

New Business and Governance Approaches to Sustainable Fashion: Learning from the Experts



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This edited volume comprises articles by managers, scientists and political experts in the field of sustainable fashion. They share their best practice experience relating to the joint goal of a more sustainable, humanistic, and responsible fashion industry. We find an exciting variety of approaches in this book that in sum represent a rich pool of insights and cases for anyone interested in the study of new management perspectives and in the systematic advancement of sustainable fashion.

At the core of many leading business approaches to sustainability is circular thinking, meaning that the business process does not only involve the design, production, marketing and distribution of fashion items but also its sustainable recycling, repair, reuse or resale.

These approaches are greatly beneficial for the environment as they reduce the massive piles of rubbish produced by the fast fashion industry. Circular business models also support and serve consumers who wish to simplify their lives and their wardrobes, consumers who are unwilling to live a lifestyle of increasing consumption and waste creation, and those who prefer the selection and ownership of long lasting fashion items over less durable low-quality clothes.

Filippa K's circular approach to sustainable fashion and its membership in the Fair Wear Foundation demonstrate an ongoing strong commitment in this context. Another impressive example is the innovative, young brand MELAWEAR which invented great sustainable fashion following the Cradle to Cradle principles of recycling and strictly working with Fairtrade and GOTS certified materials. TAUKO's upcycling approach as well as Samira Iran's chapter on different forms

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of collaborative fashion consumption show further evidence of the continuing establishment of circular business models in the fashion industry. A central question of the future is how to bring the idea of circular economy to the mass market and how to scale up individual approaches to sector-wide engagement.

A second core topic of this volume is the supply chain and the fundamental question of how decent and human working conditions can be realized including living wages and effective workers' interest representation. While audit-oriented control-based forms of supply chain governance used to be prevailing industry approaches, we can now observe a trend towards more collaboration oriented forms of supply chain governance. This does not mean that audits do not play a role anymore in today's business approaches to sustainable supply chains, but there is a need to go beyond auditing and control-based forms of governance (Jastram and Schneider 2015). Front runner firms like Tchibo for instance are increasingly pursuing more bottom-up and inclusive forms of governance as illustrated in the chapter authored by Nanda Bergstein. H&M is another example of a brand that is intensely working on new methods of supply chain governance as the firm remains under strong stakeholder pressure. In this book, Hendrik Heuermann explains the importance of collective bargaining in the context of the ongoing debate about best ways to support and to enable living wages in textile factories in developing countries.

The assessment of actual impacts of any sustainable governance initiative is challenging and related methods are currently intensely debated in the academic literature (Baumann-Pauly and Jastram 2018). In this context, Otto is introducing an interesting example of a value chain impact measurement in this book.

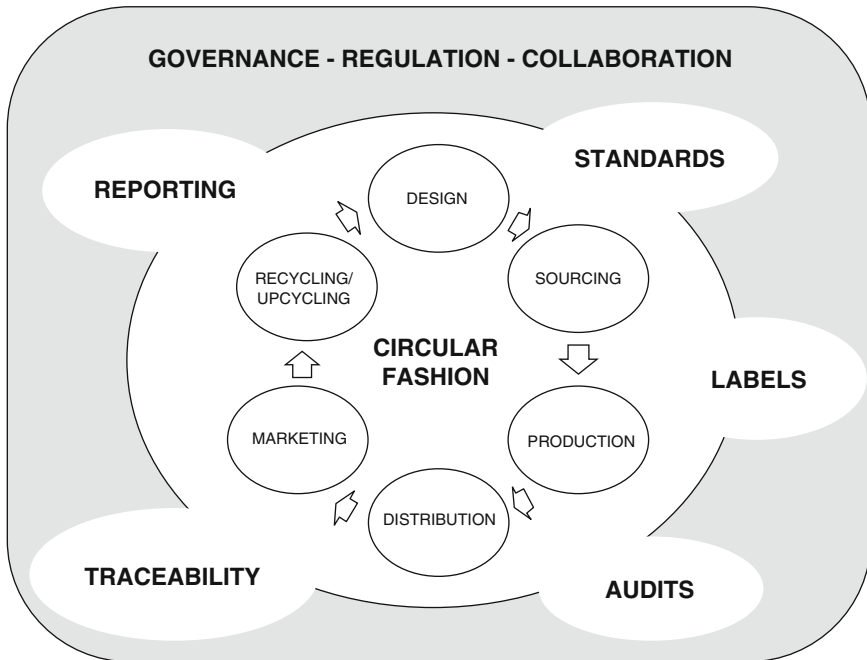
From a stakeholder, especially from a consumer's perspective, transparency and traceability are core conditions for functioning market mechanisms supporting sustainable fashion (Berberyan et al. 2018). The availability of relevant information on product characteristics and production conditions support enlightened consumer voting for product and brands with the best sustainability credentials as well as the identification of those brands which are not yet sufficiently integrating sustainability measures into their core business operations. Isabel Laura Ebert and Robin Cornelius demonstrate this in this book.

Besides these market and business driven initiatives, governments have increasingly been putting international supply chains into the focus of international meetings and regulative activities. A core governance framework in this context are the UN Guiding Principles for Business and Human Rights developed by John Ruggie and explained by Natascha Weisert in this book. The heads of state and government of the Group of Seven (G7) have further raised attention to the topic of sustainable supply chains in the fashion sector by placing it among the core topics of their leaders' declaration in Elmau 2015. Roger A. Fischer explains the underlying governance processes and mechanisms as well as its challenges.

While business practice as well as state governance both seem to be promising approaches to today's challenges in international value creation processes, neither of the two is currently sufficient to solve all relating social and environmental issues

alone. Accordingly, Baumann-Pauly, Labowitz and Stein argue for a transformative industry approach based on the shared responsibility model.

In this context, the notion of a ‘smart mix’ has recently gained attention in the international political arena as well as on business round tables. The exact format of an ideal combination of different elements and instruments of governance has not yet been agreed upon. However, as this volume shows, most instruments, initiatives, processes, and tools are interrelated and interdependent in terms of their potential impact (see graphical illustration).



Sustainable fashion cannot be realized by just one actor or by using just one business tool or governance instrument. The transformation of the sector requires concerted action of businesses, governments, NGOs, and consumers to clearly demonstrate a coalition for change and a willingness and power to end inhumane and unsustainable business practices in the twenty-first century.

The necessary mutual learning process is ongoing and will continue to involve trial as well as errors. Even though sustainable fashion management and governance have progressed strongly during the last years, human right violations as well as environmental pollution still exist in daily business of some players in the fashion industry. Yet, the momentum for change is strong and this edited volume will hopefully support this important mission.

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