Accordingly, Hardy and Phillips (2004: 307) offer several ‘forms of power’ to help us make sense of the production and transmission of power, forms which may be distributed amongst many subject positions within any context. These forms include formal power (authority and decision-making power), critical resources (e.g. expertise, information, money), network links (through the constitution of alliances amongst actors) and discursive legitimacy (where actors are perceived to speak or produce texts with legitimacy for organizations). As Hardy and Phillips (2004: 311) explain:

While many texts may be consumed ‘unproblematically’ in the sense that the dominant meaning is reinforced and reproduced, in other cases, the role of consumption in constructing the meaning of the text is both visible and subversive, as actors are able to articulate meanings that are taken up by other groups, providing opportunities to shape discourse and altering, if not transforming, power relations.

Within an organizational context, managers can find themselves in positions where they are simultaneously weak and powerful. This can be seen in global supply chains where the threat of the discourse of ‘globalization’ (and the fear that changes may overtake them if they fail to respond) can be used as leverage over employees to gain their commitment to the company’s strategies; and, at the same time, thanks to their privileged access to discursive resources at a local level, effectively reinforces managerial prerogative (Fairclough and Thomas, 2004: 385). Indeed, such is the complexity of power relations within contemporary supply chains, we may ask ourselves, after New (2004: 84): “Who does the ‘M’ in SCM?”

If we accept that decisions to buy and sell within chains are in fact made by individuals on behalf of organizations then we should note the language that these individuals themselves use in describing market practices. The fair trade debate shows that business to business (B2B) marketers and purchasers are confronted by competing and conflicting demands requiring them to be sensitive to the different perspectives in the complex networks in which they find themselves operating. These tensions are often played out through the language of managers. Faria and Wensley (2002: 606) show how Brazilian managers reproduce in their talk the difficulty of balancing two criteria posed for supply chain intermediaries: those of economic growth and of social integration. These actors use language as a resource which “enables them to pretend that

both criteria can be met and not to recognize that the economic end or condition corrupts the other criterion". Managers' discourse enables them to cope with the tensions of SCM in this context. Hopkinson (2003) examines how the talk of managers in a distribution network constructs the focal firm in different ways. In doing so, she questions the correspondence between these participants' and theorists' constructions of organizing in industrial markets. She shows how 'front-line' managerial understandings can affect how people approach their role in handling IORs.

The application of discursive approaches in inter-organizational contexts is a possible way to restore the voices of individual managers representing selling and buying firms in IOR research. Attempts at theorizing and explaining causalities through an etic language do not fully reflect how the actors imagine the supply network, creating misunderstandings and possibly missing important concepts entirely. As Hirschman and Holbrook (1992) suggest, we cannot afford to lose sight of the taken-for-granted social and cultural practices that guide the linguistic constructions by means of which we make supply chain reality 'real'.

### Codes of ethical practice

A key tool within sustainable supply chain management is the development of guidelines or codes of conduct. They are an integral part of what Kjonstad and Willmott (1995: 445) refer to as the "business ethics industry", forming one of an array of 'solutions' within which ethical principles are codified and packaged for organizational clients. Framed in this way we can see them as bureaucratic tools through which organizations seek to respond to the complex, nebulous and uncertain world in which they operate (ten Bos, 1997). As a remedy to this disconcerting state, codes of practice are enmeshed within the promotional and disciplinary performances of the organization. Major retailers such as Marks and Spencer with their Plan A, or the John Lewis Partnership with their ethical sourcing policy, proudly wear their values on their sleeves and they incorporate this within their brand positioning. Presenting these codes in this manner is intended to offer reassurance to stakeholders, encouraging them to develop a perception that the organization can be trusted to act with integrity. As a marker of character, they also serve to help differentiate the organization in a competitive marketplace. A cynical, weary world has learned quickly from debacles such as the Enron collapse that simply possessing the 'artefacts' of ethics is insufficient (Sims and Brinkman, 2003) and this 'character' needs to be evidenced in the organization's culture and actions.

As a bureaucratic device, the aim of a code is to promote organizational influence on individual moral judgement, to offer guidance on what is and what is not acceptable within a given context (Ferrell and Fraedrich, 1991). One should not, however, mistake this for an extension of continuing personal development. As Kjonstad and Willmott (1995: 445) note, should the code generate moral awareness within the individual, this is but an "auxiliary consequence". Bureaucratic organizations that have hierarchies, structures and processes to maintain, and responsibilities to uphold are ill-prepared for the freedoms unleashed by individual moral agency. These codes are typically normative in orientation, directing those subject to the code to act in a prescribed manner and to encourage compliance. The jurisdiction of the code often extends beyond a unitary organizational boundary and codes of ethics perform as tools of power within the supply chain as dominant members of the channel are able to produce, promote and police codes of practice (Alvesson, 1994). To this end codes of practice are seen as supporting "technologies of governance" (Morgan, 1992), by formalizing the structures of power and domination within the channel (Varey, 2003). Dominant parties in the channel may draft codes that can place burdensome conditions on suppliers. In the UK, Monbiot (2000: 183) reports that large

retailers are making “extortionate demands” over production conditions, specifications and promotional “kickbacks”. These conditions are enveloped in the strategic language of meeting customer needs and hyper-competitive activity (e.g. Robson and Rawnsley, 2001).

These criticisms relate to the perceived power that codes of practice wield over named parties. However, codes are also criticized for excluding individuals and parties from consideration, or for lack of adequate policing. Hasty and Reardon (1997: 436) note that many US retailers require global suppliers to sign a code of conduct, forbidding any violation of local labour laws. The policing of these codes of practice has proven problematic, however. Whilst some manufacturers employ inspectors to monitor working conditions in pursuance of codes, manufacturers and retailers claim that they cannot realistically enforce the codes because the number of contractors and factories may be in the thousands. They thus have to depend on the contractors to police themselves and the subsequent exposé of unethical practice in the supply chain can lead to accusations that codes of ethics are merely ‘fig leaves’ to allay public concerns (Mathew, 2013). Monitoring of the codes of practice is also hampered by the general lack of awareness of the conditions within the codes. Employees who may be subject to a code of practice, or whose working practices may be governed by the code, may not be able to read the policy or even know of its existence.

Whilst codes of practice are perceived to offer the means to protect social welfare and the environment through legislating for action, they are dismissed due to their impotence. Conversely they are feared due to their function of policing weaker members of a chain. This is far removed from the hopes of those who see codes as offering a means to guarantee fairer trade or clarify power relations in the supply channel. Perhaps this should not surprise us. Arguably this could be seen as an example of how notions of rights and justice are incorporated within the discourse of capitalism and are therefore reframed into calculations of efficiency (Lyotard, 1984). Farrell and Farrell (1998) intimate that this has implications for how ethics is presented within such codes. They argue that codes of ethics are essentially prescriptive and structured to encourage compliance from those subject to the codes without requiring the subject to exercise moral thought for themselves. However, perceiving codes of practice as a means of suppressing this individual moral responsibility (Bauman, 1987) fails to appreciate the spaces within codes that are negotiated and contestable (ten Bos, 1997). Issues of morality and ethical subjectivity become a process of negotiation, a dialogue between parties in practice which is “circumscribed by organizational rules, norms and discourses” (Clegg et al., 2007: 107).

A discursive approach enables us to suspend the dichotomy of rhetoric and reality, and view codes of practice as rhetoric. Or, to paraphrase Watson (1995: 15), the reality of supply chain ethics is part of the rhetoric of supply chain ethics, and the rhetoric of supply chain ethics is part of its reality. This enables us to configure codes of practice and the manner in which codes are realized and constructed within social relations as texts that can be interpreted and analysed. This may not provide the ‘definitive’ position from which to pass judgement (Kong, 2001); however, as critical linguists (e.g. Fairclough, 1992) point out, discourse analysis can play a role in revealing power relations and, crucially, how ambiguity and conflict can be reconciled. As a sense of ‘interconnectedness’ is felt to underpin notions of fair trade, an exploration of lexemes of supply chain relationships is thus highly appropriate.

We will be adopting an approach that works between the analysis of content and the analysis of output, the two dominant approaches found in the study of codes of conduct (Helin and Sandström, 2010) and we will be locating codes of ethics within an organizational context. For the remainder of this chapter we will focus on a written code of ethics and the audience for this code. Through the functions of language we will examine how code writers construct roles and responsibilities. We then proceed to examine how managers working for a variety of

organizations based in the Midlands region of the UK work with these guidelines in their boundary spanning roles.

## Examining how codes of practice work

The specific text under consideration is a written Code of Practice of a large, Midlands-based UK manufacturing organization (for the purposes of this chapter, it will be known as “A1”). Within this code, the actual “Ethical Code” is confined to a single page and forms the first appendix of the firm’s Buyer’s Guide, a document claiming functional authority by being “distributed by Purchase Contracts” but offers no identifiable author. This arguably serves a number of purposes, constructing a sense of ‘belonging’ to that department whilst encouraging shared ‘ownership’ of the document across the department. The term “Contracts” also serves to frame the contents, reminding readers that any social relationships in which they might be engaged are commercial arrangements. Authority for the contents is drawn from the code’s explicit reference to CIPS (Chartered Institute of Purchasing and Supply). It acknowledges in its introduction that it paraphrases “with permission” the ethical code of CIPS, stating that it uses “their own subject headings”. This serves to limit the ability for direct dialogue and discussion about the contents of the document at the local level.

On the top of each of the 48 pages is printed ‘For the information of A1 employees only’, framing the readership of the document and emphasizing the readers’ position in a hierarchical managerial structure. In doing so it also serves to reinforce the position of the writer of the code, as possessing the power to ‘name’ those who are subject to the code. The opening line of the code begins, “This code will be observed by all personnel”. The use of the words “will be observed” can be interpreted as both a command and as an acknowledgement that behaviour will be subject to surveillance. A sense of inclusiveness is engendered by the pronoun “all”, although the lower ranking status of the addressee is then asserted by the noun “personnel”. Moreover, it also highlights those who are excluded from the code through the warning that the information within the Code of Practice is tightly restricted to the firm’s employees only, and not for perusal by other stakeholders in any supply chain relationships.

The responsibilities associated with this inclusiveness are epitomized by the opening lines of the code which states,

Personnel shall . . . seek to uphold and enhance the standing of A1 and the Procurement function by: (a) maintaining an unimpeachable standard of integrity in all their business relationships both inside and outside A1; (b) Optimising the use of resources for which they are responsible to provide the maximum benefit to A1.

The two clauses work together to remind personnel that business relationships occur both internally and externally to the firm’s boundaries and that employees are accountable for the organization’s resources for which they have been entrusted. Clause (a) also seeks to set out expectations surrounding the behaviour of employees, but offers little guidance on what this behaviour may involve or entail. There is, however, a requirement that in conduct with internal and external parties the performance driver of the relationship is operational efficiency, and clause (b) implicitly draws upon notions of the fiduciary responsibilities of the buyer to the firm.

The code proceeds to provide more guidance on the parameters through which relationships with external bodies should be conducted and exhorts:

In applying these precepts, personnel should follow the guidance set out below: . . . (c) While bearing in mind the advantages to A1 of maintaining a continuing relationship with a supplier, any arrangement which might, in the long-term, prevent the effective operation of fair competition, should be avoided.

We can see within this clause the utilization of ‘competition’, reminding employees that they operate within a market, within which expectations exist surrounding their contribution to the relative market positions. The insertion or “fair competition” might alert employees to illegal practices such as collusion of price fixing, an assumption within the clause may also be that competition is presently “fair”, but that the necessity to retain strategic relationships may, temporarily, dislodge this status quo in the favour of A1.

Under a later entry in the Guide’s index, “Suppliers – Good Relationships”, the requirement for employees to develop and manage relationships with other firms on behalf of A1 is reinforced. It is observed that: “1. All staff are expected to have good professional relationships with suppliers, based on mutual respect and a recognition of a common interest to maintain a satisfactory association to the benefit of both companies; 2. Staff employed in Procurement occupy positions of trust and have to establish high standards of integrity.” Whilst it is unclear what behaviours constitute “good professional relationships” the requirement for these to be based on “mutual respect” and judged through being mutually beneficial does offer some sense of purpose. The identification of what constitutes benefits or satisfaction, or who assesses these, remains under-defined. The, arguably, unnecessary insertion of the word “employed” in clause 2 is a timely reminder of the asymmetrical power relationship that exists between employer and employee and the consequences of not fulfilling the will of the organization. A real state of affairs is constructed whereby buying staff are positioned as occupying pre-existing positions of trust, placing a responsibility on the individual to obtain the required standards of behaviour for that position. The modality of “have to” tries to prescribe the establishment of “high standards” of “integrity”, but does so without offering any guidelines to buyers as to just how this might be achieved.

Finally in our analysis of the written code of ethics, a lengthy “Negotiation Checklist” is provided. The first points of this list emphasize the strategic priorities for A1 in dealings with suppliers: “1(i) How does this product relate to our Corporate Plan?” and “1(iii) What are the cost implications for our product?”. These issues are raised well before any consideration of the “supplier as a company” in point 4, which, incidentally is confined to operational and financial issues, such as consideration of “(xiii) His [*sic*] delivery/quality/service record”. “The supplier as a person” is evoked in point 5, where typical checkpoints are “(v) What were his sticking points last time?; (vi) How did I overcome them?; and (vii) What are the limits to his authority?” If we compare the language used here to the paragraph above, we can see contradictory messages being signalled to employees. Most noticeably, all allusions to interdependence seem to have been usurped by the dominant buyer–seller dyadic narrative. The pre-eminence of point 1(i) in the list signals that the relationship is one based around product exchange and the firm’s own corporate strategy. Point 1(iii) reinforces economic considerations, suggesting that the issue of the supplier’s prices should lead the buyer’s decision making. Even when non-financial considerations are discussed, point 4 attempts to ensure that the buyer’s mindset is focused on operational issues, and not the social element of a relationship. One could be forgiven for thinking that this issue might be addressed in point 5, but despite a recognition of the supplier’s representative as a “person”, and the use of personal pronouns such as “his” and “I”, the text is actually dominated by notions of power, e.g. “overcome” and “authority”.

Some typical grammatical devices and functions of language within codes of practice have been detailed above; however, we do not wish to assume a deterministic relationship between text and action. The authority of the text does not by itself determine social relations of power (Farrell and Farrell, 1998). The lived experience of the code of practice amongst staff within the organization cannot be gleaned from a discourse analysis of the written text. The analysis of the text does, however, offer insights into the centrality of language within codes of practice, its relationship with the reader and signification within the organization.

We will now examine the experience of those who are ‘subject’ to codes of practice through an analysis of interviews with boundary spanners in a series of similar supply chain contexts. The three main case companies were embedded in what might broadly be described as supply networks for agricultural, textile and automotive products. As well as sharing the same regional location, the focal firms in each case were all manufacturers and all sourced goods internationally. However, whilst we would argue that the geographical/socio-cultural context, and thus potentially the institutionalization of values (Herrigel, 1993), of the firms represented by these managers is broadly similar to that of A1 (whose code we have analysed above), issues of confidentiality prevented us from undertaking interviews with any of A1’s employees. Despite the fact that one of the three case firms did operate in the same sector as A1, direct comparisons between our analyses of written and spoken texts should thus be made with caution. Nevertheless, the data from the interviews that follow provide valuable insight into (claims of) decision making within supply chain management.

### Experiencing codes of practice

We have seen above in our analysis of A1’s written Code of Practice how linguistic elements can construct identities that either sustain existing differences or create new relations (van Dijk, 1993). In the following part of our analysis we ask to what extent participants draw upon these repertoires and with what implications for notions of fair trade between these parties.

One of the dominant repertoires amongst the managers is that of the organization as a collective entity with the self often conflated and seen as inseparable from the construct of the firm. As one sales manager puts it, “If you have an open relationship, you say to them, ‘We’re in business, we need to make a profit.’” The individual manager is typically legitimated as an actor with a fiduciary responsibility to serve a unitary organizational purpose within the economic exchange relationship. The discourse of marketing is widespread, forming a justification and legitimation of certain behaviours. This is exemplified by a manager in the animal-feed industry:

The customer, at the end of the day, is always right . . . And if you step back, even from the farmer, to the end user, the housewife will now dictate to the supermarkets what she’s going to buy, the supermarket can dictate to the farmers who he buys his meat from . . . So it slowly comes back up the chain.

We see here how the demands of end users and various ‘others’ in the ‘chain’ are employed to justify the necessary strategies of the focal firm. These ‘others’ are constructed through the lens of the subject and are located apart from their organization. Through this distancing between ‘us’ and ‘them’, competition and choice in relationships is normalized. For instance:

We’ve got eight different partners out there, all of whom we supply their products to the market . . . And obviously they know that we have other partners who we work with and they want us to prioritize their products over other suppliers’ products.

Repertoires allocate these organizations distinct roles and present them as links in the supply chain; they are the ‘them’ to the ‘us’ of the manager’s organization. For example, a director states: “The structure of the business . . . starts with suppliers on the left hand side, goes right through the business and ends up with end users on the right”. Although the existence of these partners within the chain is acknowledged, the interdependence of the partners is subject to the need for a satisfactory economic exchange:

What’s a good relationship? Well probably one where . . . you have a mutual understanding of each other’s capabilities, needs. Er, and it’s got to be underlined by the fact that you’ve both got to make a living. That enables you to work together, um, and that’s as important for a supplier as it is for a customer.

Discourse tends to be used by participants to evoke a repertoire of ‘self-interest’ on the part of supply chain “partners”. In firm–supplier relations, the focal firm is apparently allowed to behave selfishly. This participant is explaining how his organization would evaluate a potential new supplier against the incumbent firm. In what is a fairly common discursive move, he begins with a claim of ‘belief’ in fair play, before revealing a more self-interested set of behaviours. The ‘motion’ metaphor used to describe the firm’s actions evokes a sense of assertive ‘get up and go’ that complements the self-interest repertoire:

I do believe in giving the current suppliers an opportunity rather than saying, you know, ‘Oh, it’s cheaper, sorry’. Erm, but if, if they couldn’t do anything on price and this new material was working just as well, and there’s no compromise on service, then, yeah, we would probably move and run with it.

This positioning of partners within the channel is entwined with a repertoire of ‘possession’, an ownership of things as they move through the chain. This managing director is explaining what he sees as the success of his firm’s supplier relationships. He rejects any ownership of the products that his firm (“a distributor”) brings to the market with the suppliers (“partners”), portraying his organization as a selfless partner to those upstream: “We’re not trying to pass anything off as our own, and we’ve been very selective in the partners that we’re gonna work with as a distributor.” However, we see a different account when he talks of sales success. Note here how the products are emphatically constructed as the possession of the focal firm. It appears that one ‘story’ is narrated to the researcher when it is ‘upstream’ others that are being positioned, and quite another when it is ‘downstream’ customers: “If we can get our equipment recommended for that (customer) organisation, then it’s repeat business . . . All the major [Retailer’s name] manufacturers have specified our quality control equipment.”

The mutuality and interdependence within the channel also sees participants seek to create an atmosphere of clarity in the supply chain. Dialogue with the other and a repertoire of ‘transparency’ is strongly suggested in this exchange:

*Researcher:* So what is a good business relationship?  
*Sales manager:* It’s when you talk openly. It’s when you can actually sit down and say, ‘Well this is where I am, this is where you are, this is what we both want to achieve . . .’. When you talk openly about it to people.

An extension of the transparency repertoire is ‘knowledge exchange’. A fair proportion of utterances portray the ‘other’ as active in knowledge seeking/giving, as shown here in terms

of suppliers. Note how individual actors are positioned in this account as information exchange ‘nodes’ within the network. This is achieved as the speaker shifts from “us” to “you” (here, the speaker himself): “They’re [suppliers] always trying to help us, and it’s true that whoever is . . . giving you the most information will support you the most. If they’re making your job easier then you’ll start working with their products a lot more.”

Within these interview quotations we can see how tensions are played out as participants negotiate the need for interdependence and mutuality between organizations in a competitive marketplace that is organized around autonomous firms. Significantly, although “checklists” and notions of “good” relationships were discussed, not a single manager interviewed indicated formal recourse to any codes of practice (by employees in either selling or buying firms) in order to guide relational decision making. Typical of buyers’ comments on supplier evaluation is: “We’ll categorise any concerns as per the criteria on our ISO system, so any dodgy suppliers will be weeded out at that stage.” More often than not, however, confusion over best practice reigns, whether this means ‘doing well’ and/or ‘doing good’. For instance, an inclusive sense of corporate mission is indicated by the director of the textile machinery firm: “As a company, our philosophy is to work in partnership with our suppliers.” Nevertheless, a salesperson within the same firm asks, “How do you actually get the people [in a ‘partner’ firm] working on your side? With some people it’s impossible just because you have that corporate culture.”

Despite the evocation of repertoires that reflect a strategic relational orientation, concurrent repertoires of unitary economic and operational considerations seem to dominate in these relationships. What then does this mean for the principles of sustainable supply chain management outlined by Sanders (2012) and, significantly, for the managers who are charged with the responsibility of managing relations between trading organizations?

## Discussion

The textual analysis of the code of practice that we have presented provides an account of a coding system that is focused on positioning the employee within the managerial hierarchy. The focus of codes of practice and the spoken texts of managers reinforces the logic of the market and the need for operational efficiency and securing satisfactory margins. The example has shown a relatively high degree of control being attempted within the written code and, in contrast, a wide range of interpretive repertoires being drawn upon by managers in order to justify their actions. Significantly, the organizations (and the relationships between them) emerging in our account would seem to be beyond the anticipative capabilities of any code of practice: the agency of individual network actors, whilst typically legitimated by a broad marketing discourse, is just too idiographic. While it is not necessarily novel to note how codes of practice may be abstract ‘blue prints’ that leave much room for interpretation (Stinchcombe, 2001), our conceptual and empirical explorations do suggest that these codes are not particularly good abstractions, and have shown a limited capacity to evolve in the light of feedback from experience.

This critique encourages some comment on the calibre of industrial buyers and their awareness and commitment to codes of practice that might support fair trade. Like many other business activities, purchasing has been professionalized (Fournier, 1997). Many purchasing managers develop these professional skills through formal education, such as the CIPS certification in the UK. In so doing, they are exposed to questions of ethics that arise in purchasing behaviour. As we have seen in the managerialist business purchasing and marketing literature, students are provided with guidance on green issues, anti-trust activities, bribery and the need to observe codes of practice and local legislation. For further examples, see Boyer and Verma



(2010), Mangan et al., (2008) and Dwyer and Tanner (2002). Despite the shortcomings of these texts, we can speculate that contemporary professional purchasing managers are provided with clearer reference sources on ethical issues than their predecessors. For instance, an earlier (2000) edition of the Van Weele (2010) text highlighted in our literature review contains just one paragraph that might be considered relevant, and that is structured entirely around “problems” for manufacturers and suppliers due to “environmental legislation” on components and packaging (Van Weele, 2000: 302), whereas the later edition provides an entire chapter on ethical issues.

However, managerial responsibility implies an obligation that is the manifestation of (perhaps conflicting) individual ethical duties. This represents the link between the manager, his/her position and the organization. It is possible to conceive an ‘ideal’ professional whose typical behaviours and values are such that they serve the goals of his/her profession (so-called “virtue ethics” – Takala and Uusitalo, 1996: 53). Consequently there can be a gap between general moral considerations and professional duties, a gap that codes of practice would appear to be doing little to close, at least for the managers within our example. Moreover, if we accept that the individual manager is a moral agent, we must also recognize that such agency is somewhat ameliorated where the individual is a mere ‘cog’ in an organizational wheel. A further concern is the extent to which professional purchasing and marketing decision-making processes marginalize morality. This is achieved by the effective separation of marketing ‘practitioners’ and ‘consumers’ from moral considerations by the rationalization of marketing action that calculates (only) marketing costs and values (Crane and Desmond, 2002).

In terms of exogenous pressures on supply chain managers, such as investigations by labour activists or the media, it would appear that Crane and Desmond (2002: 560) are correct in proclaiming, “rational calculation of self-interest will always involve a review . . . of current and potential actions by others who have the power to threaten one’s survival”. Of course the pressures within the supply chain that drive the implementation of different methods and codes creates tensions. But this is something different from saying that the morality of the relationship between buyer and seller has been somehow displaced. Some semblance of the face of the worker and their conditions are maintained and used within ‘business-to-business’ negotiations, likewise the personal relations that develop between the individuals within negotiations and discussions. There is no reason to suppose that these concerns will not be carried forward into relationships within the supply chain, relationships where the object of possible immoral behaviour is a contracting partner who influences the whole interaction.

As such, managerial discourse has the potential to facilitate the construction of ‘network legitimacy’ (Suchman, 1995), whereby the actions of an industrial network are perceived as desirable by both member organizations and external interest groups. It is possible that some of the discursive work done in both written and spoken texts may serve to legitimize a network and thus enable ‘sustainable communication’ of fair trade issues (McDonagh, 1998). This is especially important if we consider the impact of ‘network centrality’ (Rowley, 1997) on stakeholder initiatives. Network centrality designates the ability of an actor to manipulate information throughout the network, a network that is idealized in fair trade rhetoric as ‘transparent’. In most supply chains, this power lies with the retailer or manufacturer, but rarely with the primary supplier. If this marginalized ‘other’ is to be heard, we must consider how discourse can give voice to (or silence) any attempts at a just dialogue with central network actors.

## Conclusions

The points made in this latter part of our chapter clearly do not represent an endorsement of codes of practice. However, neither do they assert the reality of the rhetoric of codes of practice.

Instead they require us to reappraise how the individual manages their engagement with a moral area that is both under- and over-defined. This is, following Clegg et al. (2007) an ‘ethics as practice’ approach whereby the focus is not on the ethical tools per se, but on how ethics are enmeshed within practices and social relations.

As we have mentioned earlier, the business ethics industry seeks to remove the element of ‘undecidability’ from trade strategies; they may provide business with a perceived tool, yet the meaning of ethics dissolves and the contents seep out of the constrictive categorization. The problem with such tools lies not in the application of ethics to business and the potential incommensurability, but in the very concreteness in which ethics is portrayed. The limitation of these tools encourages debate and this provides space in which marketing and managers, as social, political and moral beings, can appreciate their interdependencies.

It is this space that principles, such as those outlined by Sanders in our discussion above, fail to incorporate in their conceptualization of business ethics. The collapse of the Rana Plaza or the trade in horsemeat may well have happened regardless of whether there was a code of ethics in place; however, the existence of such codes may have unsettled the meanings that managers adopted in the given contexts. Managers charged with implementing sustainable business practices must make sense of progressive ideas related to equality and global responsibility intertwined with traditional commercial and industrial conventions (Raynolds, 2002). Given this intertwining, attempts should be made to better understand the patterns of meanings which “guide managers in their interactions with others in the increasingly complex networks in which they operate” (Turnbull et al., 1996: 59).

As our examples of spoken texts highlight, we can begin to see how parties within the supply chain use language to construct their realities and, in the process, their ‘other’ and their proximity to that ‘other’. The manner in which they engage with this ‘other’ is the site of moral potential for Bauman. What we wish to suggest, however, is that it is often the absences from discourse which should also be of interest. To this end, Fournier (2002) makes a useful distinction between ‘otherness’ and ‘difference’, highlighting that whilst difference depends upon connection, comparison and assessment, otherness is the act of disconnection, or “not” (Fournier, 2002: 81). Within the supply chain, this encourages us to reflect upon not only those who are party to the supply chain, but also those who remain hidden, invisible or silent. This may be, for example, the exclusion of parties, such as those Gap and Nike employees identified by Klein (2000) who are unable to read codes of practice. However, it can also include a much broader sphere, to encompass both human and non-human, who support or enable the supply chain.

In terms of the manager we need to begin to consider a socially embedded individual who purchases and consumes, an individual who is bombarded with ever-increasing intensity by the images and actions of others (Gergen, 1991). As Cooren (2000: 221) tellingly puts it,

The art of management . . . is about seeing employees not only as ‘cogs in a machine’ . . . but as multidimensional creatures who cannot be reduced to the role that has been anticipated by organizational schemas.

Adopting such an approach, acknowledging the fluidity and contextual nature of stakeholder relationships may appear a daunting challenge. This requires us to rethink the way we understand and theorize ideas about sustainable supply chain management. Above all, it should discourage us from presenting devices that speak of moral certainties such as ‘Principles of Supply Chain Management’, without considering the equivalence within the lived experience. This involves a shift in the approach to business ethics adopted by the SCM literature. It is a move from presenting business ethics as an administrative act, with a concern with compliance and the

selection of the right rule for the situation, to a less certain ethics where managers are seen to possess the freedom to carve out space for autonomous consideration of ethical matters. Although the former may be deemed to disempower managers by denying their ethical competence, the latter does at least open a space for the potential freedoms to be realized and participation to occur even if it may not necessarily lead to the outcomes desired.

## References

- Alvesson, M. 1994, 'The play of metaphors' in *Postmodernism and Organizations*, eds. J. Hassard and M. Parker, Sage Publications, London, pp. 114–131.
- Bauman, Z. 1987, *Legislators and Interpreters: On Modernity, Post-Modernity and Intellectuals*, Polity Press, London.
- Beamon, B. 2005, 'Environmental and sustainability ethics in supply chain management', *Science and Engineering Ethics*, vol. 11, no. 2, pp. 221–234.
- Beck, U. 1992, *Risk Society: Towards a New Modernity*, Sage Publications, London.
- Blois, K. and Hopkinson, G.C. 2013, 'The use and abuse of French and Raven in the channels literature', *Journal of Marketing Management*, vol. 29, no. 9–10, pp. 1143–1162.
- Boyer, K.K. and Verma, R. 2010, *Operations and Supply Chain Management for the 21st Century*, Cengage, Mason, OH.
- Brown, M.B. 1993, *Fair Trade: Reform and Realities in the International Trading System*, Zed Books, London.
- Butler, S. 2013, Bangladeshi factory deaths spark action among high-street clothing chains, 23 June, last update [Homepage of *The Observer*], [Online]. Available: [www.theguardian.com/world/2013/jun/23/rana-plaza-factory-disaster-bangladesh-primark](http://www.theguardian.com/world/2013/jun/23/rana-plaza-factory-disaster-bangladesh-primark) [accessed 30 September 2013].
- Clegg, S., Kornberger, M. and Rhodes, C. 2007, 'Business ethics as practice', *British Journal of Management*, vol. 18, no. 2, pp. 107–122.
- Cooren, F. 2000, *The Organising Property of Communication*, John Benjamin, Amsterdam.
- Crane, A. and Desmond, J. 2002, 'Societal marketing and morality', *European Journal of Marketing*, vol. 36, no. 5, pp. 548–569.
- Davies, I.A. and Crane, A. 2010, 'Corporate social responsibility in small-and medium-size enterprises: investigating employee engagement in fair trade companies', *Business Ethics: A European Review*, vol. 19, no. 2, pp. 126–139.
- Dwyer, R. and Tanner, J. 2002, *Business Marketing: Connecting Strategy, Relationships and Learning*, McGraw Hill, London.
- Epstein, M. 2008, *Making Sustainability Work*, Greenleaf, Sheffield.
- Fairclough, N. 1992, *Discourse and Social Change*, Polity Press, Cambridge.
- Fairclough, N. and Thomas, P. 2004, 'The discourse of globalization and the globalization of discourse' in *The Sage Handbook of Organizational Discourse*, eds. D. Grant, C. Hardy, C. Oswood and L. Putnam, Sage, London, pp. 379–396.
- Faria, A. and Wensley, R. 2002, 'In search of "interfirm management" in supply chains: recognizing contradictions of language and power by listening', *Journal of Business Research*, vol. 55, no. 7, pp. 603–610.
- Farrell, H. and Farrell, B.J. 1998, 'The language of business codes of ethics: implications of knowledge and power', *Journal of Business Ethics*, vol. 17, no. 6, pp. 587–601.
- Ferrell, O.C. and Fraedrich, J. 1991, *Business Ethics: Ethical Decision Making and Cases*, Houghton Mifflin, Boston, MA.
- Fisk, G. 1997, 'Questioning eschatological questions about marketing', *European Journal of Marketing*, vol. 31, no. 9, pp. 720–729.
- Foucault, M. 1998, *The Will to Knowledge: The History of Sexuality, Vol. 1*, Penguin, London.
- Fournier, V. 1997, 'Graduates' construction systems and career development', *Human Relations*, vol. 50, pp. 363–391.
- Fournier, V. 2002, 'Keeping the veil of otherness: practising disconnection' in *Casting the Other: The Production and Maintenance of Inequalities in Work Organizations*, eds. B. Czarniawska and H. Hopfl, Routledge, New York, pp. 68–88.
- French, J.R.P. and Raven, B. 1959, 'Bases of social power' in *Studies in Social Power*, ed. D. Cartwright, University of Michigan Press, Oxford, pp. 159–167.
- Gergen, K.J. 1991, *The Saturated Self: Dilemmas of Identity in Contemporary Life*, Basic Books, New York.

- Glutz, J. 2013, Horsemeat: Dutch trader Willy Selten arrested, 23 May, last update, [Homepage of *The Grocer*], [Online]. Available: [www.thegrocer.co.uk/topics/food-safety/horse-meat/horsemeat-dutch-trader-willy-selten-arrested/343560.article](http://www.thegrocer.co.uk/topics/food-safety/horse-meat/horsemeat-dutch-trader-willy-selten-arrested/343560.article) [accessed 30 September 2013].
- Hackley, C. 2013, *Marketing in Context: Setting the Scene*, Palgrave Macmillan, Basingstoke.
- Hardy, C. and Phillips, N. 2004, 'Discourse and power' in *The Sage Handbook of Organizational Discourse*, eds. D. Grant, C. Hardy, C. Oswick and L. Putnam, Sage, London, pp. 299–316.
- Hardy, C., Phillips, P. and Lawrence, T. 1998, 'Distinguishing trust and power in interorganizational relations forms and facades of trust' in *Trust within and between Organizations: Conceptual Issues and Empirical Applications*, eds. C. Lane and R. Bachman, Oxford University Press, Oxford, pp. 64–88.
- Harrington, L.H., Boyson, S. and Corsi, T. 2011, *X-treme Supply Chains*, Routledge, London.
- Hasty, R. and Reardon, J. 1997, *Retail Management*, McGraw-Hill, New York.
- Helin, S. and Sandström, J. 2010, 'Resisting a corporate code of ethics and the reinforcement of management control', *Organization Studies*, vol. 31, no. 5, pp. 583–604.
- Herrigel, G. 1993, 'Identity and institutions: the social construction of trade unions in nineteenth-century Germany and the United States', *Studies in American Political Development*, vol. 7, no. 2, pp. 371–394.
- Hirschman, E. and Holbrook, M.B. 1992, *Postmodern Consumer Research: The Study of Consumption as Text*, Sage, Newbury Park, CA.
- Hoffman, A. and Ventresca, M. (eds) 2002, *Organizations, Policy, and the Natural Environment: Institutional and Strategic Perspectives*, Stanford University Press, Stanford, CA.
- Hopkinson, G.C. 2003, 'Stories from the front-line: how they construct the organization', *Journal of Management Studies*, vol. 40, no. 8, pp. 1943–1969.
- Huang, Q., Nijs, V.R., Hansen, K. and Anderson, E.T. 2012, 'Wal-Mart's impact on supplier profits', *Journal of Marketing Research*, vol. 49, no. 2, pp. 131–143.
- Jones, T.R. 1949, 'Industry's responsibilities in a changing world', *Vital Speeches of the Day*, vol. 15, no. 8, p. 251.
- Kjonstad, B. and Willmott, H. 1995, 'Business ethics: restrictive or empowering?', *Journal of Business Ethics*, vol. 14, no. 6, pp. 445–464.
- Klein, N. 2000, *No Logo: No Space, No Choice, No Jobs, Taking Aim at the Brand Bullies*, Flamingo, London.
- Kong, K.C.C. 2001, 'Marketing of belief: intertextual construction of network marketers' identities', *Discourse and Society*, vol. 12, no. 4, pp. 473–503.
- Lamming, R., Caldwell, N. and Harrison, D. 2004, 'Developing the concept of transparency for use in supply relationships', *British Journal of Management*, vol. 15, no. 4, pp. 291–302.
- Lyotard, J. 1984, *The Postmodern Condition: A Report on Knowledge*, Manchester University Press, Manchester.
- McDonagh, P. 1998, 'Towards a theory of sustainable communication in risk society: relating issues of sustainability to marketing communications', *Journal of Marketing Management*, vol. 14, no. 6, pp. 591–622.
- McDonagh, P. 2006, 'Liberte, equalite, fraternite: reflections on the growth of Fair Trade and business strategy', *Journal of Strategic Marketing*, vol. 14, no. 4, pp. 295–297.
- Mangan, J., Lalwani, C. and Butcher, T. 2008, *Global Logistics and Supply Chain Management*, John Wiley, London.
- Mathew, J. 2013, Rana Plaza disaster: MandS, Tesco, Benetton and other retailers sign safety pact for Bangladesh factories, 8 July, last update [Homepage of *International Business Times*], [Online]. Available: [www.ibtimes.co.uk/articles/487531/20130708/rana-plaza-disaster-bangladesh-factories-tesco-walmart.htm](http://www.ibtimes.co.uk/articles/487531/20130708/rana-plaza-disaster-bangladesh-factories-tesco-walmart.htm) [accessed 9 July 2013].
- Monbiot, G. 2000, *Captive State: The Corporate Takeover of Britain*, Macmillan, London.
- Monczka, R.M., Handfield, R.N., Giunipero, L.C. and Patterson, J.L. 2009, *Purchasing and Supply Chain Management*, Cengage, Mason, OH.
- Morgan, G. 1992, *Images of Organization*, Sage, London.
- Mumby, D.K. and Clair, R.P. 1997, 'Organisational discourse' in *Discourse as Social Interaction*, ed. T.A. van Dijk, Sage, London, pp. 181–205.
- New, S. 2004, 'Supply chains: construction and legitimation' in *Understanding Supply Chains: Concepts, Critiques and Futures*, eds. S. New and R. Westbrook, Oxford University Press, Oxford, pp. 69–108.
- Raynolds, L.T. 2002, 'Consumer/producer links in Fair Trade coffee networks', *Sociologia Ruralis*, vol. 42, no. 4, pp. 404–424.
- Robson, I. and Rawnsley, V. 2001, 'Co-operation or coercion? Supplier networks and relationships in the UK food industry', *Supply Chain Management: An International Journal*, vol. 6, no. 1, pp. 39–48.
- Rowley, T.J. 1997, 'Moving beyond dyadic ties: a network theory of stakeholder influences', *Academy of Management Review*, vol. 22, no. 4, pp. 887–910.

- Sanders, N. 2012, *Supply Chain Management: A Global Perspective*, Wiley, London.
- Sims, R.R. and Brinkmann, J. 2003, 'Enron ethics (or: culture matters more than codes)', *Journal of Business Ethics*, vol. 45, no. 3, pp. 243–256.
- Smith, W. and Higgins, M. 2000, 'Reconsidering the relationship analogy', *Journal of Marketing Management*, vol. 16, no. 1–3, pp. 81–94.
- Stinchcombe, A.L. 2001, *When Formality Works: Authority and Abstraction in Law and Organisations*, University of Chicago Press, Chicago, IL.
- Suchman, M.C. 1995, 'Managing legitimacy: strategic and institutional approaches', *Academy of Management Review*, vol. 20, no. 3, pp. 571–610.
- Takala, T. and Usitalo, O. 1996, 'An alternative view of relationship marketing: a framework for ethical analysis', *European Journal of Marketing*, vol. 30, no. 2, pp. 45–60.
- ten Bos, R. 1997, 'Essai: business ethics and Bauman ethics', *Organization Studies*, vol. 18, no. 6, p. 997.
- Topping, A. 2007, Mattel recalls 1.9m potentially dangerous Chinese-made toys, 15 August, last update [Homepage of *The Guardian*], [Online]. Available: [www.theguardian.com/business/2007/aug/15/usnews.china1](http://www.theguardian.com/business/2007/aug/15/usnews.china1) [accessed 30 September 2013].
- Turnbull, P., Ford, D. and Cunningham, M. 1996, 'Interaction, relationships and networks in business markets: an evolving perspective', *Journal of Business and Industrial Marketing*, vol. 11, no. 3, pp. 44–62.
- Tynan, C. 1997, 'A review of the marriage analogy in relationship marketing', *Journal of Marketing Management*, vol. 13, no. 7, pp. 695–703.
- van Dijk, Teun, A. 1993, 'Principles of critical discourse analysis', *Discourse and Society*, vol. 4, no. 2, pp. 249–283.
- Van Weele, A.J. 2000, *Purchasing and Supply Chain Management: Analysis, Planning and Practice*, 2nd edn, London: Chapman & Hall.
- Van Weele, A.J. 2010, *Purchasing and Supply Chain Management: Analysis, Planning and Practice*, 5th edn, Cengage, London.
- Varey, R. 2003, *Relationship Marketing: Dialogue and Networks in the E-Commerce Era*, Wiley, London.
- Watson, T.J. 1995, 'In search of HRM: beyond the rhetoric and reality distinction or the case of the dog that didn't bark', *Personnel Review*, vol. 24, no. 4, pp. 6–16.
- Weightman, G. 2008, *The Industrial Revolutionaries: The Creation of the Modern World 1776–1914*, Atlantic Books, London.