

Why respond to environmental sustainability agendas? Pressures and organisational playing fields in the food manufacturing sector

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Abstract

This paper examines corporate reactions to environmental pressures in the UK food manufacturing sector. It questions the extent to which current environmental sustainability pressures present sufficient force to bring about industry action, in contrast to that engendered by the likes of ‘food scares’ or public concern over GMOs in food supply chains.

The major food manufacturers and retailers often characterise the industry in terms of its readiness to respond to external pressures and demands. If we are to accept that there is now a crisis in the food industry in relation to the environment (as well as wider issues of ‘well being’), and that what is required is a “re-orientation of the entire food supply chain” (Lang & Heasman, 2004: 9), the likelihood of current policy approaches in generating such changes should be considered.

Drawing on qualitative empirical research in the food manufacturing sector, I examine the relevance of institutional theory in thinking about the nature of corporate engagement with current environmental sustainability agendas. The paper examines industry arguments that voluntary or normative approaches are unlikely to generate the kinds of transformations or initiatives being called for in a business context characterised by few incentives for leader action and without a level playing field.

Introduction

There is a growing impression that business organisations are increasingly aware of and addressing their environmental impacts with many adopting voluntary environmental standards such as ISO14001, developing environmental policies and strategies, and environmental reporting. However, research suggests that, on closer inspection, corporate greening practices are often firmly rooted in standard business practices, a technicist focus, ‘business-as-usual’ formulas, and solutions with a focus on continuous improvement of green policies and environmental management systems rather than improvement of environmental performance as measured by some externally meaningful criteria (e.g. Ball, Owen, & Gray, 2000; Fedrigo, 1998; Pataki, 1999; Strutt, 2002). Further, Stubbs (2000) suggests that some contributions to the literature on business and the environment have actually reinforced the status quo by representing organisations as mobilised for action.

There is said to be poor understanding of the importance of particular drivers of corporate environmental response and of proactive corporate environmental initiatives (Delmas & Toffel, 2004; Marshall, Cordano, & Silverman, 2005). This paper examines corporate reactions to environmental pressures in the UK food manufacturing sector. It questions the extent to which current environmental sustainability pressures appear to present sufficient force to bring about industry action, in contrast to that engendered by the likes of ‘food scares’ or public concern over GMOs in food supply chains.

I examine industry arguments that current pressures are unlikely to generate the kinds of transformations being called for, either for a “re-orientation of the entire food supply chain” (Lang et al., 2004: 9) or even in more limited policy approaches. Drawing on qualitative empirical research in the food manufacturing sector, I examine the relevance of institutional theory in thinking about the nature of corporate engagement with current environmental sustainability agendas. I look at the ways in which institutional orderings guide legitimate environmental action and some of the wider institutional logics that maintain current industry practices and arrangements.

Methodology

The research is based on my interpretations from relatively open-ended, qualitative interviews with a range of organisational members from food manufacturers, retailers and Defra, plus a range of more informal discussions with a variety of industry, trade association and academic informants, along with an analysis of relevant company documents, policy statements, industry reports and websites.

The manufacturers participating in the research supply directly to retailers and are a mix of major branded and retailer own-label manufacturers. The interviews explored practitioners' accounts, from a variety of organisational roles, of their experience of environmental pressures, drivers, obstacles and initiatives. The interviews also generated a good deal of contextual material about organisation and industry structure and history, supply chains and relationships, relationships with policy institutions and other stakeholders, and assumptions about consumers and consumer demand, and public expectations about a range of issues that feed into my interpretations of the ways in which these organisations are attending to environmental issues.

Institutional Theory

In terms of theoretical approaches to understanding the processes by which organisations come to adopt 'green' policies and practices, researchers have drawn on DiMaggio and Powell's (1991c) and Scott's (1995) institutional theory or new-institutionalism perspective (e.g. Gladwin, 1993; Hoffman, 1999; Prakash, 1999).

Institutional Theory in organisational analysis focuses on the "durability of social institutions" (DiMaggio & Powell, 1991a: 2), the "persistence of practices" (DiMaggio et al., 1991a: 9) and "how social choices are shaped, mediated, and channelled by institutional arrangements" (DiMaggio et al., 1991a: 2), although there are differences and ambiguity within and between what have been termed the old and new institutionalism. Broadly, institutional analysis suggests that firms behave according to a narrow range of institutionalised options rather than in response to the logic of organisational efficiency. Organisational forms and practices become institutionalised over time and gain legitimacy within established organisational fields. Definitions of the make-up of an 'organisational field' varies, but is said to

include “those organizations that, in the aggregate, constitute a recognized area of institutional life: key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services or products” (DiMaggio et al., 1991a: 15) (although Hoffman (1999) argues for a definition of organisational fields in terms of organisations that converge around particular issues rather than, for example, the markets they serve).

One of the main tenets of institutional theory is that over time firms become isomorphic with others in their field leading to greater degrees of homogeneity of organisational forms and practices in fields. This is said to lead to inertia, where practices are grounded in institutionalised definitions of organisational problems and solutions. The range of future options are limited by taken-for-granted historical and cultural institutions. Furthermore, individuals interests, “preferences and choices cannot be understood apart from the larger cultural setting and historical period in which they are embedded.” (Powell, 1991: 188).

Institutions are said to influence organisational action through “rules, norms, and beliefs that describe reality for the organization, explaining what is and what is not, what can be acted upon and what cannot.” (Hoffman, 1999: 351). Institutions have been defined as having three aspects or pillars: regulative, normative and cognitive (Hoffman, 1999; following Scott, 1995), or in terms of three mechanisms of isomorphism: coercive, mimetic and normative (DiMaggio & Powell, 1991b), and are seen to develop both within organisational fields as well as being influenced by wider societal institutions. According to DiMaggio and Powell (1991a), coercive isomorphism is the result of a common legal environment, such as environmental regulation, or the development of “standard operating procedures” in particular arenas. Mimetic processes refer to imitation of models whether inadvertently, through for example employee transfer, or explicitly by the likes of consulting firms that recommend from a limited range of models. Normative pressures are seen by many institutional theorists to come mainly from processes of professionalisation, through, for example, formal education, professional training and the development of norms through professional networks. Normative pressure is also seen to come from socialisation of members within industries through the likes of trade associations,

industry networks and trade magazines and through the identification of central or key firms (DiMaggio et al., 1991a: 72).

Scott's (1995) three pillars of institutions, the regulative, normative, and cognitive closely resemble DiMaggio et al's (1991b) three mechanisms of isomorphism. According to Hoffman (1999), regulative institutions guide action through "coercion or threat of legal sanctions." Normative institutions guide through "standard operating procedures", professional norms, or moral obligation. Hoffman describes cognitive institutions as cultural norms, embodying symbols as well as "cultural rules and frameworks that guide understanding of the nature of reality and the frames through which that meaning is developed" that are often taken-for-granted (Hoffman, 1999: 353). It is important to point out also that these different pressures or institutions are more connected than this classification suggests.

In terms of the ways in which institutions are formed, Hoffman (1999) suggests a process of negotiation over contested institutions, whereas others appear to focus much more on shared or common histories, aspirations, etc. in organisational fields (DiMaggio et al., 1991a). Many institutional theorists focus on the importance of legitimacy in explaining the adoption of common organisational forms and practices. "Early adopters of organizational innovations are commonly driven by a desire to improve performance. ... As an innovation spreads, a threshold is reached beyond which adoption provides legitimacy rather than improves performance" (DiMaggio et al., 1991a: 65). The original or rationale for particular social arrangements and practices are forgotten, they become taken-for-granted and reified as the natural way to proceed.

Powell suggests there are four ways in which institutional practices and structures are reproduced and persist over time. "(1) the exercise of power, (2) complex interdependencies, (3) taken-for-granted assumptions, and (4) path-dependent development processes." (1991: 191). In discussing issues of power, he attempts to address one of the criticisms made of institutional theory. Powell (1991) argues that "elites" may have a role in the formation of what are deemed appropriate institutions and, once established, institutions are supported by those whose interests they serve,

although institutions and practices are also seen to “take on a life of their own” without this kind of active support (Powell, 1991: 191).

There appear to be at least two themes on the role of power and interests in institutional thinking. One emphasises institutional frameworks as defining or shaping interests and politics and the ways in which the fulfilment of interests are pursued, or that ““functional needs” and social problems are only discovered and addressed when they fit with existing institutions.” (DiMaggio et al., 1991a: 28). This kind of thinking also calls into question how institutional change might occur (DiMaggio et al., 1991a). DiMaggio and Powell argue that new institutionalism has moved away too much from an analysis of the role of power and interests in institutional production and reproduction and change, arguing that “institutions are not only constraints on human agency; they are first and foremost products of human actions.” and the political contests involved in institutional formation (DiMaggio et al., 1991a: 28).

Hence, the role of role of elites or “skilled institution builders” in building and maintaining institutions has been examined (Powell, 1991: 191). Others also argue that powerful organizations play active roles in shaping their contexts (DiMaggio et al., 1991a; Meyer & Rowan, 1991) and can “force their immediate relational networks to adapt to their structures and relations” and further, try to make their goals into those of society in the form of institutional rules (Meyer et al., 1991: 49).

DiMaggio and Powell, however, argue that key elites in major organisations may in fact sometimes have major impacts, but often “the capitalist class appears to have been muddled and disunited”, institutional entrepreneurs experience resistance and “the complexity of modern organizations makes control difficult” (DiMaggio et al., 1991a: 79). Hoffman also suggest that power and interests are important but emphasise the uncertain outcomes of action and that “institutional entrepreneurs” are “both empowered and limited by the institutional environments in which they emerged.” (Hoffman, 1999: 367).

Powell also employs the “standard inertia argument” in exploring the persistence of institutions (Powell, 1991: 191); changes to institutionalised structures or practices

may require changes at the level of complex interdependent networks of practices. Meyer and Rowan also argue that the increasing complexity of organisational networks requires greater coordination by way of institutions (Meyer et al., 1991). DiMaggio and Powell argue that “sunk costs, vested interests, and the difficulty of conceiving of alternatives make it sensible to maintain them” (DiMaggio et al., 1991a: 7). Meyer and Rowan further point to the costs of innovating or deviating from legitimate structures as a source of stability or inertia (Meyer et al., 1991).

As important as sunk costs, institutionalists argue that over time institutional patterns become taken-for-granted “such that some courses of action are perceived as natural and legitimate.” (Powell, 1991: 192) and “individuals often cannot even conceive of appropriate alternatives (or because they regard as unrealistic the alternatives they can imagine)” (DiMaggio et al., 1991a: 11). DiMaggio et al (1991a) focus very much on the cognitive/cultural aspects of this and “shared cognitions” and argue that “[i]nstitutions do not just constrain options: they establish the very criteria by which people discover their preferences.” (DiMaggio et al., 1991a: 11). However, they argue against the idea of passive individuals; “habit must not be seen as a purely passive element in behavior, but rather as a means by which attention is directed to selected aspects of a situation, to the exclusion of competing aspects that might turn choice in another direction.” (DiMaggio et al., 1991a: 19).

The fourth way in which Powell discusses the persistence of institutions is through processes of path-dependence. The idea that historical, and possibly arbitrary, choices limit future options is employed in demonstrating the ‘stickiness’ of institutional arrangements (Powell, 1991). Powell argues that path dependence models have potential, beyond application to the adoption of technology, “[a]s a general explanation of the extent to which practices and procedures become more attractive, more developed, and more widespread, the more they are adopted” (Powell, 1991: 194). DiMaggio et al argue that

“[t]he constant and repetitive quality of much organized life is explicable not simply by reference to individual, maximizing actors but rather by a view that locates the persistence of practices in both their taken-for-granted quality and their reproduction in structures that are to some extent self-sustaining ...” (DiMaggio et al., 1991a: 9).

One of the criticisms made of institutional theory relate to how organisational change comes about, since stability and inertia are central concepts in the approach.

Institutional theorists see organisational change as infrequent and characterised by dramatic episodes rather than by an incremental process (DiMaggio et al., 1991a: 11). Sources of change are seen to come from tensions or contradictions within or between institutional frameworks. In addition, external shocks are seen as a destabilising force in highly interrelated or tightly coupled institutions (Powell, 1991: 29) and “triggering events” engender new debates and a transformations in field membership and interaction patterns (Hoffman, 1999).

Hoffman (1999) examines how changes occur in institutional forces for inertia and isomorphism and suggests that organisational fields should be seen as evolving through changing organisational or population membership, leading to a process of redefinition of issues and relevant institutions. However, Hoffman also reflects the idea that external shocks (Powell, 1991), or “disruptive events”, can trigger abrupt changes in field membership and institutions (Hoffman, 1999: 353). He further argues that the particular impacts of triggering events are dependent on the ways in which “events are socially constructed within a field.” (Hoffman, 1999: 366).

Food Manufacturers and Environmental Pressures/Signals

The series of food ‘scares’ over the last 20 years is said to have focused food policy in particular ways and to have called into question the dominant “food and agricultural framework” (Lang, Barling, & Caraher, 2001). There appears now to be an increasing policy focus on the wider sustainability issues of ‘farming and food’ (e.g. Defra, 2002). Building a sustainable food and farming industry is presented as one of the challenges for the UK government and for the industry and aims are presented in terms of tackling “the weaknesses and failures in the food chain as a whole” (Defra, 2002: 10). The Government’s Sustainable Consumption and Production Framework was launched in 2003 and an Advisory Committee on Consumer Products and the Environment reports on progress. The Government-funded Envirowise programme has reported the success of their retail supply chain partnership forum for more efficient and sustainable supply chains (www.envirowise.gov.uk). The ‘Race to the

Top' initiative was set up in 2000 with the aim of tracking "supermarket progress towards a fairer and greener food system" (www.racetothetop.org), which is said to have largely failed due to poor participation by the major multiple retailers. Heavy criticism has been levied at the multiple retailers and major manufacturers by a range of NGOs, e.g. Transport 2000 has published research on food miles suggesting unsustainable levels of CO₂ emissions (Transport_2000, 2003). Some sections of the media have also been consistent in targeting the food industry on a range of sustainability issues.

More generally, there appears to be increasing attention and awareness to issues of corporate social responsibility and claims that it makes good business sense to attend to such issues, due to, amongst other factors, changing stakeholder expectations, company/brand reputation, consumer and public concern, employee concerns, etc. Consumers are said to be increasingly concerned about food quality, and environmental and sustainability issues are said to be factors in perceptions of such quality (Marsden, Murdoch, & Morgan, 1999).

A raft of environmental regulations are impacting on the food industry, to which manufacturers are responding, including Integrated Pollution Prevention and Control (IPPC), Animal By-products Directive, Climate Change Levy, European Emissions Trading Scheme, Landfill Tax, Effluent Disposal, Packaging Waste Regulations,. Of course there is flexibility in the ways in which particular sectors and organisations negotiate on and comply with such mechanisms.

Perceptions of environmental pressures and drivers

Managers identify a range of relevant stakeholders or 'opinion formers' including trade associations, government departments, enforcement agencies, consumer groups, environmental NGOs, and the media. Some institutional analysis of corporate environmental pressures discuss environmental 'stakeholders' as institutions that influence environmental response. However it is clear that institutions should be seen more in terms of the "sets of social arrangements, shaped by power, politics, historically specific path dependencies, and the inertial effects of institutionalized forms of knowing and acting." (Mohr, 2000: 58), rather than the likes of the media or

government agencies in themselves. I describe here the perceptions of industry practitioners on a range of commonly cited environmental pressures and drivers.

Regulatory pressure

Relevant regulators for the industry are identified as the Food Standards Agency (FSA), Department of Health, Department for Culture, Media and Sport, Department for Education and Skills and Department for Environment, Food and Rural Affairs (Defra), “really all the government bodies”. However, the FSA and Department of Health, rather than Defra, are said to be “the people who drive the agendas that we really need to respond to”. It is also suggested that government should take more of a lead in providing guidance for food manufacturers on a range of difficult issues.

Legislation

Compliance with environmental legislation is cited as the prime driver in organisational response to environmental impacts, supporting previous research in this area (e.g. Baylis, Connell, & Flynn, 1998). This is closely followed by ‘cost’; indeed compliance with legislation is acknowledged to be as much about cost issues as about being legally compliant. For example, initiatives undertaken in response to the Animal By-products Directive are said to be driven by increasing costs of disposal or cost of fines for inappropriate disposal. In line with this, the importance of ‘making a business case’ for environmental initiatives hinges on at least no increase in cost, suggesting that the idea that economic and environmental concerns are increasingly compatible clearly only goes so far.

NGOs and consumer groups

A range of environmental NGOs and consumer groups are also identified as opinion formers. However, there is a strong industry perception that distrust of industry militates against useful engagement and collaboration. A major task is seen to be the communication of their activities and arguments on particular issues to ‘opinion formers’. ‘Collaboration’ is seen to be a “dirty word” when used in relation to initiatives that bring industry into contact with organisations whose aims are broadly to protect the public good, based on a fear that such collaboration will be dominated by the interests of industry and, therefore, not in the interests of the public.

It is argued that some of these organisations are driven by the desire to make a name for themselves rather than having an interest in improving industry performance, whether on environment or food safety issues. There is a strongly expressed view that industry struggles to get others to talk about issues based on sound 'evidence'.

Trade associations

There are a variety of trade associations in the industry the main ones being the Food and Drink Federation (FDF), the British Retail Consortium (BRC), and the Chilled Foods Association (CFA) whose aim it is to represent the interests of their members and their industry sector. It has been suggested by a number of interviewees that the FDF is not considered a powerful opinion former in terms of influencing manufacturer environmental initiatives, but has more of a role in maintaining the status quo.

Media

The media is clearly an important influence. The power of the media is seen to be such that issues or policy agendas are defined according to the issues likely to be highlighted in the media. Managers suggest that they are likely to respond to what they perceive is a 'non-issue' if the media coverage is likely to generate public concerns. This is particularly true for branded manufacturers which are said to face different risks to their business than manufacturers of retailer own-brands.

Investor pressure

There is disagreement in practice on the extent to which this kind of pressure is a significant influence on corporate environmental policy or behaviour in the food industry. It is acknowledged that increasingly investors are concerned about the ethical dimensions of their investments, but the food industry is not viewed as raising the kinds of concerns for investors that for example tobacco companies might.

Competitive advantage

Competitive advantage is often said to be a key driver of environmental improvements not recognised or taken advantage of by industry (Beaumont, 1992; Judge & Douglas, 1998; Klassen & Whybark, 1999; Porter & van der Linde, 1995; Stead & Stead, 1992). The argument goes that improved environmental performance

will give a company competitive advantage in the market place, given increasing demand for environmentally friendly products. However, food manufacturers do not consider improved environmental performance a competitive advantage. This ties in with the claim that neither consumers nor retailers are perceived to be drivers of improved environmental response.

The flattening-out of the market for organic food is also cited as evidence for the lack of demand for 'environmentally-friendly' products, along with the perception that consumers purchase organics for health reasons as least as much as for reasons of environmental concern.

There appears to be consensus amongst branded and unbranded food manufacturers that 'the environment' is not perceived as a competitive issue and it appears that the alleged 'culture of secrecy' in the food industry does not prevent collaboration between industry competitors on environmental issues and initiatives.

Collaboration between manufacturers on environmental and other issues is presented as sharing information to help SMEs, but it is clear that this kind of collaboration is important for a number of reasons: to influence agendas and build support in the face of retailer, legislative and other pressures, and to work together in protecting the industry from criticisms arising from food scares and other food issues, such as the recent attention re 'bad food'. This industry collaboration is not new, but it is suggested that the activities of 'industry groups' may be more concerted since the escalation of food scares.

Supply chain pressure

Supply chain actors are seen to have an obvious role in cascading environmental pressure throughout supply chains (e.g. Envirowise, 2002; e.g. Ytterhus, Arnestad, & Lothe, 1999). Ytterhus, et al (1999) argue that supplier pressure is reported to be one of the key sources of pressure for more "sustainable production" and that supply chain pressure from large, powerful, organisations can start a "multiplier effect" through their supply chains.

The manufacturers in this research suggest that retailer pressure for improved environmental performance is not currently felt in supply chains. Some retailers are perceived to be “going through the motions” by requesting manufacturers to complete questionnaires on environmental management issues. It is also perceived that retailer pressure regarding, for example, pesticide use is driven by concerns over food safety rather than environmental impacts.

The idea that retailers are unlikely to act as a force for environmental improvements in supply chains, “because they’ve got enough issues of their own to deal with, without worrying about other people’s problems as well”, I think also echoes the industry focus on environmental impacts at specific factory sites and misses the point that all industry actors, especially the major retailers, are involved in shaping activities in the wider food chains. There is some acknowledgement that there are environmental impacts that span the supply chain for which no one organisation can be identified as solely responsible, but in which they are all somehow implicated.

It also seems clear that food manufacturers are not currently exerting any pressure on their suppliers in terms of environmental performance, despite company documents stating they aim to do so. Not only are they sketchy in terms of the extent to which they audit their suppliers on environmental performance, there is little indication that manufacturers give much consideration to the wider environmental implications of particular supply chains or ways of doing things.

Other research supports the idea that supply chain pressure on environmental criteria is generally not being felt (e.g. Petts, 2000; e.g. Ytterhus, 2003). Preuss (2003) suggests that the rhetoric of increasingly long-term, strategic supply chain management could signal a positive footing for environmental management, however, his recent interviews with supply chain managers suggests that there is no evidence of the ‘green multiplier’ effect in practice and that in terms of approaches to supplier relationships and environmental assessment the majority are still characterised by conventional quality, price and delivery factors and passive, arms-length approaches. New et al (2000) also suggest that end-consumer pressure is very rare and pressure from other supply chain actors is less evident and more complex than the business literature on greening suggests.

Consumer pressure

In terms of consumer pressure, it has been suggested that consumers are becoming more environmentally aware, the pressure of which is increasingly felt by corporations (e.g. Halme, 1997). Perceptions of food quality are said to increasingly encompass matters of food safety, consumer health, and environmental concern, with the latter said to include concerns about environmental and rural protection, animal welfare, and issues relating to fair trade (e.g. Marsden et al., 1999). The development of alternative food networks (AFNs) is cited by many as a response to these concerns, although the current extent and future success of these in changing the food sector is said by others to be exaggerated. Although many consumers may in principle support improved environmental performance, there is seen to be a gap between espoused values and consumer behaviour (Dembkowski & Hanmer-Lloyd, 1997; Jamison, 2001; Ytterhus, 2003).

The manufacturers in this research claim to experience no pressure from consumers to address the environmental impacts of their products. It is also useful to question the ways in which consumer demand and concerns and views on consumer agency are constructed by different actors in the industry, and the implications of these constructions, which I briefly look at below.

Reputation

Protection of brand reputation is clearly a driver on issues related to food safety, but as yet is not seen to be making an impact in terms of the experience of *environmental* pressure. The meaning of brand in the food retail sector (and increasingly the food service sector) has also undergone significant change in the last 20 years with the growth of retailer's own-label brands, itself impacting on the make-up of and relationships in supply chains.

On the face of it, manufacturers of branded foods face different risks to their business than manufacturers of retailer own-brands, which are seen to relate in particular to public perceptions, distrust of big business, and the 'visibility' (or invisibility) of own-label manufacturers to the public, pressure groups and the media. Manufacturers of retailer brands do not experience the same kinds of risks to their image as they

claim they are 'invisible' to NGOs, consumers and the media. Of course they will have a valuable reputation with retailers but they are not exposed to the same kind of public scrutiny that branded manufacturers fear.

In terms of brand protection, the growth in retailer own-brands means that the major retailers have themselves become 'brands' and are viewed as having similar issues as the manufacturers of branded goods. However, as stated above, food manufacturers, branded or own-label, do not currently perceive risks to the brand from environmental issues in the way they do on food safety and increasingly health.

Company environmental champions

In terms of 'internal' drivers, to the extent that individual champions within firms can drive corporate response, this is seen as reliant on their ability to make a 'business case' for consideration of 'the environment'. The picture as it's presented suggests a struggle to convince senior management that the company needs to put environmental issues more strongly on the agenda. Environment managers suggested they would welcome greater supply chain pressure that could act as a lever in getting environmental issues further up the agenda.

Responses to the Food Industry Sustainability Strategy

Given this background and history of engagement with environmental pressures or signals, I briefly discuss here a recent attempt to build a new institutional framework for food industry action on sustainability issues. The Food Industry Sustainability Strategy (FISS) is an attempt to operationalise sustainability in the food industry (Defra, 2005). The draft Strategy was published by Defra and drafted in consultation with key stakeholders, which reportedly involved a lengthy process of contestation and negotiation. There followed a period of public consultation to which a range of actors have responded. The response of the Sustainable Consumption Roundtable, which includes retailers and other key industry actors, highlights industry arguments that voluntary or normative approaches are unlikely to generate the kinds of transformations or initiatives now being called for in the food industry. Industry practitioners "saw no compelling case for engagement" and, with regard to other initiatives, argued that "the business case for stakeholder accountability is not sufficiently made to divert attention and resources away from the bottom line", that

there is “no incentive to participate if there is no disbenefit to inaction”, and that “early movers receive no reward, and can run the risk of punishment by the market if there is no level playing field.” (Sustainable_Consumption_Roundtable, 2005).

Food industry practitioners often characterise the industry in terms of its readiness to respond to external changes and demands, and of being experts in ‘reactive crisis management’. The industry’s response to the likes of BSE-vCJD, food and mouth disease and public concern over GMOs is said to indicate this ‘responsiveness’. This would seem to support institutional theorists’ accounts of change in institutional orderings occurring as a result of external shocks (Powell, 1991) and “triggering events” (Hoffman, 1999).

Rather than attempt to judge what the industry might need to do to become more ‘environmentally sound’, or what their world would have to be like for ‘the environment’ to figure more seriously, I want instead to look at what institutional arrangements and orderings might be seen to hold unsustainability in place.

Institutional orderings

I think it fair to say that the environmental response of the manufacturers in this study is characterised by a reactive and defensive stance, despite increasing calls for attending to the environmental sustainability food chains. The resilience of industrial orderings in the face of a variety of ‘food scares’ in recent decades may be indicative of the industry’s ability to respond to these crises, but the latter are not seen to raise questions about the wisdom of continuing with the currently dominant systems or networks of industrial food production, distribution and consumption.

Branzei & Vertinsky describe reactive firms as those “adopt[ing] only pollution reduction measures in order to meet governmental policies and regulations”, in comparison to more proactive firms that “devote persistent efforts and resources to addressing environmental issues eventually internalize environmental values and develop ecologically sustainable strategies and practices” (2002: 89). This latter ‘proactive’ orientation is reflective of Hoffman’s description of ‘environmentalism’ becoming a “cognitive institution” (Hoffman, 1999: 359).

The dominant institutions guiding the ways in which the food manufacturers in this research 'deal' with environmental issues appear to be that of 'regulative framing' or responding to coercive pressure and of resistance to normative calls for action. The general 'response' seems to be that of 'wait and see', 'keep our heads down', and for some this is seen as the appropriate mode of action, almost as if there were normative agreement around this approach.

Although environmental issues are viewed as legitimate corporate concerns by food manufacturers, and there has been significant effort in attending to a range of environmental issues, there are also limits to their perceptions of their role and power in effecting change. The responses to the FISS outlined above support the idea that organisational success depends on becoming isomorphic with organisational environments and manufacturers here see 'going it alone' as commercial suicide. There is little legitimacy or perceived benefit to be conferred from going beyond compliance. There are, however, beyond compliance initiatives being undertaken by some manufacturers, such as varying levels of adoption of ISO14001, although there are no perceived benefits in promoting such programmes in the public domain. Indeed, there is a reluctance to promote initiatives taken beyond minimal expectations/compliance for fear of exposure to further investigation that could negatively impact on brand image. It is also evident that different institutional influences are more important for branded and retailer-label manufacturers given their 'visibility' and the importance of brand reputation. Furthermore, branded manufacturers are more likely to be the target of media and NGO campaigns. Generally, they express the sentiment that they want to be neither 'Evil Queens' nor 'Snow White' (Ketola, 2005).

The relevance of institutional theory to thinking about this kind of inertia in corporate environmental response is fairly evident. There are clearly a range of coercive, normative and cognitive institutions and pressures that attempt to generate shifts in the ways in which the food industry engages with environmental sustainability and also those which are implicated in preserving the status quo.

The idea that institutions can become self-sustaining and be seen to “take on a life of their own” (Powell, 1991: 191) is useful in thinking about the ways in which particular ways of knowing and doing become reified as part of the “undeniable world of facts.” (van der Ploeg & Frouws, 1999: 334). However, it is also important to acknowledge that the maintenance of particular institutional and social orderings also requires significant effort and the constant mobilisation and negotiation of a range of situated and potentially geographically dispersed heterogeneous elements (Law, 1994; Whatmore & Thorne, 1997). The multiple retailers and the major manufacturers have a significant role here.

This also draws attention to the enrolment of field members, as Hoffman (1999) points out sometimes by coercion, and the effort, negotiation and translation of interests involved in strengthening networks or ‘issue fields’. Through this one can also see ‘issues’ and forms of agency being defined in particular ways for field members.

As I’ve pointed to above, definitions of the make-up of an ‘organisational field’ varies. Hoffman’s (1999) paper on changes in the institutions adopted in the US chemical industry to define and deal with environmental issues takes as a starting point an alternative definition of organisational fields as forming around ‘issues’, rather than markets or technologies. Hoffman suggests that the presence of a field should be evident from “an increase in the extent to which certain organizations interact and engage in a common debate” *on a particular issue* (1999: 364). For Hoffman, field members include the likes of trading partners, regulatory agencies, NGOs, investors, trade associations, the public and the media. According to Hoffman, fields therefore form around issues that become salient to “the interests and objectives of a specific collective of organizations”, although some organisations can be forced into engagement or dialogue on issues (and thus field membership), for example, “chemical producers ... were forced into field-level dialogue with government agencies, scientific organizations, and conservation groups over issues of pesticide toxicity.” (Hoffman, 1999: 352).

There are certain benefits in adopting Hoffman’s (1999) unit of analysis of an *issue-based* field although the importance of the influence of institutions from more

broadly-based conceptualisations of organisational fields cannot be ignored. Examining the durability of wider industry arrangements and assumptions within which industry actors are embedded is as important as examining the ways in which organisations or industries appear to frame environmental issues. It is clear that industry institutions are likely to be implicated in the construction or framing of salient issues and what come to be deemed appropriate institutions and actions.

Constructionist approaches direct attention to the ways in which environmental problems are framed or generated in particular ways by social groups or actors (Irwin, 2001) that can influence perceptions of appropriate corporate responses. A good deal of work adopting an institutional perspective also emphasises that social actors and organisation do not simply 'respond' to objective conditions or pressures 'out there', but that actors also (more or less actively) engage in defining and interpreting their 'external' environments. In this vein, Hoffman (1999) and others adopting an institutional theory framework clearly call attention to the idea that knowledge claims are mobilised, generated and contested by and between a variety of actors and organisations in issue fields.

Constructivist approaches to environmental knowledge thus call attention to the cultural construction of scientific and other institutional knowledges and the contested character of environmental change and risks (Burningham & Cooper, 1999; Burningham & O'Brien, 1994; Irwin, 2001; Szerszynski, Lash, & Wynne, 1996). That there is a physical environment independent of human actors' perception of it is not in question, but that our understanding of environmental issues and risks are not given, or fixed in character, but are actively understood and invested with meaning in particular ways which can be seen to reflect our historical, cultural, social, political, institutional and material situatedness and commitments. These contributions also draw attention to environmental uncertainty and the consequent sense of frustration and disempowerment for organisational actors attempting to engage with these issues (Irwin, 2001; Purvis, Drake, Hunt, & Millard, 2000). However, these debates and consequent challenges for organisational greening appear not to have permeated much of the literature on organisational greening. Where uncertainty or ambiguity is acknowledged this is often understood to be an organisational deficit problem to be

rectified by improved information systems (e.g. Lewis & Harvey, 2001) rather than a wider feature of debates on environmental change.

Hoffman (1999) diverges from some other institutional theorists in the extent to which field members are seen as sharing 'common meaning systems'. Hoffman in focussing on fields forming around "issues that bring together various field constituents with disparate purposes" argues that "[t]he process may more resemble institutional war (White, 1992) than isomorphic dialogue." (Hoffman, 1999: 352). Hoffman argues that viewing fields as forming around issues, such as the appropriate responses to environmental protection, suggests that "fields become centres of debates in which competing interests negotiate over issue interpretation." and the kinds of institutions that will guide organisations over particular issues (Hoffman, 1999: 351).

Organisations are likely to be involved in a number of organisational 'fields' formed around different issue interpretations. In the food industry for example, a separation or distinction is made between issues such as 'food safety', 'health' and 'environment' with each mobilising certain configurations of field membership around the definition of issues and appropriate institutions. 'The environment' is just one issue and for the food industry issues of safety and health are uppermost. Hoffman therefore distinguishes between an organisational field and different populations within the field, e.g. in his case environmental pressure groups and chemical manufacturers are field members from different populations, and "it would be incorrect to assume that they share the same beliefs and attitudes toward the environment." (Hoffman, 1999: 352).

Perceptions of environmental sustainability issues

Environmental impacts in the food manufacturing sector are assumed to occur primarily at factory level. Environmental initiatives are therefore focused overwhelmingly at the level of specific sites of manufacturing operations and this can also be seen to be supported by the predominant focus of current environmental policy. There is also a perception within the industry that the activities of the food industry are not perceived by the public to give rise to significant environmental concerns. There is uncertainty amongst food manufacturers about what the concept of environmental sustainability might mean for the industry and the extent to which environmental sustainability issues were currently felt to impact on the company.

Manufacturers also argue that pressure from retailers and others regarding, for example, pesticide levels, GMOs and Bisphenol A is driven by concerns over food safety and health rather than over potential environmental impacts. Issues that may have wider 'sustainability' implications are often translated into more manageable issues to with food safety by a range of industry and other actors, including NGOs. Related to this, research on public perceptions of risk suggests that consumer concerns over the implications for 'health' of, for example, pesticides in food may act as a proxy for other wider concerns and may indeed hide a greater unease that may become more evident in time (Grove-White, Macnaghten, Mayer, & Wynne, 1997). Indeed, in the future it may be that issues of food safety, human health and the environment start to be addressed and seen as connected in terms of wider issues of 'well being' and there is currently some pressure to do so (e.g. Lang et al., 2004).

Questions about the environmental sustainability of current systems of food production and consideration of environmental issues in supply chains ('from farm to fork') are presented by research participants as "interesting macro debates" that are largely beyond their remit. Environmental issues in wider food chain are consistently interpreted as questions about whether organisations audit their suppliers on impacts at sites of manufacturing operations, rather than acknowledgment of interconnected issues than span supply chains. There is a common framing that the main environmental impacts in the food industry are to do with water, energy and emissions at factory sites.

These are of course difficult issues and taking a narrow interpretation, or focussing on limited aspects, of these areas makes these complex concerns more manageable in the short-term, but may be a strategy that leaves the industry unprepared to deal with future, possibly unanticipated, threats to the now mainstream food production and distribution methods. Institutional theorists employ the "standard inertia argument" in exploring the persistence of institutions (Powell, 1991: 191) – that changes to institutionalised structures or practices may require changes at the level of complex interdependent networks of practices. Similarly, van der Ploeg and Frouws (1999), in their study of the Dutch dairy supply chain show how a particular framework (the provision of milk in high volumes) results in specific orderings of practices

throughout a series of “interlocking projects” in supply chains (including for example international trade, drug industry, breeders, processors, retailers, consumers) that results in both efficiencies and rigidities and incapacity to change.

The ability of these organisations to attend seriously to calls for environmentally sustainable production and consumption is therefore to a great extent limited by evolving historical commitments to practices and arrangements that carry inertial properties and shape interpretations of current and future options (Shove, Lutzenhiser, Guy, Hackett, & Wilhite, 1998). Opening up sustainability debates within the industry beyond the limited issues that are currently seen as priorities involves undermining social and technological commitments to current industrial food production.

However, as outlined above, as important as sunk costs, institutionalists argue that over time institutional patterns become taken-for-granted “such that some courses of action are perceived as natural and legitimate.” (Powell, 1991: 192) and “individuals often cannot even conceive of appropriate alternatives (or because they regard as unrealistic the alternatives they can imagine)” (DiMaggio et al., 1991a: 11). I wouldn’t want to argue that the difficulties and barriers to change are *merely* social constructions, but it is important to point to the ways in which some institutions become reified as part of the “undeniable world of facts.” (van der Ploeg et al., 1999: 334).

Understanding of public and consumer concerns

One of the interesting features of corporate debate on environmental issues is the ways in which manufacturers and others in the industry understand and frame consumer and public perceptions, already mentioned above. Manufacturers in this research suggest that *their* consumers trust them to ‘do the right thing’ and that *their* consumers are less concerned about food issues than the media and consumer groups suggest. Alternative views are marginalised as the minority concerns of the ‘Guardian-reading’, ‘Waitrose-shopping’, ‘chattering middle-classes’.

Perceptions of agency

Many of the research participants expressed a personal appreciation and concern about issues they associated with environmental degradation. However, the wider systems and perceived environmental impacts of these are presented as beyond the remit and power of food manufactures to change. There is a tendency to characterise sustainability issues as involving ‘macro’ questions beyond the scope or capacity of many food manufacturers and a suggestion that they would be unlikely to take a lead or be actively engaged in such debates. Food manufacturers are perceived to be in a relatively powerless position to influence changes, given apparent patterns of consumer demand and retailer power. Other research participants expressed an inevitability about the environmental destruction of “living in a capitalist world [where] profit is king”. However, it is also clear that industry actors are actively engaged in managing and transforming food supply networks and infrastructures in a variety of ways.

Conclusions

It is clear that organisation don’t just simply ‘respond’ to objective external environmental signals. Perceptions of legitimate action can arise from taken-for-granted cultural assumptions as well as from coercive and normative institutional pressures. Furthermore, the range of actors involved in organisational and issue fields engage in “the spinning of carefully orchestrated representations of reality” (Mohr, 2000: 63), which also involves negotiation over contested knowledge claims.

The importance of the cultural context or embeddedness for the ways in which organisations attend to environmental issues is not just “merely contextual” (Wynne, Simmons, Waterton, Hughes, & Shackley, 2001) but is key to understanding organisational engagement with environmental sustainability agendas and the ways in which these are constituted.

It is also useful to emphasise that the concept of culture in the notion of ‘cognitive’ institutions extends beyond an individual, purely cognitive, process to the cultural conventions that become embedded in practices, material artefacts and in socio-

technical relations – and that “meanings and practices, cultural forms and social structures are co-constitutive of one another” (Mohr, 2000: 63).

Ways in which ways of knowing and doing become black-boxed suggests that change is difficult, but the acknowledgement that the infrastructures that support such practices are actively co-constructed also points to the potential for change.

Organisations and organisational actors clearly do effect changes. Irwin suggests that approaches that point to the ways in which policy, science and other institutions frame debates indicate a potential for “fresh forms of engagement” and a more active role for institutional actors as active sense-makers (Irwin, 2001).

So, the picture I’m trying to create here is one where the path dependent characteristics and complex interdependencies of food industry arrangements *and* the taken for granted assumptions and framings of both environmental issues and industry orderings generate the kind of context in which industry arguments about the impotence of voluntary or normative pressures make sense.

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