Facility Manager Attitudes Towards Environmental Responsibility: A Resource-Based Perspective

Matthew Walker, University of Southern Mississippi
Haylee Uecker-Mercado, University of South Carolina

Organizational theory/culture

Abstract 2013-300
Introduction (relevance). Researchers in environmentally-oriented disciplines have been concerned with why firms respond and foster practices aimed at environmental issues. These disciplines have followed organizational practice in, and writing on, environmental responsibility (ER; see Siegel, 2009). While much of this work has centered on compliance, pressures, advantages, and socio-ethical concerns (Lockwood, 2006; Peattie & Crane, 2005; Uecker-Mercado & Walker, 2012), understanding the antecedents to ER engagement in sport has not been holistically evaluated. This line of inquiry is critical for two reasons: (1) to assist sport theorists in predicting and measuring environmentally-based motives and behaviors, and (2) to expose mechanisms that foster environmentally sustainable sport organizations. These aspects will contribute to assessments by researchers, managers, and policy makers on the efficacy of control mechanisms, market measures, and voluntary measures (Bansal & Roth, 2000). To further this discussion, research on environmental responsibility as a firm-level beneficial resource in sport warrants significant attention.

The strategic management literature (Peteraf, 2006; Wernerfelt, 2007) has seen a marked increase in the application of the Resource-Based View of the Firm (RBV; Barney, 1991), which is grounded in the idea of inter-firm performance differentials as a reflection of resource endowments (Litz, 1996). That being said, however, a commensurately limited focus has been placed on identifying the resource-worthiness of an organizations environmental policies and practices. This is a particularly problematic omission since social and environmental policies are resources with the capacity to benefit the firm in a number of ways (e.g., reputation, fiscal, compliance, etc.). It is this theoretical lacuna from which the genesis of this study was born.

Purpose. The study purpose was to examine ER from a managerial-level, resource-based perspective. To support model testing, we theoretically outline the arguments for ER by focusing on strategic management (see Oliver, 1997; Peng & Heath, 1996) to reveal perceived benefits and competitive dynamics. To underpin this strategic focus, we notably include the RBV tripartite: (1) resource rarity, (2) resource value, and (3) resource non-substitutability (Barney, 1991); the elements of which, are hypothesized to influence local community impacts and perceived stakeholder impacts. These variables were hypothesized as formative sources of economic rewards and image enhancement for sport and public assembly facilities. The research objective was fulfilled by considering how organizational resources, coupled with stakeholder and community demand, influence economic rewards from ER as well as the perceived image-related advantages associated with satisfying such demand.

H1a, b: The perceived rarity of ER to facility managers will positively influence stakeholder and local community impact.
H2a, b: The perceived value of ER to facility managers will positively influence perceived stakeholder and local community impact.
H3a, b: The non-substitutable nature of ER to facility managers will positively influence perceived stakeholder and local community impact.
H4a, b: Perceived stakeholder impacts will positively influence image and economic rewards.
H5a, b: Perceived local community impacts will positively influence image and economic rewards.

Method. The online questionnaire was distributed to N=1029 sport and public assembly facility managers and directors who are members of the International Association of Venue Managers (IAVM). After the initial distribution and a follow-up reminder, N=295 questionnaires were returned. However, after incomplete and unusable questionnaires were removed, N=269 were retained for testing (response rate=26.1%). Items contained in the questionnaire (5-point Likert scale) were adapted from the strategic management literature. The constructs included the RBV (Barney, 1991; resource rarity – M=2.50, SD=.655, α=.75; resource value – M=3.85, SD=.621, α=.78; resource non-substitutability – M=2.79, SD=.652, α=.81), ER economic rewards (Bryan, Buchholtz, & Butts, 2009; M=3.60,
Results. To test the model, a two-stage procedure was followed (see Hoyle & Panter, 1995). In the first step, a CFA determined validity of the measurement model and the discriminant validity of individual constructs. In the second step, SEM estimated path coefficients. The overall model fit and fit indices for the CFA were in the appropriate range (χ²(df)=368.359(168), χ²/df=2.193, p<.001), RMSEA=.066, CFI=.94, TLI=.92. The overall model fit and fit indices for the SEM were also in the appropriate range (χ²(df)=424.932(179), χ²/df=2.374, p<.001), RMSEA=.071, CFI=.92, TLI=.91. When looking at the path coefficients, significant relationships were seen. All three RBV dimensions significantly influenced stakeholder (β=.71, p<.001 value; β=-.16, p<.05 rarity; β=-.22, p=.05 non-sub) and local impacts (β=.70, p<.001 value; β=-.17, p<.05 rarity; β=-.16, p<.05 non-sub), explaining 47% variance for stakeholder impact and 49.5% variance for community impacts (H1 and H2 partially supported). In the second half of the model, stakeholder and local impacts influenced economic rewards (β=.43, p<.001 stakeholder; β=.37, p<.01 local) and image enhancement (β=.35, p<.001 stakeholder; β=.46, p<.01 local), explaining 42%, and 41% variance (H4 and H5 partially supported).

Discussion. Much of the published research has ignored the role of ER as a resource that can benefit the firm. This study assumed a different track by focusing on managerial perceptions of ER as a firm-level resource with strategic implications. As such, there were several notable results. First, as a resource, it appears that ER is viewed as rare, valuable, and non-substitutable by the facility managers – with both rarity non-substitutability assuming a negatively perceived role in its conceptualization and impact. Second, all three RBV dimensions were significantly formative (albeit in some cases, negative) sources of local community and stakeholder impact. These impacts were further enhanced when considering the strategic outcomes (i.e., economic and image rewards) associated with these groups. The results align with the propositions in the RBV suggesting that managers should not adopt ER practices because of societal pressure, but rather because it advances their organization’s strategic mission and corresponds with groups who have multiple ‘stakes’ in, and connections to, the organization. In sum, the results could indicate that financial decisions may not always be evaluated in a rationally or calculative manner, which indicates the need for strategic planning based on the RBV. Additional theoretical and practical implications will be discussed.