Corporate Environmental Management and Responsiveness to External Stakeholders

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Abstract

In this paper corporate environmental management is perceived in terms of reaction on or anticipation of incentives emitted by external stakeholders. Corporate responsiveness is the extent to which a company is willing to reconcile the requirements made by external stakeholders with its own purposes and to integrate them in their environmental strategy. Company-stakeholder relationships are reviewed for: government and environmental agencies; customers, suppliers and other partners in the product chains; consumers and end users; financial institutions; owners and shareholders; peer companies and trade associations; environmental organisations; employees and trade unions; local residents.

Some building stones for a theoretical framework for analysing the relationships between companies and external stakeholders are brought up. The dependent variable is corporate responsiveness, and four parameters are discussed:

• the specific aspects of corporate environmental management that affects the interests of particular stakeholders: environmental impacts, internal environmental management, and various side-effects;

• the nature of the incentives to the company enacted by the external stakeholders, in particular the type of motivational driving force to which they are appealing: economic rationality, legal compliance, or social responsibility;

• the extent of the company’s environmental consciousness corresponding to the type of driving force addressed by the external stakeholders;

• the mutual dependencies in the relationship between the company and its external stakeholders.

Keywords: environmental management, sustainable development, external stakeholders, corporate environmental strategy.