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– Traveling Ideas for providing Transparency and
Trust?**

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Environmental Management Standards – Traveling Ideas for providing Transparency and Trust?

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Introduction

Over the last few years the use of environmental management standards has become increasingly widespread. The most widely acclaimed of these standards being ISO 14001, which is heralded as a global standard. The importance attributed to becoming ISO14000-certified can be explained by a number of things, e.g. as a result of customer demand as claimed in the ‘greening of the supply chain’ literature; as a result of the rise of ‘new public management’ with the increased emphasis that this has had on enlisting the resources of the regulated industries rather than relying solely on the conventional, command and control regulation; and/or because of the symbolic qualities of certification and the rationalized myths of what being a modern company entails. Viewed from the perspective of (organizational) institutional theory, the widespread use of these management standards can be attributed to a number of coercive, normative as well as mimetic mechanisms (DiMaggio & Powell, 1983).

Moreover, the diffusion of ISO 14000 (and other) standards is often taken as an indicator of isomorphism, i.e. of the increasing similarities with regard to organizational practices among industries in different countries. The main argument for this is hinged on the legitimacy motives of industry, i.e. on aligning company practices with societal demands for a ‘cleaner environment.’ However, given the differences in the legal and cultural systems across different countries, it is equally likely that there will be differences as to how legitimacy can be obtained. From this perspective, the drive for isomorphism may not, indeed, be that strong or uniform. Instead of organizational practices converging according to a global, objectified standard, it can be argued that practices diverge due to the national differences in industry, legislation and culture, and that local adaptation of the global standard is likely to vary.

This is the line of argument that is pursued in the following. Rather than presuming that environmental management standards like ISO 14000 are objectified and immutable ‘things’ that simply diffuse from one industry to another or from one place to another, as if they are fuelled by some invisible source of energy, the position developed in this paper is that it is people that make the global standards *travel*, and that it is people involved that take the standards and *translate* them into something that is usable in their particular context. As Latour (1986: 267) notes: “...the spread in time or space of anything – claims, orders, artefacts, goods – is in the hands of people; each of these people may act in many different ways, letting the token drop, or modifying it, or deflecting it,

or betraying it, or adding to it, or appropriating it.” Hence, what on the surface may look like isomorphism and as the standardization of environmental management, as more and more companies become certified according to an ISO 14000-standard, is, when you probe deeper into the processes of implementation and certification, likely to involve quite different *interpretations* of the very same standard. Following from this, one could contend, then, that ISO 14000 isn’t *really* a global standard, and that environmental performance is not really standardized. If this is the case, how then can an ISO-certification confer legitimacy? This will be addressed in the following.

This paper begins by briefly outlining who it is that is involved in the standardization of environmental management (according to ISO 14000), and continues to discuss what certification to the standard involves. One of the key issues is the role of auditing and the processes of making things auditable. Based on this, the paper discusses how certification is generally thought of as providing transparency and helping to establish trust. The paper concludes with comments on the paradoxical situation that the translation of standards has for ensuring transparency and establishing/maintaining trust.

What makes the standards travel?

The simple answer to this question is, as mentioned above, people. In order to qualify this simple answer a little more, the paper will draw on institutional theory and on insights from science and technology studies. Broadly speaking, the thrust of institutional theory is to explain how social choices are shaped and channeled. Within the realm of organizational analysis, organizations do not develop and/or implement strategies, practices, etc. in isolation, but because they are subject to influence from others ‘outside’ the organization. All of these constituents in the organization’s external social, political, and economic environments are considered to be part of the organization’s organizational field. In less abstract terms, the organization field is comprised of critical exchange partners (customers as well as suppliers), regulatory agencies and authorities, professional and trade associations, special interest groups, and/or the public at large (DiMaggio & Powell, 1983; Hoffmann, 2000). Another common way of describing these parties is as different kinds of stakeholders. Regardless, it is this collective of actors that through three kinds of institutions (Scott, 1995) – regulative/coercive, normative and cognitive – can influence organizations and make the standards travel.

The regulative or coercive mechanisms refer to the rule setting, monitoring and sanctioning activities that can influence the behavior of others (Scott, 1995). Regulatory agencies and key customers are examples of actors who can lay down the rules for how organizations operate. This takes place through the ways in which environmental policy is enforced and through the ways in which contractual arrangements are made (e.g. customer-stipulations regarding ISO-14000 certification as a means for getting classified as a first or second tier supplier). Hence, ‘how far’ the standard travels will depend on the propensity of regulatory agencies to use ‘voluntary’ forms of self-regulation (such as certification according to ISO 14000) to augment the use of more conventional regulatory instruments and the propensity of an organization’s customers to require an ISO-certificate to document that the organization is managing the environment, which in turn may depend how they are regulated and/or on how they otherwise seek to maintain legitimacy.

The normative mechanism refers to the prescriptive and evaluative dimensions of social life, i.e. the norms and values that exist within a specific context. “Values are conceptions of the preferred or the desirable together with the construction of standards to which existing structures or behavior can be compared and assessed. Norms specify how things should be done; they define legitimate means

to pursue valued ends” (Scott, 1995:37). Within the realm of business, some of the most important carriers of norms are consultants and professional (and/or trade) associations. Consultants literally carry ideas about what best practice entails and how organizations could be organized accordingly in with them as they are called upon by the organizations, whereas the ways in which professional associations work is a bit subtler, since this is a matter of gradual socialization through education, the development of specialized ‘languages’, and practice.

The cognitive dimension refers to the worldviews that are so taken-for-granted that their way of shaping or informing action is no longer readily assessable. This refers to the way that people construct and continuously negotiate the world around them – it is their enactment of their situation. This does, however, not take place in a vacuum but within the cultural context of which they are part. The cognitive perspective directs attention to the symbolic aspects of social life, and how these shape the meanings given to objects and activities. From this perspective, the demand for environmental standards is hinged on people’s belief that certification to the standard is consistent with what they consider to be ‘important.’ If management in an organization believes that their competitors are more efficient, modern or just plain better than their own organization, then they may in order to maintain consistency ‘copy’ or mimic those whom they think are more successful. In instances such as this, it is management that will make the standard travel, perhaps by calling upon consultants to help introduce it.

Viewed from the perspective of institutional theory, the diffusion of ISO 14000 is due to the complex interplay between the dynamics in an organization’s organizational field and within the organization itself (Hoffmann 2000). However, rather than analyzing the introduction of environmental management standards as something that – primarily – is imposed or forced upon the organization through various mechanisms from ‘the outside’, from the field, my position is the decision to become ISO-certified is as much about the way people ‘see’ things and how they negotiate changing organizational practices. Standardization is not forced upon an organization, but follows from how organizational actors see themselves, i.e. their conception of the situation, self-identity, and the identity of others. Not only is the decision to adopt an environmental management standard fueled by belief, so is the adoption process itself. In the course of things, the people/parties involved translate the standard into something that fits with the way that they picture organizational life. Often this is cast as a matter of strategic response to institutional demands (Oliver 1991), but this not only misses the point that people see ‘things’ (including well-described, objectified standards) differently, it also maintains that organizations respond to demands from the field rather than acting in accordance with their own enactment of the field (their surroundings).

How are the standards translated?

Conventional, institutional analysis would maintain that organizational response to demands for the standardization of environmental management practices can take on one of three forms: (flat out) rejection or the opposite, adoption, or de-coupling. The latter refers to situations where the standard is adopted, but in such a manner that it has no effect on the way the organization otherwise goes about its business. In this way, adoption is ceremonial rather substantive.

This analysis rests, implicitly, on the assumption that whatever it is that is being diffused (and, hence, rejected, adopted, or decoupled) is well defined. Although ISO 14000 is described in great detail, and exists as a tangible artefact, a thick document outlining a host of procedures, it is also something immaterial, an idea. In spite of the lengthy descriptions, the standard is still quite open,

allowing for interpretive flexibility. This is, perhaps, one of its most important characteristics, because this makes it easy to move, translate, and shape the standard (Røvik, 1998).

Following from this, it is likely that management systems, certified to ISO 14000, are likely to vary quite a bit, because of the ways in which the organizational actors choose to translate the standard to 'fit' their organization and because of the ways in which the certifying bodies choose to interpret the requirements (e.g. significant environmental aspects, legal requirements, and the companies' environmental management programs). Looking at those organizations seeking certification first, how are these translations likely to take place? Røvik (1998) identifies three ways in which this can happen in the organization seeking to have their environmental management system certified: It can happen as the result of rational, strategic considerations, which is an option that is quite in line with mainstream institutional analysis. Or it can happen unintentionally or take place in connection with the way organizational identity is managed.

Translation as a matter of strategy can take place in a number of different types of situations, e.g. where the environmental management system (the policies, structures, and procedures) is designed selectively so as to fit with management's assessment (however well documented this may be) of what is most efficient. Another consideration along a similar vein would be designing the system so as to give least disturbance, e.g. when the introduction of an environmental management system is 'coordinated' with existing quality control systems. A third kind of strategic rationale for developing 'selective' systems is to avoid going against the grain of local traditions or organizational culture so as to avoid (potential) conflicts within the organization. Translation need not, however, be something that is planned and/or designed – it can also take place quite unintentionally, because the organization (and perhaps particularly management) for one reason or the other is unable to completely copy other organizations introducing environmental management systems or comply with the norm as, for instance, expressed within certain professional circles. Finally, translation can also be considered as a way through which organizational identity finds some form of expression, either intentionally or unintentionally. Organizational identity, generally defined as what the organizational members take to be the organization's distinctive, central, and enduring characteristics (Czarniawska, 1997), is typically associated with the tensions between ensuring continuity, maintaining traditions and dealing with change, renewal and development. It is about balancing between being unique while also bearing some (recognizable) resemblance to others. In adopting an environmental management system and by getting the system certified it might be possible for the organization to strengthen (or improve) how organizational members and others outside the organization view the organization. Although this may be written off as window dressing, and this may certainly be an option for some organization, this need not necessarily be the case for many others. Some may want to enhance or manifest their identity more clearly, and use certification of their environmental management system as a way of doing so. There is, of course, a limit to this, if certification is interpreted as a threat to the organization's identity in some way, i.e. if certification entails doing like all the others and becoming too much like all the others, to the extent that the organization's uniqueness is considered to be in jeopardy.

The people implementing and seeking to get their environmental management system certified to ISO 14000 are, however, not the only ones involved in translating the standard. The certifying bodies are also involved in translation processes of 'their own;' a translation process that begins when they begin the auditing processes. The applicant has to go through two audits – a systems and implementation audit (or stage 1 and stage 2), respectively – prior to subsequent surveillance audits (BVQI material 15.06.01). Although the external auditors have to obtain and digest substantial

amounts of information regarding procedures, licenses and permits, site and process descriptions, policies, internal audit reports, they appear to have quite a bit of interpretive discretion when it comes to interpreting the standard's definition of e.g. site, management control, the scope of the certificate (or the activities and number of sites covered), and assessing environmental aspects and impacts, the extent of non-conformance and the need for corrective action. The ways in which the auditors view these things cannot be considered independently of the professional and cultural context of which they are part. There may be isomorphic mechanisms at play within this community of professionals.

All of these translation processes are not 'just' based on what people think, but are supported and perhaps even directed by a host of material things that have been mobilized in one way or the other to make the environment and environmental performance visible, e.g. through the use of various kinds of indicators. However, establishing these indicators requires a great deal of work with regard to identifying them, specifying the causal links, and findings ways of 'capturing' or measuring them. It is all of these indicators that make the environment manageable, first by making it visible and then by allowing managers, employees, and auditors alike ask whether the relevant policies, structures, and procedures are in place to facilitate and/or correct action. Underlying this is an assumption that behavior can be changed, if the people involved are provided with appropriate information. This, in turn, presumes that the indicators capture the essence of environmental performance. What is overlooked here is "that the performance indicators are highly selective objectifications of performances" (Strathern, 2000:69).

Certification as a means of increasing accountability?

Certification is a means whereby organizations subject themselves to 'external' scrutiny (third party audits) and give accounts to the auditors of their environmental management systems and environmental performance. The certificate can, once it is acquired, be used symbolically to demonstrate the organization's accountability to other parties (inside and outside the organization). After all, the organization could not have gotten the certificate had they not opened their doors to the external experts to assess their performance. It is a certificate that promises not only external control, but also "control of control" (Power 2002), because underlying (or supporting) it are the organization's internal audits, the certifying body's external audits and the accreditation forum's control of the certification bodies. It is a whole system of Chinese boxes that is based on trust. As Power (1997:123) puts it: "...auditing is a practice which must be trusted and which is also itself of necessity, trusting." Just how trusting is, of course, highly situated, dependent on intra-organizational relationships within the audited organization, the relationship between the audited organization and the auditor, as well as the relationship between the accreditation forum and the certifying bodies.

The issuing of an ISO 14000 certificate signals to a broader public that some (minimum?) standards have been achieved (and if the certificate is withdrawn after subsequent surveillance audits, then it signals the opposite.). Certification does, however, not engage others in any form of dialogue – its symbolic effect works in a one-way fashion, as a matter of transmission. The information is passed on by virtue of certifying bodies' neutrality, objectivity, and expertise. Although this may entail more accounting, it does not necessarily mean improving the organizations' accountability (Power 1997: 127). Whether this, indeed, is the case will depend on the importance attributed to this expertise. And this too is highly situated.

It is, however, the situatedness of certification practices that can undermine ‘the rise of a global standard’ and render it much more local than the management literature claims. Auditing is the key to making the organization transparent, but an important prerequisite for auditing is, however, that things have in some way been made audible. And this is by no means a trivial matter, because as Strathern also notes (2000:59): “there is nothing innocent about making the invisible visible”. Certification begs the question of what does this form of making visible conceal?

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