Helping corporations

by Monique Jacobs

orporations and environmentalists they are usually cast as opponents in the public mind. But with the help of Dr. Monika Winn, a professor of strategic and corporate environmental management in UVic's faculty of business, corporations will be finding it easier to go green.

Combining her 15 years of experience in international business with a personal concern for the environment, Winn works with businesses, their strategists and other stakeholders to help refine the tools of corporate environmentalism. She is developing a model for businesses to use in establishing meaningful dialogue among stakeholders with conflicting interests in order to implement more environmentally friendly policies.

Her research looks into what "external drivers" or outside impacts might influence a company to become more environmentally friendly. Such external pressures may include new laws, market competition, consumers who demand more environmentally responsible products, and suppliers who begin providing such products.

Winn also explores what internal mechanisms encourage corporations to go green. These may range from a sincere desire to be champions of change, to implementing only what is necessary to avoid public criticism.

For her recent journal article "Building Stakeholder Theory with a Decision Making Methodology" (Business & Society, 40(2): 133-166), Winn interviewed high-level executives to examine how and why MacMillan Bloedel, Ltd. (MB, now a part of Weyerhaeuser) abandoned its traditional clearcutting

As Winn explains, in 1997-98 MB was dealing with intense external environmental pressures: "falling world lumber and pulp prices, stringent regulations in B.C., excess capacity in key markets, environmental pressure [including a boycott on B.C. forest products waged by Greenpeace Europel, and export quotas." That year, MB suffered a net loss of \$368 million. In 1998, they undertook an intensive three-month review and several steps were implemented to "meet the criteria of trustworthiness" among stakeholders, eventually arriving at a new Forestry Management Regime. Drawing on the MB case study, Winn notes how the "changes from adversarial to partnership relationships have opened up communications..., breaking old paradigms."

Winn stresses that external and internal stresses are interconnected, as seen in the MB case, "Now more than ever companies are faced with conflicting external and internal drivers. As they attempt to move towards a more environmental focus, they must take into consideration the multitude of stakeholders. The end consumer is a powerful but sometimes contradictory force. While many demand more environmentally friendly products, they are not willing to pay much more for them. However, if a company were to introduce a product of similar quality, price and be 'green,' the consumer will surely pick it over the alternative."

An example of such behaviour can be seen in the automotive industry, where consumers increasingly demand more fuel efficient cars. In this instance, government played a role in "levelling the playing field" for manufacturers by raising the standards on fuel emissions for all automobile manufacturers. This allows manufacturers to go green without being penalized.

Another motivating force that Winn explores is the notion that "it pays to be green." In other words, wasteful management costs more. "The key is to minimize material and energy outputs," says Winn. "This not only fuels innovation to better address waste management, but it also will pay back the company after the initial implementation costs have oc-



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curred. This is a popular trend in car manufacturing, where many are now using up to 50 per cent recycled materials."

Although the effects are not always direct, by taking the lead a company often encourages others to consider similar policies. Unfortunately, as Winn explains, "much of these changes are kept out of the spotlight because proactive companies fear bad press resulting from those areas the company has vet to adjust."

Winn's work offers hope that increased understanding of internal and external pressures will help stakeholders with opposing views look at what fundamental concerns they have in common and make enlightened decisions that benefit both business and the environment.

FACTS FROM THE

- · Dr. Monika Winn's research has received funding from the Social Sciences and Humanities Research Council of Canada (SSHRC) and the Green Economy Secretariat, Government of British Columbia.
- · Winn has been chosen as the recipient of the 2001 Best MBA Professor of the Year award by the students in UVic's MBA program.
- She is the immediate past-chair of the Organization and the Natural Environment (O.N.E.) Interest Group of the Academy of Management and a member of the advisory Action Planning Committee of the international Greening of Industry Network.
- · Winn is a member of the Victoria Capital Regional District's Roundtable on the Environment, and she co-organized the first annual conference for small Victoria businesses, "Your Business and the Environment: A Profitable Alliance," in 1999.

SHARPEN YOUR **KNOWL**

Monika Winn's recent publications include:

- "Toward a Process Model of Corporate Greening," Organization Studies, 21(6): 1119-1147 (co-authored with L.C. Angell)
- · "A Modeling Methodology for Multi-Objective Multi-Stakeholder Decisions: Implications for Research," Journal of Management Inquiry, 10(2): 168-183 (coauthored with L.R. Keller). An abstract is available at www.business.uvic.ca/ aboutfob/research.html#modeling

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