

THE STRATEGIC DIMENSIONS OF ENVIRONMENTAL MANAGEMENT

The Strategic Dimensions of Environmental Management

**Sustaining the Corporation during the Age of
Ecological Discovery**

Ulrich Steger

with Ralph Meima





Translated from the German original by Ralph Meima
*Umweltmanagement – Erfahrungen und Instrumente einer umweltorientierten
Unternehmensstrategie*

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Preface to the English-Language Edition

Today, more books are probably written than read. How can one possibly make a difference by adding a translation of a German book on environmental management? That it was well received in the German-speaking management community does not provide a sufficient reason. After some hesitation, we decided to take the endeavour head-on for three reasons:

- With some concern, we have observed the persistence of language barriers among the German, Anglo-Saxon, Scandinavian and Benelux environmental management debates, leading to a situation of continual reinvention of the wheel. Given the wealth of experience in the German-speaking countries, this is regrettable, because environmental management is one of the few areas in business administration in which German-speaking academics have been innovative, as opposed to merely adapting to the output of Anglo-Saxon management research. This book is therefore an attempt to overcome a language barrier, and introduce the German ‘state of the art’ into the greater environmental debate – not because we think we do it ‘the right way’, and by no means with the zeal of a missionary (a sort of ‘healing the world’s ills through Germanification’), but because a great deal has been learned (and mistakes suffered) in a large, diverse, industrially advanced setting which we think is worth knowing.
- Most of the literature is still written from a viewpoint external to the firm, aimed at telling managers how to be better managers (and how to become nicer people as well). In contrast, this is a book which looks at environmental issues from a strictly internal, managerial point of view. This is partly due to the fact that all the empirical research conducted by my associates and me – involving altogether nearly 1200 corporations over the past nine years – has been centred around this view (although we have assessed environmental policy instruments at a macro-level as well). However, equally important is the fact that I have had the privilege of gaining some practical experience as a corporate executive as well.
- Finally, I could not resist the temptation of moving to the Institute for Management Development (IMD) in Lausanne, possibly the most international among the world’s leading business schools. This increases the

pressure on me to make my research available in today's *lingua franca* of global business – the English language. (On the other hand, this also bears the onus of introducing the experience of global non-German companies into the German debate.)

Given these goals, in this publication we have therefore updated certain figures and introduced my recent research. Therefore it could be regarded as the third, updated and revised, edition. But otherwise let the book basically remain as it was originally written, including what is likely to be perceived as its German bias. We are strongly convinced that we should not try to hide the empirical roots of this book. On the contrary, its basis in the German-speaking countries is one of its distinguishing characteristics and not irrelevant, especially for those multinational companies who do business in Northern Europe (there are reasons to believe that the approaches in Scandinavia and the Benelux countries may be rather similar). The concluding chapter (Chapter 19), which has been added, summarizes my more recent thinking on the broader issue of the role of corporations in the future in a broader political and social context.

This book covers a rather broad area, starting with an economic view of environmental problems and how they influence corporations. The assumption is that environmental issues constitute one of the factors that drive change in markets and technologies and on which the legitimacy of corporations depends today to a large degree. The contributions environmental management makes to innovation in management processes and design is given special consideration. Part II deals with the basic framework of environmental management, the factors which drive the actions of politicians and consumers, the kinds of policy and public instruments used, and how they impose additional pressures on corporations, especially in terms of global competition – with three examples of how environmental issues have led to broad-based, systematic innovation. Part III deals with the integration of environmental criteria at the corporate level – goals, strategy formation, information systems and so on – and Part IV with their integration into the different operating functions of the company. But, whatever the conditions, issues and ancillary benefits of environmentally influenced managerial practice in specific contexts may be, integrating environmental criteria into daily routines and procedures and thereby enhancing corporate survival in a competitive world is the main theme throughout this book.

With such a comprehensive agenda, we cannot expect all busy managers or scholars to read the whole book. Two 'express lanes' are therefore recommended. For those who are mostly interested in corporate

applications and are already familiar with driving influences in the firm's external context, it might be useful to focus on Chapter 3, Parts II and III, and Chapter 19. Readers who are more interested in the overall conceptual framework and the factors relevant to change in corporations should read Chapter 3, Part II, and Chapters 9, 10 and 19.

This book has been successfully used in a number of instances as course material, both in undergraduate lectures and in graduate courses. It has fortunately turned out that the chapters are structured in such a way that reading assignments for different modules can be allocated easily.

This book has developed and matured through discourse with and the output of numerous colleagues, especially Eberhard Feess, George Haour, Derek Abell and Johan Schot, executives like Daniel Goeudevert, Uwe-Volker Bilitza, Dieter Becher, and Klaus Günther, my research associates at the Institute for Environmental Management at the European Business School in Oestrich-Winkel, the MIBE team at the International Institute for Management Development (IMD), as well as students and participants in a broad range of management courses. Special thanks go to Silke Raab and Christiane Schatz, who invested significant work in the realization of the book and Stephen Rutt from Macmillan Business, who took the trouble to deal with the extra legal and editorial work related to this translation.

Finally, I cannot praise enough the hard work of Ralph Meima, University of Lund. As I found out the hard way, translating a book is more than concentrating on vocabulary and grammar. Due to the fact that only a few management books are being translated from German into English, little experience exists so far. First of all, Anglo-Saxon management writing is characterized more by practical examples on each page than by extensively elaborating a conceptual framework, criteria for rational decision-making and other theoretical aspects. Ralph achieved the transformation of the book into a more readable shape for managers across Europe and North America, adding explanations and context, if necessary, and integrate new research results into the text. This performance required more than just a correct translation. Therefore, in the course of the work, Ralph Meima became more a co-author than a translator.

As with the German edition, I want to dedicate this book to those managers who are facing the difficult age of global restructuring by working practically on the lasting transition of industry, from being an environmental problem into becoming an important part of the sustainable solution.