

## Corporate Social Responsibility and Environmental Sustainability: How the Professional Sport Industry is Greening the Playing Field

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Corporate social responsibility (CSR) represents behaviors that have increasingly strategic importance to many companies and relate to the company's commitment to minimize or eliminate any harmful effects on society (Mohr, Webb, & Harris, 2001). As corporations increasingly address social causes, the professional sport industry is not an exception. CSR is becoming a strategic imperative for professional sport leagues and teams as these initiatives are becoming increasingly institutionalized, formalized and strategic (Babiak & Wolfe, forthcoming). Most sport teams have community outreach departments with professional staff overseeing the delivery of socially responsible initiatives, thus generating favorable brand image, fan loyalty, and even impacting ticket sales (Sports Philanthropy Project, 2007).

In recent years, the environment has been one of the factors of greatest interest in terms of the market's attitude toward CSR activities (Bird, Hall, Momente, & Reggiani, 2007). These authors found that the market values CSR activities in the area of the environment. Similarly, Welford, Chan and Man (2008) found the environment to be the most important concern for stakeholders in a company's CSR efforts. Stakeholder pressures have placed the environment on the agendas of most firms (Kassinis & Vafeas, 2006). King (2007) considered how transaction costs "influenced the manner in which businesses and stakeholders organized mutually beneficial exchanges" (p. 889). He suggested that in the past twenty years, firms and environmental stakeholder groups have moved from a "relationship of antagonism to one of 'constructive engagement'" (p. 890). This signifies a shift in thinking about CSR and the environment to one that illustrates the growing importance of this area for businesses.

Institutional theory can help us understand the diffusion of strategic CSR practices in sport. Campbell (2007) argued that we need to "pay more attention to the institutional mechanisms that may influence whether corporations act in socially responsible ways or not" (p. 946). Institutional theorists (Campbell, 2007; Galaskiewicz, 1991; Kjær & Langer, 2004; Scott, 2001) have suggested that several institutional forces are at play in determining the level to which a company behaves in a socially responsible manner, including: institutionalized norms regarding appropriate corporate behavior, associative behavior among organizations, the regulatory environment, and the degree to which there are organized dialogues between the company and its stakeholders. Sport facilities and sport events concentrate large number of people in a confined space over a relatively small period of time, thus introducing hardships to the natural environment (Chernushenko, 1994; Trendafilova & Chalip, 2007). Therefore, new socially responsible initiatives across all leagues are taking into consideration the impact professional sport is having on the environment. For example, the National Football League's yearly event, the Super Bowl, has initiated a number of environmental efforts such as a tree planting program to offset the carbon emissions of spectators traveling to- and from- the event, in-stadia recycling, and the development of environmental guidelines for use by Super Bowl vendors and contractors (Babiak & Wolfe, 2006; Global Forum for Sport and the Environment, 2008). The purpose of this study was to examine how institutional forces lead sport organizations to engage in socially responsible initiatives, and we use the specific example of the institutionalization of environmentally sustainable management practices in professional sport. Given the role of environmental sustainability as a focus of socially responsible business practices, our research question was to what extent are institutional forces playing a role in professional sport leagues and teams adopting environmentally friendly practices, and how do stakeholders view the purpose and value of these efforts?

The institutionalization of environmental management practices within four major North American sport leagues (National Basketball Association, National Football League, Major League Baseball, and National Hockey League) was explored. This was achieved by conducting 20 semi-structured interviews with sport executives responsible for carrying out environmental programs, as well as interviews with executives from partner / consulting groups, and advisors to the leagues in their effort to develop and implement environmentally sustainable practices. In addition, a website and relevant document (environmental reports, annual CSR statements) analysis of 122 professional sport teams in the four leagues was conducted. Interviews and relevant document and website passages were transcribed and analyzed using Atlas.ti, a qualitative data analysis program, where themes and codes were assigned to the data, and patterns were determined. The interviews and document analyses revealed how environmental management practices were becoming institutionalized among professional sport teams and leagues. Sport executives reported that there were institutionalized norms regarding appropriate corporate behavior with respect to the environment in particular that guided their actions. Specifically, they reported that organizations in other industries are increasingly paying attention to the environmental impact of their business, and thus felt that sport leagues and teams should

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operate within these norms of behavior as well. We also found substantial evidence indicating associative behavior among sport organizations with respect to environmental practices. The executives reported that it is common for teams within leagues (and even between leagues) to share information and ideas regarding environmental initiatives and projects, which results in similar practices being adopted by teams across and between leagues. Another important institutional force influencing professional sport organizations to address environmental impacts were the interactions and dialogues with key stakeholders.

A focus on the environment in professional sport is becoming institutionalized broadly within the industry as teams, consultants, nonprofit groups (i.e., National Resources Defense Council), and leagues consult and advise on appropriate actions and initiatives (Campbell, 2007). Furthermore, Campbell (2007) also suggests that companies will act in a socially responsible manner if "private, independent organizations such as ...institutional investors... or the press are monitoring their behavior and mobilizing it towards change" (p. 958). The data from this study illustrated that media scrutiny played a role in driving and defining the type and extent of involvement in professional sport teams' environmental sustainability efforts.

We conclude the presentation by discussing the issue of environmental sustainability as it affects a team's or league's CSR related initiatives (i.e., averting legal recourse, saving money, as well as building stronger relationships with key stakeholders (e.g., customers, fans, local communities, federal governments and corporate partners)), and speculate how these efforts might evolve and inform the development of environmental sustainability in organizations in the sport, service and entertainment sectors. We also present recommendations for future research in the area of institutional theory and CSR.