Organisational Sustainability: Motivations & Meanings V’s Mechanisms & Methods

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Abstract

This brief paper outlines an orientation to the current debates surrounding the concepts of Corporate Sustainability, Corporate Social Responsibility and Triple Bottom Line Reporting. The approach highlights the differences between intangible motivations and meanings, and technical mechanisms and methods. This approach is then used to critically review two essays about Corporate Sustainability offered within the current corporate discourse. Insights are highlighted about the way some strategic foresight methods can assist corporate entities to adequately deal with current and emerging consumer issues concerning sustainability and broader social responsibilities in relation to their core business.

Introduction

Corporate Social Responsibility (CSR), Corporate Sustainability (CS) and Triple Bottom Line (TBL) reporting are all relatively new terms currently winding their way into Australian corporate discourse in search of specific meanings. Strategic Foresight is phrase deliberately designed to denote something of importance in the same discourse, yet awaiting the same wave of popularity. This brief tract fashions an approach to the debates surrounding CSR, CS and TBL, identifying core requirements for future approaches through a critical review of two essays concerned with sustainability – one from the CS discourse and another form a SF approach to the same discourse.

Entering the Debates

CSR is an umbrella term containing goals of CS as a sub-set and TBL as one among many methods for realising it. CSR can include goals of environmental, financial, and social responsibility and sustainability. These can include governance, human resource management and other concerns that may be legislated by government or adopted to fit within norms of a civil society. CS focuses on the sustainability subset of these areas of concern. Each term, defined and related in various ways, represent highly contentious issues of current debate: about motivation and legitimacy, intended outcomes, and practicality.

To sidestep much of the debate, consider the rationale for CSR et.al. from an established viewpoint. Whether business should be concerned with a broader common good beyond what they are legally required is, in many ways, an important but not immediately practical debate. Currently, corporate entities are mechanisms for the provision of goods and services (G&S) for consumers that generate capital for investors. Consumers, through the 'free' market, indicate what G&S they want and how they want them provided. Investors and consumers in various instances either follow or lead the identification of what consumers actually want, and thus what will generate capital for investors. Thus an external, objective mechanism, and its methods, is guided by subjective judgements based on valorised motivations and meanings.

The problem of CSR, CS, and TBL then is not about whether corporate entities should assume the responsibilities of government: of value based policy decision. Rather, they should identify existing and future needs of consumers and, understanding them, provide for their satisfaction in order to achieve their primary goal: the valued provision of G&S and capital generation as judged within the market.

A clarifying example might help in understanding this orientation to the debate. Science and technology have been the mechanisms for the foundation of industrialised nations. They are not, however, the real drivers of this condition. Fundamental human curiosity, desire to control the environment, and to explore means of satisfaction have driven the valuing of science and technology as a method. Similarly, it is not a mythical corporate conscience that can really be identified as driving current CSR, CS, and TBL initiatives: a machine doesn't think or value anything. Rather it is society, as consumers who, based on a fundamental desire to survive and a significant altruistic desire for quality of contemporary life and to provide for future generations, are driving the value based choice for corporate entities to adopt CSR, CS and TBL approaches to the provision of G&S.

This approach sees corporate entities as having two core objectives in service of their purpose. First an objective and technical one in developing and supplying G&S. Second a qualitative and intangible one of identifying and anticipating human values and desires, and understanding them, guiding their G&S provisions accordingly.

Reviewing Current Approaches

This approach can illuminate current approaches to CSR, CS and TBL. To take CS as an example, we'll review an article by Thomas Dyllick and Kai Hockerts (2002) who summarise and integrate the arguments for it, and an article by Hardin Tibbs (1999) that explores CS using common SF tools.

Dyllick and Hockerts consider the three domains of social, environmental and economic capital (value) and its relationship to sustainability. They outline the core argument from each domain for sustainability defined methods for corporate mechanisms of G&S provision. They go some way to redressing the reduction of each domain's concerns to eco-efficiency, outlining and justifying an integration of six core criteria for a rehabilitated conception of CS in corporate discourse. Yet, the approach remains trapped in a limited complexity dynamic of the economic business discourse. A subtler reductionism than they rectify. This is, in part, because they model each domain's argument on the accepted 'business case' and, within the bounds of corporate discourse, define each domain as 'capital.' In essence, they try to make objective, tangible methods and theories fit intangible, value, meaning and motivationally based judgements on the one hand, with social concerns, and they only barely begin to identify the complexity and scope of environmental systems thinking required, on the other hand, that is currently beyond the norm within corporate discourse.

Tibbs falls foul of the same critique – yet adds something valuable to the discourse. Tibbs uses common SF tools – scenarios, metaphors of change, and systems thinking – to explore the rationale for CS and possible forms it might take. In particular the systems theory articulation, using longer time horizons and more lateral logic, goes beyond Dyllick and Hockerts' approach by more adequately identifying the complexity of the dynamics of environmental concerns.

Both articles offer significant value in considering CS concerns. The integration of domains, while limited is elegant and broad in scope, and the foresight tools bring added richness to the understanding of the practical context that will drive consumer wants and corporate responses and anticipations. Both articles also push into the limits of objectivity and identify where qualitative assessments are clearly required in the social domain. Yet they do not introduce a competent method for inclusion of these concerns. No competent access to the depths of qualitative dimensions of the issues is presented.

The nature of the problem of 'un-sustainability' is far beyond these conceptual horizons. It involves a fundamental shift in the orientating perspective towards the situation. Social issues need to be approached in social terms – those of meaning, understanding, and shared values and norms. Issues of the physical environment involve a different fundamental shift, one of scope of perspective: rather than, say, a horizontal shift as with social concerns, they require a vertical shift in complexity cognition competence which includes an extended time horizon.

A More Competent Approach

This approach to, and critique of, current efforts at understanding CS highlights several core requirements for future efforts. First, they need to recognise the perspective boundaries that grant access to the domains in consideration – technical (economic and environmental) and intangible (social). Second, a more 'complex systems' based and foresightful logic is required to competently appreciate the implications of environmental concerns of current and future consumers.

Constraining the rationale for these requirements to business doing business and respecting each domain on its own terms within an extended time frame, both by using SF tools, is a viable pathway into anticipating consumer needs and providing for them – even if they don't know yet how or why they will want them.

References

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Tibbs, H. (1999) Sustainability, in Deeper News, v.10, no.1, Global Business Network, www.gbn.org