A Sensemaking Approach to Trade-Offs and Synergies Between Human and Ecological Elements of Corporate Sustainability

Tamsin Angus-Leppan,[1]* Suzanne Benn[1] and Louise Young[2]
[1] *Graduate School of the Environment, Macquarie University, Australia*
[2] *School of Marketing, University of Western Sydney, Australia*

ABSTRACT

This paper considers the complex relationships between the human and ecological elements of sustainability that exist in the minds of stakeholders and argues that a sensemaking approach allows these to be better understood and compared. This is supported by the results of a study, set in a financial institution, exploring the relationships between these non-financial elements of corporate sustainability. The viewpoints of middle management, branch and contact centre employees, executives, a community consultative council, suppliers and a community partner of a large Australian bank obtained in in-depth interviews are analysed and compared utilizing an innovative methodology of semantic analysis. We find that these stakeholders' perceptions of the human–ecological relationship differ by group, containing different mixes of trade-offs and synergies between the non-financial elements of corporate sustainability. Copyright © 2010 John Wiley & Sons, Ltd and ERP Environment.

Introduction

CORPORATE SUSTAINABILITY IS A MULTI-LAYERED AND AMBIGUOUS CONCEPT, INVOLVING MULTIPLE STAKEHOLDERS. A relatively new and evolving management paradigm, interpretations of corporate sustainability draw from the literature on sustainable development, corporate social responsibility and stakeholder theory and attempt to integrate social, environmental and economic aspects of firm decision-making and impact. The relationships between the financial and the non-financial sustainability objectives have been well documented in the literature examining the 'business case' for corporate sustainability (e.g. Kurucz *et al.*, 2008). However, the intersection between the non-financial elements and the extent to which these are integrated as concepts in the minds of the various firm stakeholders is less well explored. This paper addresses this shortfall by focussing on the perceived trade-offs and synergies between the human and ecological sustainability elements or objectives in an organizational context.

*Correspondence to: Tamsin Angus-Leppan, Australian Research Institute in Education for Sustainability (ARIES), Graduate School of the Environment, Macquarie University, NSW 2109, Australia. E-mail: tangusle@gse.mq.edu.au

In the following sections we establish the need for a more fine-grained analysis of the relationship between the sustainability elements. We then set out the results of a study exploring the relationships between these non-financial elements of corporate sustainability as reported by stakeholders including middle management, branch and contact centre employees, executives, community consultative council members, suppliers and a community partner of a major financial institution, using semantic analysis to systematically compare these various stakeholders' views. In comparing these differing perceptions we find that they can be characterized as including trade-offs and/or synergies between the non-financial elements of corporate sustainability. Throughout, a sensemaking approach is used to explore the factors underlying these diverse stakeholder perceptions.

Elements of Corporate Sustainability: Trade-Offs and Synergies

'Corporate sustainability' is an ambiguous term, as there is considerable debate as to which of a range of organizational features (van Marrewijk, 2003) and wider socio-political factors (Matten and Moon, 2008) it includes. The ways in which these factors interrelate with sustainability's three basic elements, economic, human and ecological sustainability (often interpreted as the triple bottom line of economic prosperity, environmental quality and social justice (Elkington, 1998)), the relative importance of these elements and the ways in which they can and should be integrated are the sources of further debate (e.g. Zwetsloot, 2003; Figge and Hahn, 2004). In part, confusion continues because there is limited understanding as to how this integration of elements actually occurs, what trade-offs are necessary for this and what synergies may ease the way. Because stakeholder theory and analysis is dominated by an instrumental and economistic view of the firm (Banerjee, 2008), the specific relationships between the three elements have largely been studied through the lens of the relationship between the economic elements and the human and ecological elements respectively (see, e.g., Margolis and Walsh, 2003; Orlitzky et al., 2003; Russo and Fouts, 1997). This paper deals with the unaddressed question as to what corporate sustainability means in terms of the relationship between the social and ecological elements of sustainability. In our view, explication of this relationship has been limited because discussions of social sustainability have been restricted to community-based or philanthropic corporate action (e.g. Dyllick and Hockerts, 2002). Drawing from the work of Dunphy et al. (2007), we more usefully redefine the social sustainability objective as 'human sustainability'. Introducing a concept that encompasses both human and social capital into our interpretation of corporate sustainability allows us to consider the development and fulfilment of the needs or wellbeing of both employees and community-based stakeholders. It provides a wider framework from which to develop new insights into how this objective intersects with the objectives of ecological sustainability.

This paper focuses on the neglected relationship between human and ecological elements, around which a number of untested assumptions have been made. For example, Dunphy et al. (2007), taking an organization development approach, assume that building human sustainability leads to improvements in ecological sustainability. We seek to consider more comprehensively the relative value of these elements as they are made sense of by a range of organizational stakeholders. As Zadek (1999) notes, corporate sustainability is about better decision-making around trade-offs between the sustainability elements. A 'trade-off' is defined as an exchange of one thing in return for another: especially relinquishment of one benefit or advantage for another regarded as more desirable. Trade-offs have traditionally been assumed to mean compromises between financial and non-financial sustainability elements such as economy and ecology (Elkington, 1998), although this is challenged in recent reviews (Ambec and Lanoie, 2008). This paper seeks further understanding as to how different stakeholders prioritize human and ecological elements. Do they 'trade off' and/or do they see synergies between the human and ecological systems of the organization, perceiving them as working together to co-construct sustainable value?

In addressing this question, our research considers several possibilities. Do stakeholders recognize that building human capital, for instance, might facilitate ecological achievements such as reducing the firm's ecological footprint? In other words, do they see elements of human sustainability such as progressive human resource practices as synergistically contributing to the development of environmental sustainability, as some researchers report (Kimmet, 2007)? Do they link positive environmental outcomes to the ability of the organization to attract highly skilled employees and thus build its human element of sustainability, as other researchers insist (Dechant and Altman, 1994)? Or do they see tensions between these elements of sustainability because they believe that there is a fixed sum gain where greater investing in one necessitates decreased investment in the other?

Stakeholder groups' views may differ with respect to these issues, and if so it is noted that these differences must be managed (Margolis and Walsh, 2003). To do this effectively requires a greater understanding of the ways in which different stakeholders make sense of the human and ecological elements of corporate sustainability and hence why some elements are accepted and others rejected. With an understanding of underlying mechanisms of sustainability attitudes and priorities, organizations and governments can tailor appeals and explanations to elicit and build commitments. To explore and compare these processes, we utilize a sensemaking approach, discussed in the following section.

A Sensemaking Approach

Weick (2001) argues that organizational work involves ambiguity. We have touched upon the continuing ambiguity as to what constitutes corporate sustainability. When meaning is ambiguous, people look for some way to reduce their confusion. When organizations make public statements of commitment to ambiguous concepts, such as corporate sustainability, their members need to justify their actions (Weick, 2001) to retain cognitive balance (Heider, 1958). People attempt to make positive and consistent self-presentations, and hence they justify their actions, post hoc, by developing interpretations that support such self-presentation (Weick *et al.*, 2005). 'Sensemaking' describes this retrospective, inter-subjective process of developing meaningful action from ambiguity (Weick, 1993).

Sensemaking begins with contradictions, when the normal flow of action is disturbed by equivocal information or circumstances (Weick *et al.*, 2005). The perceived contradictions presented by corporate sustainability stem from its counter-cultural nature (Waddock and Bodwell, 2007), in that the dominant economistic view of the firm treats corporate sustainability as a disruption to its operations (Schouten and Remme, 2006). This prompts interpretation, the process where new data or circumstances are translated and given meaning and is followed by learning, 'a new response or action based on the interpretation' (Daft and Weick, 1984, p. 286). Feedback from learning provides new data for interpretation or reinterpretation. We believe that trade-offs and synergizing take place in the learning stage, if required. However, stakeholders can be exposed to equivocal information or circumstances and simply maintain the status quo.

We assert that sensemaking is relevant in this research context because the ambiguities of what constitutes corporate sustainability that we have previously highlighted are reflected in the organization we are studying. An in-house survey (shared with the authors as part of a larger project[1]) was conducted by this organization in order to understand perceptions and interpretations of corporate responsibility and sustainability of their employees. A diverse sample of 785 employees reported consistent and overwhelmingly positive attitudes towards external community responsibility initiatives (i.e. 'community involvement' initiatives) and some support for the organization's environmental agenda, but respondents had quite divergent views on employee responsibility. The diversity of the mix of attitudes reflected in these findings indicates that individuals are interpreting the diverse elements of corporate sustainability and their drivers in a range of ways. The meanings embedded in these interpretations and the ways in which the interpretations are made are the focus of the research that is reported in the following sections.

Methodology

This research focuses on a range of stakeholders of a major Australian bank, rated highly for corporate sustainability as judged by the Dow Jones Sustainability Index. The bank's corporate sustainability initiatives are wide ranging, extensively reported, and supported at board level. They include leadership on panels lobbying for environmental policy change, serving as founding members of international initiatives such as the Equator Principles,[2]

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[1] Funding for this project came from an Australian Research Council Linkage Grant, HREC 2005-170A.
[2] Signatories to the Equator Principles agree to provide loans only to those projects whose sponsors can demonstrate their ability and willingness to comply with processes that ensure that projects are developed in a socially responsible manner, according to sound environmental management practices.

initiating highly regarded community partnerships, award-winning employee volunteering schemes, pioneering sustainable supply chain management, upholding principles for responsible lending and three 'responsible' products and product extensions (an initiative coordinated directly by the board and intended to 'leverage our corporate sustainability profile' and add value).

The stakeholders interviewed for this research are employees, consumers, suppliers, NGO advisors (called the community consultative council) and community partners. The research was of an open-ended exploratory nature, asking how stakeholders perceive corporate sustainability. Twenty in-depth interviews and three focus groups were conducted between January 2007 and April 2008 with a cross-section of bank employees whose job functions involved them at least peripherally in sustainability issues and/or who had indicated commitment to ecological and/or human sustainability issues. We also conducted one in-depth interview with a member of the bank's NGO advisory group, the community consultative council, one focus group with communications suppliers, one in-depth interview and one focus group with members of a community partner to the bank (Landcare[3]) and five focus groups with a range of demographically diverse consumers of financial services. The final sample consisted of 85 informants representing 21 in-depth interviews and 10 focus groups.

The interview and focus group guides were developed iteratively, i.e., the insights of early informants were incorporated into the questioning of later informants. This is an accepted procedure in qualitative research (Gephart, 2004). As there is debate about the definition of corporate sustainability the meaning of corporate sustainability was left open and explored with research participants. In addition, informants were prompted for their perspectives as to the value of 'responsible' products and asked how they make sense of corporate sustainability and how they assess and ascribe value to the different elements of corporate sustainability. Interviews and groups were conducted as explorations, to maximize the emergence of informants' views (as suggested by Alvesson, 2003).

Interviews were 60 minutes on average, and focus groups averaged 90 minutes. Focus groups and interviews were recorded and transcribed verbatim, allowing the interviewer to concentrate on questioning and listening, to provide an accurate record, to enable the use of direct quotes in subsequent analysis (as suggested by Saunders *et al.*, 2003) and as the necessary input into the computer-based analysis described in the following section.

The transcripts were analysed using conceptual and relational content analysis. Content analysis is a research technique for breaking down text into categories based on explicit rules of coding (Krippendorf, 2004). Conceptual analysis, the most common form of content analysis, involves the detection of explicit and implicit concepts in the text. Relational analysis considers the relationships between concepts. In line with the recommendations of Gephart (2004), computer-aided textual analysis was used as it allows for systematic and comprehensive analysis. The analysis software used for the analysis, Leximancer, adds reliability by using machine learning to automatically and entirely code the text rather than using the researcher's interpretations to do so. This provides a useful addition to researcher interpretation (extensively utilized in the analysis we report). In other words, the computer analysis provides an objective, quantitatively derived framework in which qualitative interpretation analysis is more effectively facilitated (Smith and Humphries, 2006). The value of this kind of analytic triangulation has been highlighted in a broad range of research contexts (Patton, 1990).

To enable comparison of different kinds of stakeholder, the transcripts were grouped into eight categories. Based on prior work that indicated diverse views between different employee groups within the bank (Angus-Leppan *et al.*, 2008, chapter 3, p. 14), there are four employee groups: contact centre (the main administrative centre of the bank, located in suburban Sydney), branch (located in a rural mining town north of Sydney), middle management and executives (both located at head office in downtown Sydney). The remaining transcripts were classified as suppliers, community partners, community consultative council or consumers.

The recommended Leximancer analysis procedure was followed (Leximancer, 2005), using 'discovery' mode to see what concepts were automatically generated by Leximancer without intervention. A 'concept' is a set of words that are used in conjunction with each other by informants. The components of each 'concept' are placed in a 'thesaurus' that contains the set of associated words and weightings, which indicate the words' relative importance in the concept generation. Each three-sentence block of text is then assessed to ascertain whether it contains sufficient evidence of the concept and if so is so coded. Each block of text was also 'tagged' to indicate to which stakeholder group the informant belongs. (Post-'discovery' interventions can be undertaken by analysts, if required,

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[3] Landcare is an Australia-wide network of community groups who practice sustainable land use and regeneration.

including – but not limited to – deleting words or concepts from analysis, changing settings for required evidence for coding to occur, changing size of text block and doing other forms of more directed analysis.)

Findings

In Leximancer, the frequency of co-occurring concepts is measured, weighted and clustered to produce a two-dimensional map of concepts (for further details of this process see www.leximancer.com). The discovery mode Leximancer map is an overview of the cognitive structure and content of the data. Figure 1 shows the discovery mode Leximancer map for the transcripts for all eight groups of stakeholders.

Figure 1. Leximancer map of data from middle managers, branch, executives, suppliers, contact centre, consumers, community consultative council and community partner

Figure 1 summarizes the transcripts presenting both concepts, which represent words that are used in association with each other (e.g. 'social', which includes over 20 words within the concept), and category tags, which represent the eight stakeholder types (e.g. 'TG_SUPPLIERS_'). Figure 1 highlights a number of basic findings.

- *Concept frequency.* The concept labels in Figure 1 (the labels sit in front of the concept points on the map) range in colour from black to light grey. The darker the concept's label, the greater the number of blocks of text that have been coded as that concept. On this map, the concepts 'social', 'work', 'money' and 'responsibility' are shown as the most frequent based on their shading.
- *Contextual similarity.* Adjacency indicates that two concepts appear in similar conceptual contexts. This means the same text is often coded as both of these concepts ('co-occurrence') and/or they co-occur with other, similar concepts. For example, the concepts 'social' and 'environmental' and 'responsibility' appear very close to each other, indicating that the words that constitute them are often used together. If the text associated with these concepts is examined, we can see that 'social and environmental responsibility' is a term frequently used in discussions to describe corporate sustainability, hence explaining their proximity. However at other points social and environment are used in conjunction with different terms, so they remain separate concepts.
- *Concept centrality.* The size of the concept point (the point sitting behind each concept label on the map) indicates its connectedness with other concepts. The more connected a concept is with other concepts, the more central it is. The concept 'social' appears to be the most interconnected and central concept on the map. Similarly, important/frequently occurring concepts tend to be positioned nearer to the centre of the map and less frequently occurring ones are positioned more peripherally. The map shows that the concepts 'social', 'environmental', 'responsibility' and 'environment' are central.
- *Tag classes* are always positioned around the edges of the map. Here, these represent the eight stakeholder groups. Proximate tag classes indicate greater similarity of views via the similar distance they have from concepts with which they have strong associations. The groups in Figure 1 are quite distant from one another, even more than map indicates, as this is a multi-dimensional map represented in two dimensions. This indicates that the groups have different cognitive contents, which is in line with the literature noting the diversity of views on corporate sustainability.

The concepts emerging as represented in Figure 1 include both financially (e.g. 'money', 'pay' and 'financial') and non-financially oriented concepts, reflecting that both were discussed in interviews and groups. This research focuses on the way the human and ecological elements of corporate sustainability are described by the eight stakeholder groups. Table 1 shows the relative frequency of these. Here the goal is to provide a simple comparison of the relative application of the relevant concepts to text representing the entire sample.

Excluding the tag classes (which represent the amount of text from each subgroup of informant), Table 1 shows human concepts, 'social' and 'work', as the most frequently occurring human sustainability-related concepts. Their relative counts (17.2 and 14.5% respectively) refer to the percentage of text (from all stakeholders) that was coded as these concepts (i.e. contained sufficient words of sufficient weighting that corresponded to the concept), relative to the most frequently occurring concept. (In this case this is the middle management tag, which had 2226 three sentence segments of coded text.) The next three concepts pertaining to non-financial elements of corporate sustainability are the human element of 'community' (relative count = 7.5%) and the ecological elements, 'environment' and 'green' (6.4 and 6.1% respectively). The remaining human and ecological concepts have very low relative frequency in the text (4.2% or less) and have been combined with similar concepts. Similarity was ascertained by comparing the meaning of the text behind each concept. We have combined 'environmental' and 'environment', and have combined 'working', 'job', 'staff', 'worked' and 'leadership' into the 'work' concept as a result of this comparison.

While the proximity of the various stakeholder tags to concepts gives a sense of the substance and difference of their opinions, Table 2 presents a more indicative analysis. For each of the five human and ecological elements an exemplary quote is provided to demonstrate how each stakeholder group perceives each element. We noted that most references to 'green' in the text refer to 'green products', and hence label the element 'green products'.

The cells in each column in Table 2 demonstrate that there is both divergence and convergence of different stakeholders' views with respect to various elements of corporate sustainability. For example, with respect to community issues there is divergence: branch staff want to believe altruism is associated with doing community work,

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Concept	Relative count
TG_MIDDLE_MGT_TG	100%
TG_CONSUMERS_TG	76.2%
TG_EXEC_TG	28%
TG_COMMUNITY_PARTNER_TG	27.9%
social	17.2%
TG_BRANCH_TG	16.5%
TG_SUPPLIERS_TG	16.1%
TG_CONTACT_CENTRE_TG	15.9%
work	14.5%
TG_COMMUNITY_CONSULTATIVE_COUNCIL_TG	11.2%
community	7.5%
environment	6.4%
green	6.1%
environmental	4.2%
working	4.1%
job	3.7%
staff	3.6%
worked	2.5%
leadership	2.2%

Table 1. Partial ranked concept list (contains concepts relevant to this analysis only)

e.g. 'I'd hate to think we only do it for the publicity', where contact centre stakeholders are quite cynical, indicating that community work is 'ammunition to hose people down a bit'. There is also convergence; for example, branch staff indicate 'We've never had anyone ask for a green product' and contact staff indicate that they 'Don't know much about green products'. The convergence is particularly noticeable if one allows for different roles and perspectives of different stakeholders. Comparison of the table's rows shows that each group sees different trade-offs to be made and makes different assessments concerning how they might mutually reinforce each other. For example, not surprisingly, the pattern of discussion shown with respect to executives shows the problems associated with dealing with the big picture of CSR while the branch staff focus more on how concepts apply at a more local level. This insight is garnered from comparing, say, the five executive indicative quotes, which are concerned with how to utilize CSR to aid in the bank's positioning, with the set of indicative quotes from branch staff, which are concerned with what 'we' do.

These patterns of discussion are explored further via co-occurrence analysis. This involves comparing for various stakeholder groups the patterns of meaning that we see within text that is coded as two or more of the main concepts considered in Table 2. Specifically, we have considered all the text coded as indicative of a pair of concepts. Text indicating trade-off and/or synergy was the particular focus. For all indicative text the nature of relationship and type of stakeholder were noted. Also considered were whether these views are influenced by financial factors, and how and why different stakeholders make sense of the relationship between the elements differently. We found that, in the main, clear patterns emerged, suggesting that members of each group have either an integrated view on sustainability or one of trade-offs and compromise. Three co-occurrences that best illustrate the differing patterns and differing sensemaking processes are considered in turn.

'Social' and 'Environment' Concept Co-Occurrence

There are close connections and tensions between the 'social' and 'environment' concepts. Figure 1 shows the two concepts as close. Chronological content analysis (i.e. considering the sequence in which discussion occurred) of the text coded as both 'social' and 'environment' indicates that most informants initially defined corporate sustainability as including 'social *and* environmental responsibility', suggesting that the aspects co-create corporate

Stakeholder groups	Green products	Environment	Social	Work	Community
Middle management	(We need) an infrastructure that makes all our products green	The sustainability issue of the day is the environment, not social issues	There is almost a fear of polarizing the group around social issues	I tell people I work in CSR, which is not like working for a bank	Some people would see this (community involvement) as fluffy
Consumers	Green shares are not necessarily good for the bottom line, which is what we get paid from	I'm not very environmentally conscious because society isn't really pushing that	Interest always makes rich people richer and poor people poorer	We're not going to read an article about a boss who's nice to his employees but we'll read about sweatshops	Corporations don't have to advertise it to make money out of it; they should just do it
Community partner	Green products don't shine out at me in the supermarket and I work in that area	Landcare is not about the diversity of species, it's more about leaving it to your children in a better shape than when you got it	There is no environmental problem, there's a social problem	I'm happy working with companies as long as they are making progress towards sustainability	A number of people would say they're just trying to clean up their name by borrowing our reputation
Executives	How can we (the bank) have a green bank account? I don't have the imagination to take you there	Changing behaviour around climate change is about getting people to consider a wider set of value drivers	It's more that people will say 'it's against our values' than they'll kind of tie it to social responsibilities	80% of staff cite the CSR as the reason they started here but it doesn't help staff retention	Our community work wins awards
Branch	We've never had anyone ask for a green product	I don't think people associate banks with environmental	On the social side, things that could go wrong we are sorting out	Country staff are your most loyal staff	We do a lot of voluntary work but I'd hate to think we only do it for the publicity
Contact centre	Don't know much about green products	What I'd like to see the bank do is become completely carbon neutral	A lot of people are negative towards banks and we can all understand why	(Head Office) should make it known to staff what they actually do	I just use our community work as some ammunition to hose people down a bit
Suppliers	You have to be careful that, whilst you have real green products, your other ones have some element of responsibility too	You become cynical when a company says we're not going to do paper statements because it's environmentally unfriendly	I spend quite a lot of time writing and helping banks create direct marketing packs to get someone to take out more debt	I think potential employees are doing a lot more questioning about corporate values	When a company becomes over-involved in one of those neutral companies then there's a suspicion of it
Community consultative council	I don't get the sense there's the culture (at the bank) that is necessary to make (green products) really work		What I'm concerned with is what your core business is doing and what impact that's having on society	There are people who are absolutely passionate about corporate sustainability at the bank	That stuff (with) aboriginal communities... I thought that was great and I hope you can continue to do it

Table 2. Exemplary quotes: human and ecological elements of corporate sustainability

sustainability, or just that this is common shorthand for corporate sustainability. However, in subsequent probing most informants communicated tensions requiring trade-offs between the two elements. The way in which priorities and associated trade-offs functioned varied by stakeholder group. For example, in contrast to other stakeholders, middle managers and the contact centre staff saw the organization's priority as environmental. However, they saw this as the priority for quite different reasons.

The middle manager group commented that the value proposition for different elements of sustainability had shifted over time. Climate change and the environment are seen as the 'issues of the day', whereas 5–10 years ago 'sweatshops' and 'human rights' were more important. Managers saw more value in environmental issues, for which the focus is on 'bringing about change', compared with social issues, which are perceived as 'levelling the playing fields'. In effect, middle managers perceive that social responsibility could be compromised because it is no longer a source of differentiation for banks, whereas 'environment is a relatively new area' and a market advantage can be forged in this area. However, there is recognition that there is still a need to work on social priorities and that valuing environmental over social responsibilities is 'tricky'.

The sensemaking process emerging here is clearly one of trade-offs. These stakeholders express the view that environment focus comes at a cost, with one informant indicating that 'there is almost a fear of polarizing the group within the social work field'. These informants have line responsibility for strategic corporate sustainability roles at the bank, and demonstrated considerable understanding of the complexities of trade-offs in corporate sustainability. For example, social issues such as 'responsible lending' and the 'fine line' between lending responsibly and providing equal access to funds were raised. One informant indicated a recognition of the difficult balancing act to maintain legitimacy via his statement 'you're damned if you do and you're damned if you don't'.

In contrast, the contact centre informants employed a different logic. Whereas this group also spoke of greater potential in an environmental focus, this is presented as a means of increasing pressure for change in other organizations, saying for example

> By saying we won't invest in projects that harm the environment, you're forcing other companies to start looking at, you know, can we do this better because the bank won't give us the money to buy this machine. Maybe we should look at some other machine that is more environmentally friendly.

Speaking about social issues, on the other hand, this group did not feel that there is much that the bank can do to counter the public's view of the social responsibility of banks, saying that 'a lot of people are negative towards banks and we can all understand why', and statements such as 'bank charges are outrageous and there's no other word for it' indicate that the banking sector is a long way from being perceived as socially responsible.

Contact centre stakeholders were often very committed to environmental issues and were 'proud to work for the number one bank in the world…in terms of environmental issues' but indicated that 'much more should be done'. There was a sense that the bank's commitments to the environment were primarily based on their market/PR value, with informants noting that they heard most about those commitments through a bank advertising campaign. Informants thought that bank commitments were big picture and were undertaken at the cost of closer-to-home social concerns, thus perceiving a clear trade-off between the two. They cited evidence such as the bank having no policies to recycle paper and computers or to save water and power, and cited further examples of wastage such as half-used toilet paper rolls, and typewriters in good working order being thrown out. Furthermore they noted there are no mechanisms in place that allowed for communication of their concerns about these issues.

Quite different forms of sensemaking are enacted by these two groups. Although both made the same trade-off, the middle managers' prioritizing is part of their core job functions to meet performance criteria. In contrast, contact centre staff have observed the decisions of managers and the organization and are still interpreting it. The issue remains unresolved for them.

The consumer, community partner, branch and supplier groups prioritized social over environmental issues. The consumer and supplier groups were most concerned with the social responsibility of banks, and were mostly sceptical of environmental responsibility; however, there were differences between them. Consumers saw the organization's foray into environmental responsibility as a 'betrayal', or as compromising the bank's capability to deliver social responsibility. The supplier group questioned both social and environmental responsibility – seeing

both as ultimately dictated by the financial element of the sustainability equation. The inherent contradictions underpinning social responsibility for profit-making lending institutions was indicated by statements such as

> I spend quite a lot of time writing and sort of helping banks create direct marketing packs to get someone to take out more debt. So you know all of a sudden you're thinking where is the responsibility in that?

Suppliers were cynical about the motivations behind environmental responsibility initiatives, seeing them as often 'cost saving exercises'. An example given was a move to phase out paper statements as they are 'environmentally unfriendly', but, as one informant noted, 'that's fine but I also know that you're making a significant saving doing that. Now either give that saving to a charity or can I have it?'.

Branch staff took a similar, but more extreme, stance and were unable to see any value in the bank's environmental stance – but this was something about which, it should be noted, they knew very little. One respondent commented, 'I don't think people associate banks with environment'. The social issues, on the other hand, are viewed as central in bank work in terms of helping people and boosting their branch's reputation in the community, with one branch informant saying

> So the social side of it: the floods we had through here recently, I had a customer in that had lost everything, they weren't insured, sat in the office, three generations living in the one house with no insurance, needed money but no income. Where do I go with that? But we did help them. We have turned it around and helped them so they will go outside and say (the bank) helped us. So on the social side we are helping the community in everyday living too. Things that could go wrong we are sorting out.

The comments of the final two stakeholder groups, executives and the community partner, Landcare, reflected an integrated perspective of environment and social issues. According to one respondent, Landcare members have the view that environmental issues *are* social issues:

> There is no environmental problem, there's a social problem. That's the way they see it and it's about changing attitudes and changing attitudes on the full scale. You can call that ethical or moral if you like. They would just see it as being socially responsible. It is socially responsible to manage your farm to maximize bio-diversity for example.

Another informant suggested that the motivation of Landcare members comes not from concern with 'diversity of species' or 'environmental sustainability', but rather from a sense of responsibility to 'leave (the land) to your children in a better shape than when you got it'. In sensemaking terms, this decision to frame environmental issues in social terms is a pragmatic reinterpretation that has come from learning that ecological arguments do not trigger action, and related to this may also be reinterpreting in a way that more closely matches their deeper feelings (that were not initially thought acceptable).

The executive group also took an integrated perspective on the relationship between social and environmental elements, addressing them together in terms of 'values', 'a wider set of value drivers', 'different filters' and 'drivers of risk and opportunity'. This view derived from their concern to link corporate responsibility to shareholder value: 'it is not in conflict, and in that way we see it as core, and not an add-on and just integrate it into good management practice'.

'Social' and 'Community' Concept Co-Occurrence

The social and community concepts are close although not immediately adjacent to each other in Figure 1. A review of the text coded as both the social and community concepts reveals that the stakeholder groups distinguish between the concepts. Consumer debt is the bank-related social issue with which stakeholders are most concerned; this is considered from the perspective of perceived responsibility to individual customers. 'Community' is discussed in relation to community projects and partnerships and is seen as a more collective responsibility of the bank to supporting the public good.

A tension between the two concepts is expressed, arising according to the community consultative council group as a result of a trade-off between social issues that stem from the bank's core business and the bank's community development work:

> when I first joined the Council they were doing a lot of stuff with Aboriginals and Aboriginal communities and all that sort of stuff and I thought that was great…But what about core business, that's what I'm concerned with…what your core business is doing and what impact that's having on society. I've been thinking about the over-commitment that young people are making on their house loans, for example, and the tragedy that's going to take place when the interest rates rise and what are they going to do when they've put people in that situation. I mean that's what I call a core ethical issue.

This articulation of concerns reveals perceptions that the bank is trading tackling core social issues for community projects. The middle manager group, some of whom run the bank's community partnerships, senses this perception of the bank's community work, commenting 'what we do in community, some people would see this as fluffy'. The community partner and supplier groups echoed this perception. Some may be cynical about the bank's community partnerships, one informant commenting 'a number of people would say they're just trying to clean up their name by borrowing our reputation'.

This raises the issue of public relations, the perceived role and value of which differs across stakeholders. The consumer and branch groups are anti-publicity for community work. Multiple members of the consumer group suggested it is the core responsibility of banks to contribute back to the community and not something that they should receive kudos for. However, the branch pointed out that the wider community needs to know that they are fulfilling their social responsibilities, noting that 'community sponsorship is a public expectation'. The branch spoke about the strong 'culture of volunteering' in the branches, something they are very proud of, something that makes this bank special and not something that they feel the need to publicize. One member of this group indicated his sensemaking of the voluntary work that he has 'always done' as something that should not be done for the publicity, and 'it shouldn't be a competition', and thus justified putting limits on the amount and nature of volunteer work done, e.g. 'we give up our weekends to count money for the Appeal,[4] and we've been doing that for ages, so of course we're not going to be collectors as well'.

On the other hand, the executive and contact centre groups view the bank's community work as a means to improve reputation – suggesting synergies between the community and financial elements of sustainability. For example, the executive group cited the awards the bank has won for its community work and one member of the contact centre group described how he uses information about the bank's community work to encourage 'bank bashers' to re-interpret the bank's reputation.

'Work' and 'Community' Concept Co-Occurrence

Content analysis of the material coded as the 'work' concept by stakeholders shows that it has been less considered by them than the other elements. It is new: a yet-to-be-incorporated, emerging element of sustainability. This is indicated by comments from the branch group such as '(the bank) is top of the world in Corporate Responsibility. Is it time to shift the focus to employees?'.

The elements of the 'work' concept in Figure 1, 'leadership', 'work', 'working', 'worked', 'staff' and 'job', are placed reasonably close to one another and on the right hand side of the map. As the executive, branch tags and middle manager are on this side of the map, this indicates these stakeholders' discussions include relatively more material concerned with these concepts. In particular, the middle management tag is both distant from the other groups and close to this group of concepts. This group described the bank's community initiatives as targeted at 'value adding' in two ways: via increased employee engagement and via sales to community partner members. The link with employee engagement was made 'in the late 90s, when people were leaving us left, right and centre' and the stated synergies between employee engagement and community initiatives mean that 'we've introduced a lot of the things that we do now as a direct result of the employee morale issue'. The 'matching gifts' programme,

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[4] For one weekend each year many of the bank's branches voluntarily tally donations for a large Australia-wide charity appeal.

whereby the bank matches charitable donations made by employees to charities of their choosing, is perceived by the middle manager group to be particularly important to employee engagement.

However, the executive group discussion contradicts this, and highlights the trade-off between community and work. They acknowledge that CSR in general 'doesn't help staff retention...what has people decide to leave is their immediate leader or career opportunities' and the contact centre group points out that most staff have 'no idea' that the bank offers matching gifts. In an interesting twist, the executive group summarizes the value in the bank's community initiatives with comments such as 'our community work wins awards' and the middle managers are proud of being industry leaders for their community work, as well as creating a 'win–win situation'. Hence, we sense a trade-off between community initiatives that aid employee retention and initiatives that win awards for the bank, and win kudos for the community team. As has been noted, the community team sense that their work is considered 'fluffy', and there are other indications that this group suffers job insecurity and increased pressure to deliver financial outcomes, hence difficult-to-measure community outcomes are perhaps traded for external recognition that comes from awards and substantiates their jobs. In other words, 'work' adds more value than 'community'.

In the other groups, the same trade-off emerges. The branch views community initiatives as obligations that interrupt their work. The community partner views the bank's volunteering efforts as a burden on their own resources and has started to charge the bank when bank employees do volunteer work with them. Suppliers are suspicious of community partnering. Again, this is not the case for all groups. Consumers view 'work' and 'community' as corporate obligations and, following the maxim 'no news is good news', consumers perceive these two concepts as co-creating negative value. In contrast to all other groups, the community consultative council group saw synergies between community initiatives such as the work with aboriginal communities and retention of key staff at the bank.

Conclusions and Implications

Within the previous section's discussion both tensions, associated with a complex array of trade-offs, and synergies between the elements of sustainability have been illustrated.

Table 3 summarizes the overall pattern of trade-offs and synergies between the human and ecological concepts emerging from the co-occurrence analysis. Trade-offs are indicated by grey shading and synergies are left unshaded. An empty cell indicates that no clear pattern emerged. Each column indicates the relationships between two concepts as they emerged from the co-occurrence analysis for the eight stakeholder groups. For example, the column for co-occurrence of 'social' and 'community' shows that most groups see this relationship as characterized by trade-offs, with six of eight groups indicating this, and that the nature of the trade-offs is most likely to be that 'social adds more value than community.' The text associated with this co-occurrence indicates that this appears to be the strongest theme overall – that the bank needs to address its social obligations. Table 3 also highlights the prevalence of trade-offs between work and community with even greater consistency in the nature of these – all six groups asserting that work adds more value. In contrast there is no clear trend for environment and social.

Synergies, shown as the unshaded areas of Table 3, appear in all co-occurrences shown but are most prevalent in the environment and social relationship. In contrast to trade-offs, synergies most often align with the interpretation and re-interpretation stages in sensemaking. An example of the latter is the reinterpretation by the community partner that the environment and social elements co-construct value. An example of interpretation is the consumer group's view that the environment and social elements co-create negative value. Synergies are compromised, as demonstrated by the supplier group's reinterpretation that environment and social are both undermined by financial objectives.

The diverse pattern of relationships between human elements of sustainability further highlights the diversity and ambiguity we have noted in a number of instances in this study. Each of the trade-offs and synergies may be understood as linked to a step in the process of sensemaking: chaos/perceived contradictions, interpretation, action/learning or feedback into (re)interpretation (Daft and Weick, 1984). Using sensemaking to interpret the text associated with the co-occurrences gives a deeper sense of meaning behind these. For example, the passion

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Stakeholder groups	Environment and social	Social and community	Work and community
Middle management	Environment adds more value than social	Community adds value	Work adds more value than community
Consumers	Environment and social co-create negative value	Social adds more value than community	Work and community co-create negative value
Community partner	Environment and social co-create value	Social adds more value than community	Work adds more value than community
Executives		Community adds value	Work adds more value than community
Branch	Social adds more value than environment	Social adds more value than community	Work adds more value than community
Contact centre	Environment adds more value than social	Community adds more value than social	Work adds more value than community
Suppliers	Social and environmental both compromised by financial	Social adds more value than community	Work adds more value than community
Community consultative council		Social adds more value than community	Work and community co-create value

Table 3. Summary: perceptions of trade-offs and synergies between corporate sustainability elements
Key: ▨ Trade-off, ▢ Synergy

for addressing the bank's social obligations that we noted above comes from personal experience or empathy with the experiences of others in financial difficulty, which is associated with the action/learning stage of sensemaking. A similar consideration of the remaining trade-offs leads us to conclude that trade-offs are most often synonymous with this action stage of sensemaking – particularly when the action is linked to the financial element of corporate sustainability.

This research has enabled a broad consideration of patterns of belief in a broad range of stakeholders, a meaningful comparison of these and a consideration of what drives them. However, it should be noted that this research is limited in the inferences that can be drawn. The work focuses on what informants disclose to us, and despite a certain amount of probing, which occurred during questioning, this does not necessarily equate to a full disclosure of what informants believe. Research in this area is beset with social desirability bias, with informants representing idealized states and their beliefs in highly positive ways.

Overall, the observed ambiguity and differences between stakeholder perspectives on the corporate sustainability elements belies the rhetoric of corporate sustainability as a 'shared value' driven by consensus in organizations (cf. Waddock and Bodwell, 2007) and points to the 'loosely coupled' (Weick, 2001) nature of multi-stakeholder organizing. However, it is in line with the distributed sensemaking approach, which questions the value of collective beliefs for 'organized action' and prioritizes plausible over accurate meaning (Weick *et al.*, 2005, p. 418):

> When information is distributed among numerous parties, each with a different impression of what is happening, the cost of reconciling these disparate views is high, so discrepancies and ambiguities in outlook persist. Thus, multiple theories develop about what is happening and what needs to be done, people learn to work interdependently despite couplings loosened by the pursuit of diverse theories, and inductions may be more clearly associated with effectiveness when they provide equivalent rather than shared meanings.

This understanding of the way organizations work with ambiguity may be the basis for 'the principles and guidelines for managing trade-offs' that Margolis and Walsh (2003, p. 284) called for management scholars to

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identify. In other words, rather than attempt to foster shared meaning of corporate sustainability, sensemaking proposes that this may not be necessary. Given the picture of complexity, we support Weick *et al.* (2005) in arguing that it may be better to enable different stakeholders to develop different understandings. Weick (2001) notes that most literature related to loosely coupled organizing assumes that tighter integration between units is needed, but he argues that loose coupling promotes organizational adaptability and innovation.

We also note that the case organization in our study demonstrates what Matten and Moon (2008) have classified as explicit corporate social responsibility – that is, the embracing voluntarily by the organization of responsibility to society, motivated by the need to respond to stakeholder expectations and stated explicitly as a corporate strategy. Although the conceptualization by Matten and Moon of CSR is from a societal perspective, they also imply that explicit CSR is an organizational level phenomenon. It seems likely that this approach is implemented as a result of deliberate and often strategic decisions made by the corporation and communicated to stakeholders using the language of corporate sustainability in an attempt to address the diversity of understandings we have observed here. We note also that the process of fostering shared meaning across these diverse perceptions of trade-offs and synergies between the sustainability elements is most likely to reflect power differentials across the various stakeholders and of course the leadership styles deployed. However, the findings of this paper suggest that the explicit corporate sustainability directive may in fact be counter-productive, and that enabling the emergence of different understandings, pertinent to different stakeholders, may allow these stakeholders to independently build on the synergies and resolve perceived tensions between the elements of corporate sustainability.

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