

Summary of Paper: [The Interactive Effect of Cognitive Frame and Performance Measurement System Scope on Managers' Choice of Sustainable Suppliers](#)

What is this Study About?

The researcher examines how managers make decisions about selecting suppliers that use sustainable practices. The focus is on understanding how different ways of thinking (cognitive frames) and the types of performance measurement systems (PMS) used by organizations influence these decisions. Specifically, the study contrasts a business case cognitive frame, which focuses on financial outcomes, with a paradoxical cognitive frame, which considers multiple conflicting aspects like social, environmental, and economic factors. Additionally, it looks at whether having a broad PMS that includes both financial and non-financial measures, as opposed to a narrow PMS focused only on financial measures, affects the sustainability of managers' decisions.

What are the major findings of the study?

Managers who use a paradoxical cognitive frame, which helps them handle conflicting information, are more likely to choose sustainable suppliers when they are evaluated using a broad PMS. In contrast, when managers are evaluated using a narrow PMS, the type of cognitive frame (business case or paradoxical) has little effect on their decisions. The most sustainable decisions were made by managers using a paradoxical cognitive frame and a broad PMS. This combination encouraged managers to give more weight to sustainability even when it might not align directly with short-term financial gains.

Why is the study important?

This study provides insights into how companies can better integrate sustainability into their decision-making processes. By showing that a paradoxical cognitive frame and a broad PMS can lead to more sustainable choices, the research suggests practical ways for organizations to promote sustainability. This is significant for stakeholders, including investors, customers, and regulators, who are increasingly demanding sustainable business practices. The findings also contribute to academic literature by offering empirical evidence on the interaction between cognitive frames and PMS in sustainability-related decisions, thus aiding in the design of more effective organizational strategies for sustainability.