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# **Understanding value conflict to engage SME managers with business greening**

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*Key words* SMEs, Sustainability, Engagement, Values

## **Abstract**

The objective of this chapter is to contribute to the understanding of why SME managers engage with business greening. Ethical tensions are understood through use of the Schwartz Value System. The starting assumption is that the business framing of the environment, to save money and save the planet (win-win), is not value free but instead draws on conflicting values of power and universalism. The empirical research for this chapter engaged 31 SME managers in semi-structured interviews from a variety of business sectors within the East of England. The results showed that ‘power’ values are not the only way of filtering and constructing business greening. Managers were found to be drawing on the full range of values with marker values linked with ‘achievement’, particularly clear. It is concluded that manager values, especially within SMEs, are key to understanding the interplay of motivations for engaging with business greening. The ‘win-win’ concept needs to evolve to take managers beyond quick financial savings. It is argued that one way to do that may be to reframe environmental issues for business to stimulate values other than power. Practitioner work, in partnership with Bedfordshire Green Business Network (GBN), reports the usefulness of such approaches.

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## **1. Introduction**

In this chapter, the personal values of managers of small and medium sized enterprises (SMEs) are explored in relation to their business approach towards environmental behaviours. The issue of why environmental issues matter for SMEs is explained before the complex interplay of motivations that managers described to discuss their engagement with greening is explored. Management narratives were analysed using a thematic analysis, with the Schwartz Value System (1996) as the theoretical lens. This enables an exploration of managers' constructions of greening in the context of the personal values that motivate them, therefore linking more closely with implicit ethical assumptions and motivations. Finally opportunities for policy and business support organisations to include a reframing business greening to SMEs are described, along with other preliminary work with practitioners.

Small and medium sized enterprises (SMEs) are an integral part of modern economies, in terms of employment, technological and economic innovation and as contributors to greenhouse gas emissions. While the role of small and medium sized firms in efforts to address sustainability issues has been somewhat neglected in the past (Bradford & Fraser 2008; Revell & Blackburn 2007; CCC 2008) they constitute over 99% of UK and EU businesses (SBA, 2014), provide 53% of UK, and 67% of private European employment (Dumitrescu, 2014) and may account for 20% of total UK carbon emissions (AXA, 2008). This makes the ethical decisions of actors within SMEs vital in addressing the collective impact of SME activity on sustainability in general and climate change in particular (Gadenne et al. 2009; Revell & Blackburn, 2007).

## **2. SME engagement with business greening**

Although research into SMEs' environmental engagement remains far less extensive than similar research into larger firms (Triguero, et al, 2014, Carr 2003; Spence and Rutherford 2003) a body of work has been built up over the last decade. Much existing research into SMEs' environmental engagement has been motivated by an objectivist concern to determine the extent, as well as motivations for and barriers against such engagement. The findings have mostly suggested that the business case for environmental activity is not widely accepted among SMEs (Gadenne et al. 2009, Simpson et al. 2004; Revell and Blackburn 2007; Ackroyd 2002; Purvis et al. 2000; Hillary 2000). External pressures such as regulation (Simpson et al 2004; Bradford and Fraser 2008; Environment Agency 2007; Gadenne et al. 2009) or customer pressure are seen to be common drivers (Masurel 2007; Dawson et al.

2002; Stohs and Brannick 1999). The most important barriers were found to be scarce managerial and financial resources (Biondi et al. 2000; Gerrans and Hutchinson 2000) as well as low levels of eco-literacy and limited access to environmental information (Williamson et al. 2006; Hillary 2000; Tilley 2000). These issues mean that successive UK Government's have seen SMEs as difficult and expensive to engage with greening and have consequently based policies on a voluntary, 'win-win' approach (Revell & Blackburn, 2007).

### **3. Explaining the 'win-win' approach**

The 'transition to a low carbon economy' (Vickers, 2009) has an 'economic imperative' (Raingold, 2009, p5). In order that the UK is competitively placed to maximise opportunities, Government policies have deliberately framed low carbon skills as resource management so they would 'have more direct relevance to the majority of businesses and translate to tangible economic benefits and competitive advantage' (ibid, p15). Thus a business engagement strategy for dealing with climate change was born built upon existing waste minimisation and business greening arguments: save money, save the planet it is a 'win-win' strategy. In this way, the 'win-win' strategy presents a prescriptive policy to SMEs that describes what they 'need' to do; what 'must' happen; how they 'should' be responding (Newton, 2002). Through the Business Resource Efficiency and Waste programme (2005-8) and landfill tax funding (2008-10), the approach has received a minimum of £240 million and £214 million from UK Government funds respectively (NAU, 2010). Resource efficiency is still the principle European Union tool for engaging business with environmental improvements (EU Communication, 2011).

In reviewing the business greening literature, Vickers et.al (2009) conclude that initiatives such as win-win strategies have been generally disappointing with smaller businesses slow to take up environmental-improvement related ideas. Certainly, Patton and Worthington (2003) found that while larger SMEs did show an awareness of environmental performance being linked with economic performance, they only engaged at the level of making short-term savings. The National Audit Office (NAU 2010) evaluation of the Business Resource Efficiency and Waste (BREW) programme is also inconclusive regarding the programme's impact on business behavioural change however this is partly due to criticisms of how the programme was managed by DEFRA. Certainly of the 328 businesses surveyed only 7% of respondents had heard of the BREW programme and 5% had received support directly. In addition, it is clear that that environmental awareness is a complex issue for SME managers

Friedman et.al. (2000) and that more needs to be understood about the interplay between the different motivations for greening (Marshall et.al, 2005b) as well as how business managers arrive at their environmental strategy (Tilley 1999).

One major study exploring the impact of win-win as a driver was conducted by Andrea Revell and Robert Blackburn for the ESRC. In addition to the ESRC report ‘SMEs and their Response to Environmental Issues in the UK’ (2004), two journal papers (2007; 2007 with Blackburn) and a conference paper (2003) each discuss different aspects of the overall research. Of particular interest is the focus on win-win as a business driver for SMEs within the context of Ecological Modernisation. The research study used a mainly qualitative approach to explore how 40 managers from the construction sector (separated between builders and architects) and restaurant sectors ‘connected’ with the win-win philosophy. In both sectors, it was concluded that legislation was considered to be the most effective way to improve environmental performance along with efforts to change the behaviour of consumers in order to increase (create) market demand. As Revell explains;

“Clearly even where the financial returns from eco-efficiency are supposedly obvious, such as waste minimisation and recycling, under resourced and busy owner-managers may not feel that such returns are significant enough to warrant the initial investment in time and resources required to pursue them. Because small firms are typically more concerned with short-term survival than the long-term environmental impacts of their businesses, eco-efficiency measures may thus be rejected if the payback is not perceived to be immediate” (2006, p121)

Interestingly, a slightly later study by Revell et.al (2009) of 220 SME tenants of Workspace Group offices in London and the South East asked whether SMEs were beginning to ‘turn over a new leaf’. While suggesting that media coverage concerning climate change (including the documentary *An Inconvenient Truth*<sup>1</sup>) appeared to be triggering business managers to engage with the ‘business case for sustainability’ the authors argued that managers still appeared to be sceptical of the overall profitability of win-win. Furthermore, they argued that it was not clear whether managers were going so far as to take a strategic approach to resource efficiency / environmental awareness (beyond ad hoc measures) or that their approach was such that they would continue to invest time and resources to improve performance beyond the achievement of quick wins.

In summary, whilst the UK Government and EU has invested significant sums of money into encouraging SMEs to voluntarily reduce carbon emissions through a win-win, voluntary

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<sup>1</sup> 2006 Documentary see [http://en.wikipedia.org/wiki/An\\_Inconvenient\\_Truth](http://en.wikipedia.org/wiki/An_Inconvenient_Truth)

approach, SMEs are found to be largely sceptical (Boiral et al, 2014) such that, despite efforts in the last ten years, it is unlikely that resource efficiency alone will deliver the transition to a low carbon economy (Scott et.al. 2009) and clearly research needs to understand the interplay between different motivations for greening (Williams and Schaefer, 2013).

#### **4. Pro-environmental SME behaviour**

While the business greening literature argues that SMEs are generally resistant to environmental engagement and only engage where there are financial benefits to be made, the pilot project for this current research into pro-environmental SME behaviour (Williams, 2009; Williams and Schaefer, 2013) identified actions over and above those that would be explained solely by cost reductions or an engagement shaped by business arguments.

Pro-environmental managers in the pilot project (ibid) explained how an holistic approach meant that environmental considerations were thought about as part of every decision and, by doing so, a wide range of less obvious, deeper actions were addressed. Managers described how every stage of their operations was thought through in terms of environmental impact. Managers sought to identify points at which their activities had an environmental impact and proactively sought the least harmful option. All managers in this earlier study demonstrated an ability to recognise and consider the relevance of the environment as a stakeholder in decision making. While it was acknowledged that such an environmentally proactive approach took time to pursue, each of the managers considered the investment to be worthwhile from a business perspective. While managers rejected any idea that they were 'tree huggers or bunny lovers', it was clear from this research that personal values were important to understanding managers enactment of business greening but that these values were not necessarily environmentally-based.

#### **5. SME owner-manager values**

Building from this earlier research, Schaefer et al (2011) take a theoretical approach to arguing that in understanding the greening of SMEs it will be important to consider the personal values of their owner managers. Unlike managers and leaders of large firms, founders of small business organisations often build firms that are in line with their personal aspirations and philosophies. They often have greater strategic and operational discretion over their business, and it is usually within their power to disseminate their own vision to

permeate organisational values and culture (Hamann et al., 2009; Heugens et al., 2008; Schein, 2004; Dawson et al., 2002). Thus, personal ethics and business ethics may be more closely aligned in SMEs than in larger firms (Jenkins, 2004; Spence, 1999; Werner, 2008; Vyakarnam et al., 1997). The owner-manager is widely recognised within the SME literature as the dominant focus of the company with the company developing to reflect their individual persona (Lloyd-Reason and Mughan, 2002; Baden et al, 2009; Gray, 2002; Hammann et al, 2009).

Most SME founders report going into business in order to be independent and Gray (2002) suggests this may link with SMEs being seen to be generally reluctant to accept outside advice. This raises other questions about motivation. In addition to internal intrinsic motivation, Parker et al (2010) discuss two forms of external motivation: integrated regulation and identified regulation. Integrated regulation relates to the enactment of behaviours as an expression of personal values that helps to bring about a long term vision of the self. Identified regulation accepts that externally identified goals are important for the benefit of others so that the individual takes on personal responsibility and ownership of the actions required and thus internalises external values. These findings are supported by Williams and Schaefer (2013) whereby participants in the earlier pilot project described how the enactment of environmental actions enabled an expression of personal values related to how they understood climate change as an ethical and emotional issue of concern to them.

## **6. Research approach**

The research design takes a qualitative approach based on in-depth case studies with managers of different types of SMEs, in different industries and of various degrees of environmental pro-activeness. Semi-structured interviews with 23 owner-managers (coded M#) and 8 environmental champions (Coded C#) were conducted between January and April 2011. Respondents were engaged to the study via a number of routes, including promotion by third party business support agencies along with the main researcher's own face to face and online networking. Respondents were predominantly white male (60:40 male to female with eight percent of other ethnic origin), most frequently in the 45-50 age group running a company with an average of 35 employees.

Rokeach (1968) argues that "A person's values, like their beliefs, may be consciously conceived or unconsciously held, and must be inferred from what a person says or does" (p142). He then mapped how the values of equality and freedom were used in three political

writings through the language used (p171). The work of Shalom Schwartz (e.g. 1996) builds on Rokeach to move from exploring associations with single values to build sets of values that maybe recognised across different cultures. In this current study, the Schwartz Value System (SVS) as described Ralston (2011) was used as a framework for exploring how the language managers used to describe their motivation for business greening could provide an insight into their values. In this, values are considered motivational goals (Schwartz and Bilsky, 1987) that are both hierarchical and dynamic; meaning that while values are considered, relative to attitudes and beliefs, stable and deeply-held, our value priorities can and do change over time. The interview data was approached using thematic analysis (Braun and Clarke, 2006). In particular, in order to explore ‘win-win’, this chapter focuses on the two self-enhancing values of ‘power’ and ‘achievement’. Self enhancing values ‘indicate how one is motivated to promote self-interest, even when they are potentially at the expense of others’ (Ralston, 2011). Table 1, below, offers definitions of these two values and lists the marker values that Schwartz associates with them. The marker values of self-respect and social recognition were included in earlier versions of the SVS and are included here for completeness.

**Table 1: Marker Values for power and Achievement (after Ralston, 2011)**

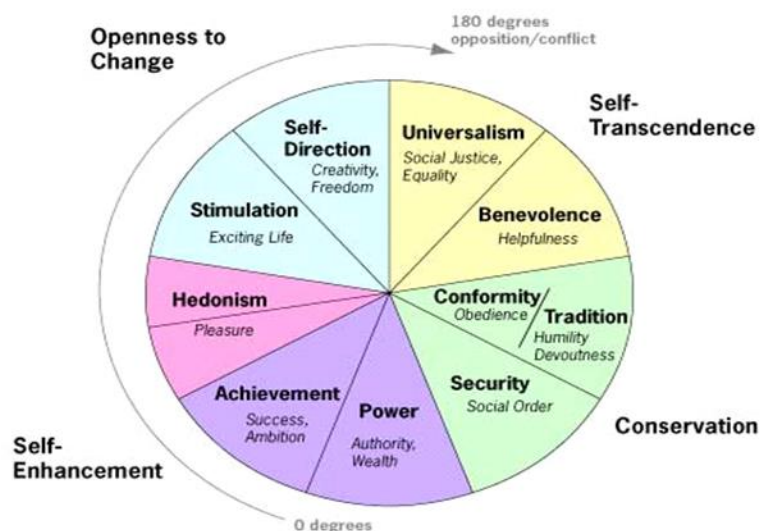
| <u>Power</u>  | <u>Achievement</u>  |
|---|---|
| Motivational goal of power values is the attainment of social status and prestige, and the control and domination over people and resources | The primary goal is personal success through demonstrated competence. Competence is evaluated by the system or organisation in which the individual is located. |
| <u>Marker Values</u>  |   |
| Social power, control over other  | Ambitious, hard-working, aspiring   |
| Wealth, material possessions, money   | Influential, having an impact on people and events  |
| Authority, the right to lead and command  | Capable, competent, effective, efficient  |
| Preserving my public image / face   | Successful, achieving goals   |



|  |   |
|--|---|
|  | Self- respect, belief in one's own worth (SVS 57)<br>Schwartz 1996                          |
|  | Social recognition, respect, approval by others<br>(SVS 57, Schwartz 1987, achievement RVS) |

Crompton (2011) draws on the SVS to show how 'win-win' is not value free. He argues that the first 'win', to save money, triggers power values; while the second 'win' to save the planet attempts to trigger conflicting environmental values, which Schwartz places within universal values. Schwartz and Boehnke (2004) developed the circumplex model that corroborated the theoretical structure of values. This demonstrated the relationships between values – which can be both neighbouring and complementary, or distant and in tension. As can be seen from diagram 1, below, Crompton (2011) uses the Schwartz Circumplex Model to show that power and universalism can be seen as directly opposed and in conflict with each other.

**Diagram 1: Schwartz Value System Redrawn (after Crompton, 2011)**



## 7. Findings:

*“And that’s what I mean when I say if my values don’t align with something, or people’s values don’t align with something, they just tend to be ignorant towards it because they feel, well they don’t feel empowered enough to do something. If it’s not in your values, you just don’t hear it”.*

This section will explore managers' motivations for business greening through the lens of the Schwartz Value System, looking specifically at marker values for power and achievement.

## **7.1 Power values**

Of the four marker values that Schwartz identifies for power, three were drawn on by managers in this study in their sensemaking of business greening.

### **7.1.1 Social Power, control over others**

In describing their reasons for and approach to business greening, managers expressed two ideas. Firstly, that "knowledge is powerful" (M15) and secondly, "it's not what you know it's who you know" (M14). Although these two ideas at first may seem contradictory, they are both about the manager feeling that they know something that someone else does not know in a way that enables a position of relative power, when they otherwise feel weak. For example, (M14) described how he felt powerless in the face of power and did not trust organisations that he was working with. However, through someone that he did trust personally, he was linked in with two low carbon advisors and knowledge had been gained that he felt helped him to "differentiate" his company. (C4) used his knowledge of environmental management to "save his skin". He described himself as "a little weakling, largely ignored" who was in "battle" with the company directors and in a position to "make big changes in the little part of the world" he was able to control. He held on tight to his knowledge and resented any interference with his work. This had implications for how they approached greening within their business as (C4) kept knowledge to himself rather than looking to engage and share ideas with staff. (M8) also described a sense of battle, this time with larger customers, and being proud to make a bit of profit from them. Similarly, (M6) looked to defend his company's USP rather than share their experience of working with local suppliers with potential competitors, even though this would have supported his larger goal of stimulating the local economy. Ideas within the 'win-win' framing that relate to increasing competitiveness through environmental improvements would appear to be reflected in the descriptions of managers drawing on social power values.

### **7.1.2 Preserving my public image / face**

Four managers made reference to the need to preserve their public image as part of their motivations for business greening. For example, (M23) talked about doing simple things, such as recycling, in order to support the image he was trying to portray. This was in order to

carry a green message that would make the company different. Similarly, (M15) hoped that her green credentials were seen as credible through her involvement with a local environmental project. (M14) was concerned that other people would see his business greening as shallow and as a “vener” while he dismissed the efforts of other companies as “just PR to win business”, from which he “recoiled with cynicism”. Being motivated by “wanting to look good” (C4) meant that the focus on business greening was about personal image and credibility rather than on reducing environmental impacts. In a similar way, (M17) observed with cynicism the preservation of image by politicians in relation to climate change as shallow.

*“I think it’s a vote looser if you can’t tick the box rather than a vote winner if you can. I mean, can you imagine anybody today saying we promote the use of petrol cars, we encourage coal fires? I think they would lose votes” (M17)*

### **7.1.3 Wealth, material possessions, money**

Eight managers made reference to being motivated by money and being “just like everyone else on this planet; a materialistic, greedy so and so with a mortgage to pay and a car to drive” (C4). (M9) explained that he needed to think about the money because “everything I buy is my money and I regard it as my money” (M9) and “at the end of the day, you’re in business to make money” (M23). This meant that business greening was a “nice side effect” (M23) but the motivation was “saving money” (M21). The motivation was to save money through reducing inefficiency rather than to make money through new green innovations and opportunities. (M15) would insulate her premises if a grant could reduce the cost to her and she felt she was “getting something towards it”. While managers could be “very keen on how we can drive down costs and get a quick bang for our buck” (M21), this needed to be without financial investment. So when potential actions were highlighted through the free business audits that both projects provided, they were only accepted if they did not require much investment in terms of time or finance. So recycling ink cartridges was an idea that (M21) was “quite happy to go along with because it’s not a big overhead”.

Of the managers interviewed for this study, only two managers referred to quantified business savings. (M13) intended to reduce running costs by £2-3,000 per year while (C4) had reduced costs by £58,000 per year. The cost savings by (C4) had been made through improving waste

management systems and by working more closely with waste contractors to reduce collections, fill skips more efficiently and by bailing waste to compact it. There was no reference to environmental improvements or a focus on reducing costs through waste reduction initiatives.

Two managers expressed concern that “selling” (C7) environment on the basis of cost savings might not provide an impetus to act should energy prices, in particular, stabilise or fall: Indeed it was questioned what would happen to environmental projects once “the savings had stopped” (M5). In this, both managers expressed concern and frustration that savings could be achieved under an environmental project that was more about renegotiating contracts than changing mind-sets.

## **7.2 Achievement values**

Managers could be seen to draw on each of the marker values for achievement, except ‘ambitious, hard-working, aspiring’ and ‘self-respect; belief in one’s own worth’.

*“It was very much my own idea really. We were looking to make savings. You know, our key drivers are always about competitive edge, business advantage, efficiency as much as possible and saving money ultimately. In this day and age, saving money is probably the key driver. What we can do to save money” (M21)*

### **7.2.1 Influential, having an impact on people and events**

In describing their sense making of business greening, managers drew on the desire to influence others and make a difference to explain what they did in terms of energy efficiency, waste reduction, as well as broader sustainability issues including climate change. For champions, the opportunity was to engage staff in change as well as “persuade management” (C5). For managers, there were opportunities to make a difference by both engaging staff and influencing other businesses through both words and example. For instance, (M10) described how he had set up a staff viewing of *The Inconvenient Truth* and *The Age of Stupid* for “dictatorial, altruistic reasons and because I think this is important and they need to know”. In addition, (M10) described how he used his influence to work with clients and peers to encourage them to think about what more they could do towards sustainability and to help make environmental sustainability more important. In his view, society was constantly changing and by being on the “leading edge” of what was allowed, he could help “push it in a certain direction”. (M5) described how she “communicated closely” with other local businesses to encourage them to follow her example in using local suppliers, which (M16)

also described as where he “could have an effect”. (M8) described how he explicitly drew on the knowledge he had of his customers “personalities” to determine how he framed his conversations with them about making greener decisions. (M7) recognised his business and its customers and staff as his sphere of influence and felt proud that he could “achieve a big difference in the local area” while still being aware of the bigger picture such as “rainforests disappearing”. Managers drew on positive and empowering emotions such as feeling proud, passionate, involved and happy to describe their influencing roles.

“I like to set an example of being a lady on a bike, you know, in business clothes and high heels because I think it’s important to say to the world, this is acceptable and it’s about leading the way and saying to people, hey we’re doing this how about you” (M19)

### **7.2.2 Successful, achieving goals**

Managers described how they worked hard towards their goals. With specific reference to business greening, this could be reflected in achieving the goals set in environmental action plans (C5) or in achieving accreditation (M24). (M24) described how the recession was making business very difficult but that they had recently “won two big contracts which is tremendous”. She said that they had always done a lot of construction work in schools but that contracts were becoming increasingly difficult to win. She saw the hard work necessary to obtain an environmental accreditation as an achievement that would help the business in the longer term. For (C5) having an environmental action plan empowered her to focus on achieving a set of goals by working on individual attainable actions. In the first year, she was able to reduce the company gas bills by 30% and she was “astonished” at what she had achieved through “boring little incremental measures”.

### **7.2.3 Capable, competent, efficient, effective**

In addition to the need to influence, this set of values was the most clearly illustrated by managers in discussing their engagement with business greening. This is shown in two ways. Firstly, where managers valued competency and efficiency, they could be frustrated and disappointed by seeing inconsistency in others, especially in Government policies towards green business. For example, (M1) saw inconsistency and inefficiency with Government carbon taxes and the UK feed in tariff scheme, arguing that “the Government is inconsistent...as far as I am concerned if they want to put a solar farm in, let them; it’s probably more efficient than 100 households”. Similarly, (M7) argued that the REACH

regulations added no value at massive expense and inefficiency: “the problem could have been solved much more simply if substances identified as high environmental concern were just taken off the market”.

The concept of a ‘problem’ to be solved was reflected in the second way that this value was illustrated. Managers talked about working in “continuous steps” (M1) to improve and develop better products that were more sustainable for the future and to overcome technical challenges in doing so. The environment could be seen as a “component” (M22) of quality and of management where managers could take “pride” (M10) at overcoming inefficiencies by exploring challenges and becoming “quicker, better, more efficient” (M24). The ability to see business greening as a component could be empowering and enable managers to deal with a range of current and future issues. In the past, (M22) described how businesses had reformed components to do with health and safety and increasingly they would deal with governance components and social responsibility components in the same way. For example:

“Yes there are technological challenges but people, each individually, if they put their minds to it, every time they’re building something new, they’re thinking about it, every engineer, every builder is thinking how can we make this more efficiently, how can I make this better...” (M22)

In this way, improving efficiency was linked with reducing wastefulness and while this included reducing unnecessary costs, it also took a wider, longer term view so that they “always weighed up cost with efficiencies with carbon footprint” (M24). This meant they had identified inefficiencies, such as bringing back waste and then having to unload and reload it and take it to landfill. Rather than just reduce costs through renegotiating waste management contracts, they had looked for more creative solutions. In doing this they had achieved additional business benefits as well as reducing their environmental impacts. For example, they invested in a Talbot Wood Burner that “uses up a lot of our waste and heats our workshops” (M24) as well as using rainwater that was better for their treatment processes and reduced bills; and they invested in an onsite recycling area that reduced waste to landfill, increased waste recycling and reuse, and reduced driver time and fuel.

#### **7.2.4 Social recognition, respect, approval of others**

Although this value was dropped from the universal Schwartz Value System, as he did not perceive it to be a value reflected across all cultures, it was included as a value in earlier versions. It is included here as two champions plus one manager clearly demonstrated this value in connection with business greening. For (C3) motivation to engage with greening

included a sense that she had done something for the environment along with the sense of approval that she received from her manager. She saw that the environment was important to him and she valued both his support and his feedback to her. In a similar way, (C5) demonstrates this need by her reaction when it was not given. While (C3) was motivated and empowered, (C5) found she felt disempowered, disappointed and hurt. Indeed, she expressed her own surprise at how, as a mature professional woman, she had been so hurt by a lack of recognition for her environmental achievements and efforts within the business. She felt that she had been personally very committed to the green project but now wondered why she had bothered. She said: "I really stuck my neck out I really went for this and put a lot of effort in and I know it sounds petty but sticking those certificates down the corridor out of sight that hit me and I just thought, wow, to hell with it".

"When I am gone, I want the world behind me to think, great guy, he did good. I want them to see the things I did and how they added value. I want people to think yeah he did some good stuff" (M18)

## **8. Self-transcending values**

Self-transcendence values "indicate the extent to which one is motivated to promote the welfare of others (both close friends and distant acquaintances) and nature" (Ralston et al., 2011, p20; and see Schwartz, 1994, p25). There are two self-enhancing values. Universalism relates to the goal of "understanding, appreciation, tolerance, and protection of the welfare for all people and for nature" (Ralston et al., 2011, p19). This can be compared with Benevolence, where concern is for a closer group of others and with a narrower focus on the "preservation and enhancement of the welfare of people with whom one is in frequent contact" (ibid, p19).

The second half of the win-win message draws on the environmental values within Universalism. Thirteen respondents, eight male and five female, drew on Universalism in how they talked about climate change and business greening. Each of these managers also drew on the self-enhancing value of Achievement but none drew on Power. Managers spoke with passion about how climate change was a moral issue for them. By seeing the consequences of small actions connected to bigger issues, managers described how they understood that climate change was wrong because it was a consequence of Western greed and waste and how people elsewhere, who were poor and vulnerable, would suffer. This compassion and concern for other people was extended to consider environments and

ecosystems as morally significant, regardless of whether respondents had direct experience of those environments. Respondents described feeling a connection that could be both spiritual and/or of personal intrinsic value and related this to their own sense of conscience. In particular, this meant that climate change could be seen as an ethical concern and that business greening was an extension of their own sense of morality. Not only was wastefulness and destruction of the environment seen as wrong in itself, it was important to managers that they considered the environment in all aspects of their business decision-making in order to do least harm. It should be noted that managers drew on a range of Universalism values, which suggests that their concern was not overtly 'green' but was as much a social as an environmental concern. Indeed, the interconnectedness of ideas meant that it was impossible not to see issues as holistic and this could make deciding on the best course of action problematic.

Only six out of the 31 respondents drew explicitly on the need to protect the environment as a motivation and only five did so in terms of business greening. However, Eighteen respondents demonstrated Benevolence values; twelve drew on the self-enhancing value of Achievement and six on Power. This suggests that Benevolence is a value that resonates more easily with more managers than Universalism. The results showed how respondents were concerned for the people close to them and how this could feed into their motivations for business greening. Improving the sustainability of their business through environmental actions could be a way for managers to demonstrate their concern to staff and local communities. However, this local focus could also mean that climate change was seen as outside of their day-to-day activities and responsibilities.

## **9. Practitioner Implications**

Starting with a two-hour seminar for members of Bedfordshire Green Business Network (GBN) in February 2012, an understanding of values and values conflict has been used in a number of ways by the researcher with UK SMEs. The first session looked at how managers might adapt their business for climate change. A model was presented by that moved climate change from being a 'big issue but not my issue' to one re-framed engagement in terms of achievement values. In this way, managers were encouraged to view their greening actions as 'components' that linked their projects to delivering the bigger issue. For example, actions to reduce their business use of carbon, such as energy reduction, were framed in terms of efficiency. Effectiveness and self-sufficiency were used to frame actions that would reduce



their business' reliance on sources of carbon, such as alternative energy generation. The need to influence others and make a difference was drawn on to encourage managers to take a longer-term view regarding resilience to climate change and engagement with their supply chains. During the workshop and feedback sessions, managers reported that this was a new way of thinking about climate change and one that helped them to understand the elements of it, in a way that made sense to them.

In the workshop exercises and discussion that followed, managers described how they could recognise their own, similar key staff members in the narratives. They reported a willingness and ability to use the SVS individual level markers to recognise the values of staff and to reframe their own messages to them in order to stimulate their existing values and motivate them towards desired environmental behaviours. Managers also reported that it was clear the approach could be used more generally to support and motivate staff by recognising what was important to them. Managers suggested the approach could support existing engagement techniques that point towards 'what' to do with a clear 'how' to. For example, in identifying and engaging key individuals to join a green team and in supporting them to cascade engagement within their own staff groups.

Following the first session, a series of seminars for GBN have been developed with and for members between 2012 and 2015. The work has taken a number of forms, each based on helping environmental managers use an understanding of values and values based messages to reduce values conflict and maximise engagement. For example in June 2015, participants explored the values implicit in messages to internal and external stakeholders. They built on earlier seminars to recognise when values were being made reference to in communication messages and how they could avoid using conflicting values. Earlier in 2015, members also looked at understanding the values of groups and sub cultures within the business in managing change and supporting environmental champions to engage their team by recognising the values of key individuals. Of particular interest is the use of an explicit values-based approach to engage senior management with sustainability. This is likely to be a useful tool for practitioners with the anticipated changes to ISO14001 that will require senior management commitment and alignment with company environmental policies.

## **10. Conclusion**

This chapter has explored the values that managers draw on in describing their motivation to engage with business greening. Results suggest that some managers can draw on power

values to see the environment as part of their competitive arena. They do so in a way demonstrated by the greening business literature that describes managers as sceptical and largely dismissive of environmental issues. These managers were clearly motivated by saving money. Where environmental improvements promised quick cost savings, without financial investment, they would act. However, this was just a small part of a larger, more complex picture. Cost savings and business efficiency as motivations were closely interwoven and environment was an important part of that thread and could benefit from improvements from either aspect. However, managers who focussed on cost savings first, focussed on short term cost savings and quick wins. Here, the focus was on saving money and improving control.

However, this research shows that ‘power’ values are not the only way of filtering and constructing the environment for SME managers. Managers engaged in delivering sometimes significant environmental actions within their business were found to be drawing on marker values that Schwartz (1996) links with ‘achievement’. In particular, these managers framed what they did in terms of being effective and efficient. They wanted to be seen to be capable and to have an impact on people and events. Managers did not draw on both achievement and power in their constructions; it was one or the other. Managers who were motivated by efficiency looked to reduce wastefulness first. Wastefulness included wasting money, along with time, product and resources and allowed longer term thinking and more creative solutions. Improvements were about doing business better. Environmental investments were less of a barrier because longer term thinking invariable meant that the environmentally preferable solution would also be the financially preferable solution too.

It is evident that win-win has had success in helping to make the environment a business issues. This supports Revel et al (2009) suggestion that SME managers are becoming more generally accepting of greener approaches to business. As (M21) explained:

*“If you spoke to me about environmental issues a few years ago, we’d say we weren’t interested. We don’t know if it’s going to affect our business because people didn’t really understand the implications of what was happening with global warming and what a big political football it was going to become. But I think these days, if you’re blind to environmental issues, then you’re not very intelligent because everybody is now aware of what’s happening in the world and starting to be more forward looking” (M21)*

It is also apparent that 'win-win' will continue to be a key part of the EU strategy for engaging SMEs voluntarily with environmental issues, including climate change (EU Communication, 2011). At a conference funded by the EU Directorate for Enterprise and Industry in June, 2012 (SME Advisors, 2012) it was clear that SMEs within different EU states are at different stages of environmental awareness. Advisors from Eastern European states explained how the SME managers they worked with looked to the UK to learn from the experience of UK businesses. They were currently at a relatively early stage of engaging businesses predominantly on the basis of cost savings. This research argues that 'win-win' is useful but is limited and, as an idea for engaging with SMEs, it needs to be able to evolve to take managers beyond quick financial savings once those savings have been made. It is argued that one way to do that may be to reframe environmental issues for business to stimulate values other than power. In addition to helping to move managers beyond quick wins, this would also increase the tools available for business support organisations while still fitting with the 'win-win' concept they are familiar with.

The research that this chapter is based on also explores the role of other values including self-direction, creativity, benevolence and security. It is suggested that future research should explore these ideas more widely by engaging managers in a pilot support project to explore the difference that reframing can make to their engagement with environmental issues. It is suggested that by reframing environment it will be possible to engage managers with deeper actions that go beyond immediate cost savings. Encouraging managers to think about the components of climate change and how they can do things better may help SMEs make a greater contribution to the transition to a low carbon society. In addition, comparative research with other EU states should include an exploration of manager motivations to green focussing on the role of values in different economic, political and social contexts.

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