Exploring environmental responsibility: The case of the International Olympic Committee

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Aim of paper and research questions

Understanding who influences an organisation's proactive environmental policy is important because it allows key decision makers the opportunity to respond and manage environmental issues and improve their reputation. The aim of this paper was to develop a model that identifies key stakeholders in the International Olympic Committee (IOC) environmental policy formation process and the factors that can influence the environmental policy formation of those stakeholders.

Literature review

In order to understand who the key stakeholders in the IOC environmental policy formation are, stakeholder theory was utilised. As stated by Freeman's (1984: 46) stakeholder theory, stakeholders are "any group or individual who can affect or is affected by the achievement of the organisation's objectives" such as employees, governments, residents, and media (Parent & Seguin, 2008). An organisation's relations with stakeholders is the key to appreciating how the organisation functions and creates value and strategic initiatives as a business (Waddock, 2004). Further, stakeholder theory explains that corporate responsibility can be revealed through an organisation's decisions, actions, and impacts on stakeholders and the environment (Waddock, 2004). Sport organisations may engage in environmentally responsible acts in order to gain a favourable reputation (Bansal & Roth, 2000) because a favourable reputation provides an organisation with a competitive advantage over other organisations in their field (Rindova, Williamson, Petkova & Sever, 2005).

Some key players in environmental responsibility literature include internal and external stakeholders. External stakeholders among others include governments, customers, suppliers, and the community, which can influence and be influenced by an organisation but they are not necessarily part of the internal stakeholder structure (Christmann, 2004). Henriques and Sadorsky (1999) found external stakeholders are capable of applying pressure to organisations by transmitting information and eventually influencing a proactive company's environmental responsibility strategy. Governments in different countries attempt to regulate organisations' environmental behaviour by requiring and implementing environmental standards, influencing therefore organisations' environmental behaviour and responsibility (Christmann, 2004; Dasgupta, Hettige & Wheeler, 2000). Ethically motivated organisations such as the IOC engage in ethical decision making because it is the "right thing to do" which can influence policy formation (Bansal & Roth, 2000). Other external stakeholders (e.g. UNEP) and the community, pressure organisations to regulate their actions and correspond to social norms and try to influence organisational environmental responsibility initiatives (Christmann, 2004).

Internal stakeholders include anyone that is within the organisation such as staff, committee members, and shareholders (Christmann, 2004; Bansal & Roth, 2000; Henriques & Sadorsky, 1999; Rindova, Williamson, Petkova & Sever, 2005). Internal stakeholders are not well investigated unlike external stakeholders. Therefore, it is important to identify who are the internal stakeholders involved in the IOC's environmental policy and to show interactions between them and any external stakeholders who may influence the formation of such a policy.

Research design and data analysis

In order to identify the stakeholders involved in the IOC's environmental policy creation procedures, the Olympic Charter, two IOC reports and the IOC website were consulted. Previous studies focusing on environmental strategy and stakeholder management were also reviewed in order to determine the nature of stakeholders that can influence an organisation's environmental policy formation and also the factors that can influence the behaviour of the identified stakeholders (e.g. Angle, Mitchell & Sonnenfeld, 1999; Bansal & Roth, 2000; Berman, Wicks, Kotha & Jones, 1999; Christmann, 2004; Henriques & Sadorsky, 1999; Rindova et al., 2005).

Results

The stakeholders responsible for establishing the official IOC environmental policy (i.e. Manual for Sport and Environment) include the Sport and Environment Commission who works together with UNEP, Ethics Commission, and the IOC Executive Board. As discussed in the literature review, four factors can influence an organisation to become environmentally responsible: Government legislation, ethical motives and external stakeholder pressures.

Discussion and conclusion

The results from the review of relevant documents and previous literature suggested that the IOC's environmental responsibility strategy is the result of internal stakeholders being influenced during the decision making process by government legislation, ethical motives and external stakeholders. These results suggest that a reputation of an environmentally responsible organisation such as the IOC is influenced by the support and endorsement of internal stakeholders who take into consideration factors that are critical to societal functions such as the legislation, the ethics associated with environmentally responsible acts and also the perceptions of the media and the local communities.

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