Does Environmental Social Responsibility Matter? Answers from the Field

Matthew Walker, University of Florida
Haylee Mercado, University of South Carolina
Robin Ammon, Slippery Rock University

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Introduction

The history of scholarship in sport management focused on the environment is relatively brief compared to that in other academic disciplines. In more environmentally-oriented disciplines, researchers have been concerned with why firms respond to and foster practices aimed at environmental issues. These disciplines have often followed organizational practice in, and practitioner writing about what has been termed environmental social responsibility (ESR; see Jennings & Zandbergen, 1995; Siegel, 2009). Understanding organizational engagement in ESR is critical for two reasons. First, this understanding could assist sport management theorists to predict various environmentally-based motives and resultant behaviors. Second, this understanding could expose the mechanisms that foster environmentally sustainable sport organizations, allowing researchers, managers, and policy makers to determine the efficacy of various control mechanisms, market measures, and voluntary measures that underpin ESR (Bansal & Roth, 2000).

Several articles have identified corporate “greening” practices and have critically opined about organizational motives such as compliance, stakeholder pressures, competitive advantage, and socio-ethical concerns (e.g., Bansal & Roth, 2000; Dillon & Fischer, 1992; Lockwood, 2006; Peattie & Crane, 2005; Starik & Marcus, 2000; Vredenburg & Westley, 1993). In addition, prior research has identified four drivers of ESR: legislation, stakeholder pressures, economic opportunities, and ethical motives (cf. Lampe et al., 1991; Lawrence & Morell, 1995; Post, 1994; Vredenburg & Westley, 1993). Conventional wisdom concerning environmental politics has advocated its imposition as an additional cost and also may be seen as semi-negligent conduct, which may erode global competitiveness (Henricks, 2007). This paradigm has been challenged by some analysts (e.g., Porter & van der Linde, 1995; Van Marrewijk, 2003) who argue that improving an organizations environmental performance, while initially expensive, can lead to improved financial performance (i.e., by saving money over time), and not necessarily increased costs (see Reinhardt, 2000). Although these works illustrate increased financial and theoretical interest in corporate greening, their ability to empirically identify and subsequently predict managerial motives underpinning ESR is limited.

Purpose

Given the lack of research pertaining to ESR (particularly in the sport management domain), the purpose of this study was to examine why managers of sport facilities “go green” and, in so doing, refine a model that explains ESR by identifying motivations for adopting environmental initiatives. To support testing our research question, we theoretically outlined the arguments for engaging in ESR, focusing generally on the theory of the firm (McWilliams & Siegel, 2001) and specifically on the idea of strategic management (cf. Oliver, 1997; Peng & Heath, 1996) to uncover the strategic benefits and competitive dynamics associated with ESR. To further explore this strategic dimension, we focused on how facility managers make decisions, allocate resources, address stakeholder concerns, and consider the implications of their decisions regarding ESR. This objective was accomplished by considering the incentives these organizations have to respond to stakeholder demand for ESR (e.g., from customers, employees, suppliers, taxpayers, government, and community groups) as well as the strategic advantages associated with satisfying such demand. After considering these strategic dimensions, we identified (based on our data) specific tactics organizations have employed to achieve these goals. This information may be useful in the cost/benefit calculations that are associated with these decisions by the facility manager.

Method

In line with our purpose, we sought to develop a model of the motives for ESR by facility managers. To assist in theory development an inductive methodology was deemed appropriate (cf. Glaser & Strauss, 1967; Yin, 1989). Of
the two inductive methodologies (i.e., grounded theory and analytic induction), we chose analytic induction because it accommodates existing theories (Manning, 1982). Using this approach, iterations between data collection and theory generation were conducted, beginning with a review of the literature to develop a set of hypotheses. Discrepancies between existing theory and the data were reconciled in subsequent iterations. Closure was achieved when the differences between the collected data and developed theory were minimal (cf. Denzin, 1989; Glaser & Strauss, 1967).

In-depth one-on-one interviews were conducted with 15 key decision makers from several sport/entertainment venues (6 stadiums; 4 convention centers, 2 arenas; 2 performing arts centers and 1 private facility management corporate executive). Using contact information provided by the International Association of Assembly Managers (IAAM) and the Stadium Managers Association (SMA), a convenience sample of facility managers from many operationally distinct facilities was utilized.

Discussion / Implications / Application

As stated, most studies of ESR have ignored the role of organizational managers in formulating and implementing such initiatives (Siegel, 2009). Previous research has focused at the firm-level, typically examining the relationship between ESR and financial performance. Unfortunately, there has been little research at the individual-level (e.g., factors pertaining to individual decision-makers), or on how such variables might relate to ESR. Thus, the results from this study uncovered several noteworthy findings. First, we found that managerial motivations can be mixed and vary across time. In developing our model of ESR among sport facility managers, we distinguished between alternate motivations and dominant motivations with mixed-motivations accounting for the highest percentage. Thus, as we considered the normative (i.e., business pragmatism) implications of the model, we assumed that both dominant and mixed motivations were viable and might lead to high levels of ESR. Second, we found that manager decisions to engage in ESR were not strategic choices at first; rather decisions were based on financial and investment decisions (see Marcus & Fremeth, 2009; Siegel, 2009). At the same time, the managers indicated the financial decisions were not being evaluated in a rational, calculative fashion; thus causing the need for strategic planning. Third, both individual-level and organizational-level factors were critical antecedents of these decisions as well as the consumers’ demands for environmental practices within public assembly facilities. Most venue managers were also mindful that both financial and human resources allocated to ESR have to become part of the organizational culture in order to be successful. Therefore, this finding aligns with the proposition that managers should not adopt green management practices because of societal pressure alone, but rather because it advances their organization’s strategic mission.