‘Self-Interested’ vs. ‘Other-Interested’: Investigating the Orientations and Outcomes Associated with Environmental Responsibility

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Environmental responsibility (ER) has been a widely discussed topic in the sport and business literatures, indicating that companies are paying greater attention to their environmental impacts by adopting analogous management practices (Battisti & Perry, 2011; Cassells & Lewis, 2011; Mallan & Chard, 2011). Further, authors of green business texts have proposed that managers should be instigators and guardians of adopting ER practices (Alexander, 2013; Cotts, Roper & Payant, 2009). However, understanding managerial orientations towards ER and the anticipated outcomes of ‘green management’ remains largely unexplored in the sport and public assembly facility (PAF) context.

PAFs are embedded social structures where ER behaviors are considered both instrumental business practices and normative societal pursuits (Mercado & Walker, 2012). A case in-point is that many facilities receive funding from local, provincial, and national channels, which (i.e., due to depleted budgets) has forced PAF managers to adopt a triple-bottom-line (TBL) approach where economic, social, and environmental goals are being sought (Elkinton, 1994).

One characteristic of ER in the PAF context is stakeholder salience. Stakeholders are identified as those who have a claim, either legally mentioned or morally expected, on the business activities that directly or indirectly affect them (Kakabadse et al., 2005). Consequently, modern facilities are experiencing social pressures to reform, improve, and prioritize competing stakeholder claims. One such way this is accomplished is through ER policies, which aggregately and supportively help the facility manage their responsibility, profitability, and performance. Pressures for expanding the emphasis on responsible ER management derives from three sources: (1) primary stakeholders (e.g., owners, employees, customers, and suppliers), (2) secondary stakeholders (e.g., NGO’s, activists, and governments), and (3) institutional forces (Waddock, Bodwell & Graves, 2002). Similarly, pressures from local community and societal stakeholders have expanded the roles of PAF’s to emerge as marquee environmental structures by using their pulpit to promote and foster ER. Therefore, studying managerial orientations to inform both stakeholder salience and ER outcomes should result in an improved understanding of the “… principles, processes, performance” logic suggested by Wood (1991, p. 693).

Purpose and Method

The study adopted a modified version of stakeholder salience theory (Wood, 1997) as a way to examine the effects of PAF manager orientations towards ER and the outcomes of supporting ER. Accordingly, the primary study purpose was to examine the effects of a self-interested vs. other-interested orientation toward ER. The self-interested orientation was conceptualized as having and economic orientation, while the other-interested orientation adopted an ethical stance. The research objective was fulfilled by theoretically considering how the orientations influenced the self-interested outcomes (i.e., stakeholder impact, image enhancement, and economic reward) as well as the other-interested outcomes (i.e., moral obligation, local impact, and issue salience).

H1a, b, c: PAF managers’ self-interested orientation will be positively related to (a) stakeholder impact, (b) image enhancement, and (c) economic reward.

H2a, b, c: PAF managers’ other-interested orientation will be positively related to (a) local impact, (b) moral obligation, and (c) issue salience.

H3a, b, c: PAF managers’ self-interested orientation will be negatively related to the hypothesized other-interested outcomes: (a) local impact, (b) moral obligation, and (c) issue salience.

H4a, b, c: PAF managers’ other-interested orientation will be negatively related to the hypothesized self-interested outcomes: (a) stakeholder impact, (b) image enhancement, and (c) economic reward.
The online questionnaire was distributed to N=1,029 sport and PAF managers and directors who are members of the International Association of Venue Managers (IAVM). After removal of incomplete and unusable questionnaires, N=269 were retained for testing. Items contained in the questionnaire (5-point Likert scale) were adapted from the strategic management and general business literatures. The independent variables (i.e., self- and other-interested) were derived from a revised version of the Aupperle (1984) CSR instrument adopted from Agle, Mitchell, and Sonnenfeld (1999; self-interested, M=4.37, SD=.593, α=.77; other-interested, M=4.42, SD=.488, α=.71). The self-interested outcomes included economic rewards (Dennis, Buchholtz, & Butts, 2009; M=3.60, SD=.689, α=.81), perceived stakeholder impacts (Andersson & Bateman, 2000; M=3.78, SD=.673, α=.82) and image enhancement (Nguyen & Leblanc, 2001; M=4.25, SD=.537, α=.84). The other-interested outcomes included moral obligation (Dennis, Buchholtz, & Butts, 2009; M=4.07, SD=.65, α=.82) local impact (Andersson & Bateman, 2000; M=3.77, SD=.67, α=.82), and issue salience (Lichtenstein, Drumwright, & Braig, 2004; M=4.08, SD=.66, α=.90).

Results
After the initial data screening, descriptive and frequency statistics were calculated. Following this process, a CFA was used to determine validity of the measurement model and the discriminant validity of individual constructs. The overall model fit indices for the CFA were in the appropriate range ($\chi^2$(df)=1002.90(440), $\chi^2$/df=2.279, p<.001), RMSEA=.069, SRMR=.067, CFI=.91, IFI=.91. Next, separate regression analyses were used to test the hypothesized effects: (1) the orientation variables (i.e., self- and other-interested) on their theoretically supported outcomes (H1 and H2a, b, c), and (2) the orientation variables (i.e., self- and other-interested) on the opposite set of outcomes (H3 and H4a, b, c). The results confirmed H1a, b, c since stakeholder impact ($\beta$=.16, p=.009), image enhancement ($\beta$=.13, p=.036), and economic reward ($\beta$=.15, p=.008) were all in the hypothesized direction. H2a, b, c were also confirmed since moral obligation ($\beta$=.20, p=.000), local impact ($\beta$=.31, p=.000), and issue salience ($\beta$=.22, p=.000) were also in the hypothesized direction. R2 values for the significant effects ranged from 2% variance explained (image enhancement) to 10% variance explained (local impact). When the opposite effects were examined (H3a, b, c and H4a, b, c), the hypotheses were not supported. However, while the other-interested orientation positively influenced the self-interested outcomes, only one of the other-interested outcomes (i.e., local impact) was influenced by the self-interested orientation.

Discussion
The goal of this investigation was to examine the relative influence of PAF manager orientation towards ER on various outcomes associated with stakeholder salience (i.e., organizational and community). In the aggregate, we find that while self- and other-interested orientations are conceptually distinct, PAF managers tended to adopt both stances (albeit somewhat unequally). That said, the other-interested orientation seemingly cut-across both sets of outcomes, while the self-interested orientation only aligns with those outcomes geared towards a direct economic end for the facility. These results suggest that as facility managers increasingly adopt and support responsible “green” practices, their foci are centered on both instrumental and normative outcomes – that is – all direct and indirect stakeholders are considered in the decisional process, although some or more meaningful than others. This assertion was characterized by the variance explained, which showed a higher propensity to consider the economic value attached to ER that a moral/ethical value.