Spring 5-15-2011

Businesses Going Green: An Analysis of the Factors that Motivate Firms to Adopt Environmentally Friendly Practices

Emma Currin
Coastal Carolina University

Businesses Going Green: An Analysis of the Factors that Motivate Firms to Adopt Environmentally Friendly Practices

2011

By

Emma Currin

Business Management

Submitted in Partial Fulfillment of the
Requirements for the Degree of Bachelor of Science
In the Honors Program at
Coastal Carolina University

May 2011

Philip Whalen
Director, Honors Program

Darla Domke-Damonte
Thesis Advisor

Keira Williams
Honors 499 Professor

TABLE OF CONTENTS

INTRODUCTION

Throughout the past few decades, the world has witnessed some of the worst environmental catastrophes such as the Union Carbide disaster in Bhopal, India, the nuclear crisis in Chernobyl, USSR, the oil spill by Exxon Valdez off the coast of Alaska, the warehouse fire of a chemical manufacturer at Basel, Switzerland, among many others which have raised global concerns about corporations' impact on the environment, and thus has generated a widespread interest in preventing pollution (Quazi, Khoo, Tan & Wong, 2001). A significant common denominator of these tragedies is that they were caused by the failure of a corporation to ensure the safety of its practices.

As a result of the relatively recent man-made disasters, we have seen an increasing number of companies demonstrating their individual efforts to "go green." Consumers typically see these efforts demonstrated with phrases such as "100% natural" and "made with [some percent] recycled material" stamped across products. Some firms will invest the time and resources necessary to meet the standards of a number of third-party organizations to have access to their eco-labels. Energy Star, USDA Organic, Green Seal Certified, WaterSense, Design for the Environment, and Forest Stewardship Council are just a few of the most commonly seen eco-labels in the United States. All of the firms utilizing these eco-labels must have fulfilled the sustainable requirements set forth by each labeling organization. What is their primary motivation for doing this? Have companies finally started to realize their current and potential impacts on the world, or is this just another marketing scheme in an attempt to tap into an environmentally aware customer base?

The purpose of this analysis is not to degrade environmentally friendly efforts by firms, but rather to explore their motivations for adopting such sustainable initiatives. Current research would suggest that businesses are motivated to adopt environmentally friendly practices by a combination of legal requirements, corporate social responsibility, and gaining some sort of businesses advantage such as reduced costs, increased market share, and similar financial benefits.

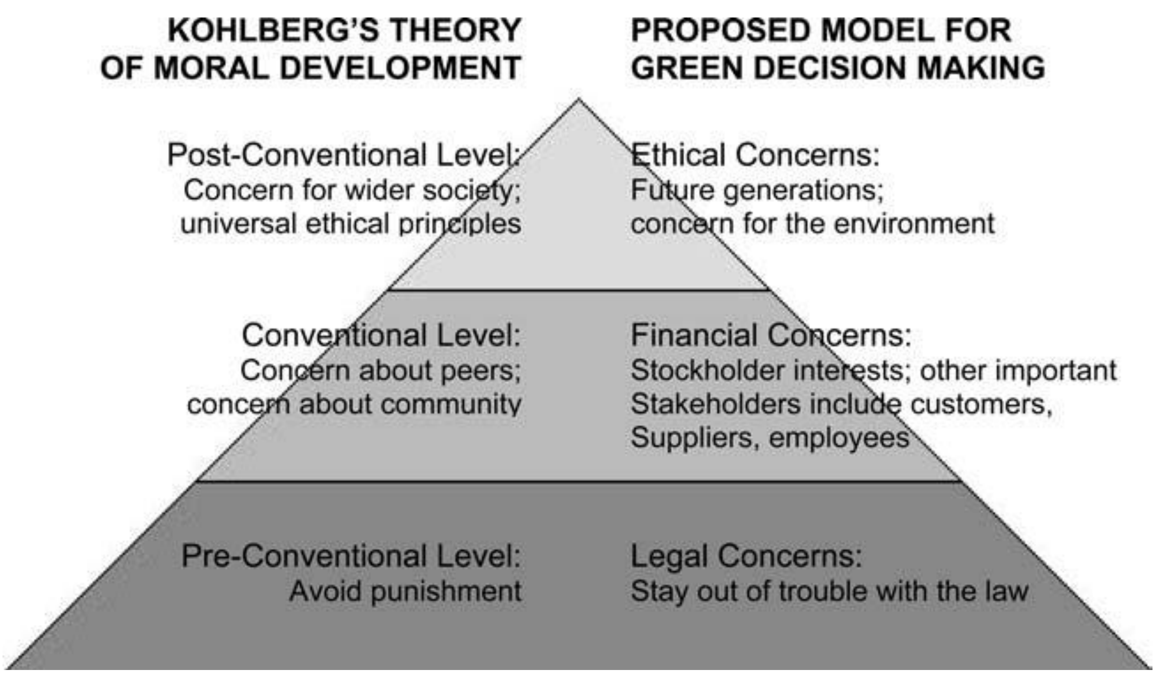
Determining what it is that contributes to a firm's decision making process can have several positive implications. It may help a firm to better address the changing needs of an evolving society, the government to more effectively propose relevant legislation, and consumers to more accurately understand their role in the business process.

The present study first presents a review of the relevant literature on motivations in adopting sustainable behaviors, summarizing with key hypotheses to be tested in the current research. The research methodology is described, and analytical process discussed. Finally results are presented and a discussion of their implications is noted.

LITERATURE REVIEW

Scholars suggest a number of motivational forces that impact the sustainability efforts of companies. While not all authors agree on one set of factors, three influential motivational factors were frequently mentioned. The first of these is basic legal compliance. The second factor suggests that businesses adopt these practices because executives feel that it is the responsible thing to do. The third and most frequently mentioned factor is in support of the business case. The term "business case" refers to the notion that companies will ultimately do what is good for business in terms of competitive advantages and financial opportunities. Being motivated by a business advantage suggests that firms will only implement "green" practices if they help increase revenue and reduce costs. This is demonstrated in the net income portion of the income statement, or the "bottom line."

Hendry and Vesilind (2005) argue that companies motivated by ethical concerns are morally admirable since the motivation is not selfish. They suggest, through applying Kohlberg's theory of moral development, that businesses will not be able to reach this stage of moral consideration until they have a financially stable foundation. Kohlberg's theory of moral development as applied to a firm's decision to "go green" is provided below:



(See Hendry & Vesilind, 2005)

This application of Kohlberg's theory of moral development suggests that companies will adopt green practices at all stages; however, a firm will only choose to exhibit corporate social responsibility once its legal and financial obligations have been fulfilled. Although not working simultaneously, it is proposed by this application that a firm can be motivated to adopt sustainable practices by all three factors.

The first noteworthy factor derived from the research analyzes the influence of laws and regulations regarding business practices and the environment. Firms can be regulated by its incorporating government as well as by non-governmental bodies. In the United States, the Environmental Protection Agency (EPA) and Presidential Executive Orders contain the authority to legally bind a firm to their standards. The EPA, along with its formulation of regulations such as the Clean Water Act and Clean Air Act during the 1960s and 1970s, led to the creation of non-governmental organizations (NGOs) such as Greenpeace, the Natural Resources Defense Council, and Environmental Defense. While NGOs cannot legally enforce their recommendations to businesses, they are successful in influencing the practices of firms in a number of ways such as gaining support for such actions by consumers and lobbyists. The Coalition for Environmentally Responsible Economics, originally known as the Valdez Principles, was created in 1989 and includes a set of ten principles for companies to abide by. The tenth principle makes this coalition meaningful by requiring participating firms to submit a standardized environmental report each year (Hendry & Vesilind, 2005). This has furthered the Global Reporting Initiative, a framework that sets up globally accepted reporting procedures, by urging companies to make performance information available to the public. The International Standards Organization, a non-governmental international organization, created the ISO14000 which is a set of standards for management and products which also "covers environmental management systems, environmental auditing and related investigations, environmental labeling and declarations, environmental performance valuations, and life-cycle assessment" (Hendry & Vesilind, 2005).

Businesses are analyzed in respect to these regulations and recommendations to determine how these factors influence a firm's decision making process regarding the environment. Arnold and Whitford (2006) discuss at length the use of Environmental Management Systems such as ISO14001 which provides a firm's management with a systematic approach for identifying and continually improving its environmental impact. They suggest that businesses should regulate themselves since current regulatory agencies do not have the resources available to keep up with changing materials and practices being used by corporations. Ord (2009) touches on this issue by suggesting that initiatives such as the Dow Jones Sustainability Act, the Carbon Disclosure Project, and the Greenhouse Gas Protocol Corporate Reporting & Accounting Standard are promising because these third-party initiatives aim to increase transparency and credibility of firms. Nonetheless, it remains difficult to tell which companies are truly adopting these practices because many reporting practices such as these are voluntary, and companies get to choose what information they disclose.

Another problem regarding this issue is that regulation will not have universal compliance since domestic environmental laws vary between nations, and there is no international governing body to enforce the same laws consistently. Furthermore, it is suggested that there is not a significant push for businesses to comply with the policies that are currently in place because regulation entities are restrained in their monitoring and enforcement activities due to a lack in fiscal resources (Lyon & Maxwell, 2008). Bernhagen (2008) provides the reader with various limitations to International Environmental Agreements depending upon environmental, economic, political, and social impacts. Financial and technological resources along with adequate infrastructure may not be available to some firms operating within certain regions. Also, businesses present in areas with political and social instability will have other issues needing to be addressed in a more time sensitive fashion than long-term environmental impacts. Bansal and Roth (2000) agree with Clapp (2005) that businesses adhere to regulations for practical reasons such as to avoid sanctions, bad publicity, fines and penalties, punitive damages, clean-ups, discontented employees, and risks. Bansal and Roth (2000), in their analysis of eco-friendly corporations, reported that "one respondent identified the purpose of compliance initiatives by saying, 'I know our [environmental] policy is just a piece of paper. It is just for making stakeholders nice and warm and cuddly.'"

Another theme of the research explores whether or not it is possible for businesses to adopt green practices simply because it is the right or responsible thing to do. Some authors argue that businesses can adopt environmentally friendly practices as a way of being socially responsible. However, others argue this is done with some goal of gaining a competitive advantage in mind. Environmental corporate social responsibility is defined as "environmentally friendly actions not required by law, also referred to as going beyond compliance, the private provision of public goods, or voluntarily internalizing externalities" (Lyon & Maxwell, 2008). Lyon and Maxwell break down corporate social responsibility (CSR) into strategic CSR, which increases profits, and altruistic CSR which is derived from moral considerations. This distinction is made because the authors agree that there would be little to discuss if the only firms analyzed were those who were motivated to be responsible solely due to ethical concerns.

The increasing pressure of outsiders to become more socially responsible is analyzed by giving special notice to nongovernmental organizations (NGOs) and their influential efforts which include boycotts, media attention, and endorsements. Since "55 percent of Americans trust NGOs" while "less than 30 percent trust CEOs of major corporations," firms have a substantial interest in submitting to the practices supported by NGOs because it gives them increased legitimacy (Lyon & Maxwell, 2008). Supply and demand forces are also analyzed to determine the impact of key players within the market. Buyers, investors, and employees are continuing to show a strong desire to work with companies that are socially responsible. In fact, a survey of recent Cornell graduates "found that many are willing to accept substantially lower salaries from firms engaged in socially responsible activities" (Lyon & Maxwell, 2008). Transnational corporations need to pay close attention to their supply chains since they "are typically under pressure from their stakeholders to adopt specific CSR principles and policies" (Sarkis, Ni, & Zhu, 2011). As a way of responding to customer needs, corporations have required their suppliers in developing countries to adopt sustainable practices as well in order to continue business.

Kolk and Tulder (2010) argue that there is a need for firms to be socially responsible when considering legal and financial obligations. They suggest that CSR helps firms to account for their stakeholders and thus gain a competitive advantage. Brown and Flynn agree by stating how the role of stakeholders is ever increasing, and businesses should see this as an opportunity to advance while doing good deeds simultaneously. Okereke (2007) agrees with the above proposals, but takes another approach in justifying this by stating that the reason business take green action is not out of concern for the environment, but rather as a way to gain "cheap" popularity. By this, he means that although firms may look like they are being socially responsible, their primary motivation for doing so is for the desirable image gained.

In an opposing example of why businesses would voluntarily demonstrate their level of CSR, Li-Wen cites the current conditions in China and discusses how corporate social responsibility is critical to the success of a company as well as to human kind. Chinese companies in particular are motivated by the health risks and potential protests due to China's current level of pollution (Li-Wen, 2010). Since environmental regulations in China have not yet caught up to the massive economic growth the country has experienced, this demonstrates how a firm can act out of moral obligation first. This particular example suggests that companies are motivated by ensuring the happiness and safety of the population in order to make it feasible to continue operations. In support of this view, Lyon and Maxwell (2008) discuss how a firm is still considered to be socially responsible by adhering to voluntary agreements even if it is foreseen that these practices will inevitably become law. For those firms in China that have yet to adopt altruistic CSR practices as described above, the recent institutional pressures from government, industries, communities, media, NGOs, and unions will have a strong influence in firms adopting strategic CSR practices within the coming years (Sarkis, Ni & Zhu, 2011).

The third and most frequently addressed question posed by the research is whether or not businesses implement green practices with the sole purpose of increasing net income or the "bottom line." There is a recurring argument within this topic that although businesses are motivated by making money, implementing sustainable practices also allows for companies to be ethically responsible. This argument proposes that even if companies are motivated by financial means, other stakeholders, such as customers and the natural environment, are able to benefit as well. Kolk and Tulder (2010) argue that businesses can increase their profits by complying with current laws and regulations and by obtaining corporate social responsibility strategies. Hendry and Vesilind (2005) state how lowering energy expenses increases profitability, and how this leaves opportunity for improved customer relations and reputation. Okereke cites motivations and drivers to adopt sustainable practices – all of which relate to the focus on making money. These include outcomes such as increasing profits, establishing credibility in regards to policy development, satisfying fiduciary obligations, avoiding risks associated with climate change, and gaining consumer trust and loyalty (Okereke, 2007). He claims a company can be ethical so long as it doesn't hurt its bottom line. Bansal and Roth (2000) discuss how businesses can gain a competitive advantage through sustainability such as gaining market share by appealing to environmentally conscious consumers, experiencing cost reduction through efficiencies, and becoming a global leader by being a first mover of sustainable practices and setting the standard for other firms. They state that businesses will adopt sustainable practices regardless of the good it causes *only* if it is beneficial to the bottom line.

Dahl (2010) discusses the marketing technique of "greenwashing" and how the phrase "environmentally friendly" is being taken advantage of in order to attract a large segment within the market of "eco-friendly" consumers. Chen (2007) argues how the benefits of changing products, processes, and brand image to be more environmentally friendly outweighs the costs of doing so. Applying a view held by Milton Friedman, a famous economist, adopting sustainable practices would be acceptable in this case since he holds that “[t]he one and only social responsibility of business [is] to use its resources and engage in activities designed to increase its profits so long as it ... engages in open and free competition, without deception or fraud” (Hendry & Vesilind, 2005). Heinkel, Kraus, and Zechner (2001) argue that since firms act in such a way that maximizes share price, they would consider reforming to non-polluting technologies if neutral investors switched to being green investors and only invested in acceptable firms. While some “green” technologies increase sales and others reduce costs, those “that not only yield increased sales but at the same time decrease expenses are the perfect recipes for the adoption of green practices by a company whose primary driving forces are financial concerns” (Hendry & Vesilind, 2005).

It is evident that there are multiple ways in which businesses can capitalize on their efforts to become more sustainable, and so I hypothesized that through closely analyzing selected firms, it would be discovered that firms mention all three motivations when discussing why environmentally friendly practices were implemented. Due to differing levels of development among nations, firms within highly developed nations would cite CSR more than those in developing nations. Also, it is hypothesized that firms in industries with a more direct connection to consumers would source CSR more often than those in other industries.

METHODOLOGY

This research has been compiled from an extensive literature view which was gathered through the use of various databases and scholarly, peer-reviewed journals. The majority of authors reviewed are current or former university professors from around the world specializing in the fields of management, marketing, public administration, sustainable management, environmental engineering, international relations, and law. In addition to scholarly articles, media sources have also been utilized in order to explore some of the current issues regarding firms and their interactions with the natural environment. A number of companies have been examined further using their websites, press releases, and company profiles from online databases in order to gain a deeper understanding of companies' motivations to "go green."

In order to test the findings of scholars, I have conducted a content analysis of shareholder reports in order to determine what it is that firms describe as their motivations to "go green." The first step in this process involved the 2010 Dow Jones Sustainability Index (DJSI) since this list includes the top 10% of the leading sustainable firms out of 2500 of the world's largest firms on the Dow Jones Stock Market Index. This list is updated annually based upon a corporate sustainability assessment which involves long-term economic, environmental and social aspects. Since these firms have already been identified as ones that are the most environmentally responsible, these are the ones on which I have focused because their citations as to why sustainable practices were implemented will be more evident than those firms lacking an emphasis on sustainability. The firms were then organized by nation and industry so that a few firms could be selected based upon their characteristics. Since companies operating within different nations and industries have varying circumstances, the motivations between firms may differ. It is likely that firms headquartered within developed nations would have greater access to financial and technological resources needed in order to develop and implement sustainable practices than those in developing nations would. Furthermore, these firms within highly developed nations are likely to be under greater scrutiny by consumers and governmental bodies to adapt to social change. See Appendix A for the chart created to organize firms included on the DJSI. Ten firms were selected representing six nations (Norway, Australia, United States of America, India, South Africa, and Thailand) and six industries (basic materials, oil & gas, industrials, financials, consumer goods, and technology). Nations were selected by utilizing the Human Development Index (HDI) to determine which firms on the Dow Jones Sustainability Index were most and least developed. The HDI uses measurements of health, education, and living standards in order to develop a statistic representing a nation's social and economic development. Industries were selected based upon if they involve a large or small amount of direct contact with consumers. Firms represented within these categories were then randomly selected. This analysis is limited due to only ten of the 325 firms present on the DJSI being included in the study.

From here, a content analysis of each of the firm's letters to their shareholders was conducted. In these letters, companies cite their reasoning to shareholders as to why they implemented certain practices. This analysis was performed by going through the specified firms' letters to shareholders and coding the document to determine which words and phrases will count when identifying a firm's motivating factors. Phrases such as "in order to" and "in response to" aided in determining when a motivational factor was present. Simply stating that a firm adopted a sustainable practice was not counted in the analysis because it does not mention *why* it was implemented. A motivating factor for legal compliance would state for example "in response…" a certain law. Motivating factors for corporate social responsibility were found when firms mentioned the need to be a good corporate citizen, to preserve the environment for future generations, and to minimize their environmental impacts. When drivers such as strategic opportunities, profitability, competitiveness, and economic progress were mentioned, they each counted towards the motivational factor of gaining a business advantage. The total number of times each factor was mentioned within each letter was then divided by the total number factors mentioned in order to derive a percentage of motivation that can be attributed to each type of factor mentioned by firms.

After completing the content analysis of the letters to shareholders, I was able to test my hypotheses. First, I predicted that regardless of country or industry, each firm analyzed will include each of the three motivating factors presented by scholars within their reports. My second prediction was that firms in developed nations will focus more on corporate social responsibility than those in developing nations. This is because those in developed nations are more likely to have the knowledge and resources in order to make this possible. My third prediction was that firms operating in industries with more direct customer interactions will state that they are more focused on corporate social responsibility than firms in other industries because these firms have a stronger need to satisfy their final customers.

FINDINGS

Current scholarship aims to demonstrate how a particular factor can influence a firm's desire to adopt environmentally responsible practices. Although previous scholars have been successful in arguing how each motivational force exists within the corporate world, these factors cannot be considered independent of one another. Whereas most authors attempt to argue how one motivation has more influence over another, it seems evident that all three previously mentioned factors play a substantial role in business decisions. While it is true that businesses must have their primary focus on what will ensure their continuing existence, a firm can no longer afford to neglect the needs of any of its stakeholders.

As noted in the previous section regarding laws and regulations, the analysis is somewhat limited due to the lack of enforcement of international environmental laws. Those that are in place are not strongly enforced, and all other regulations are still voluntary. Due to a lack of corporate transparency and unreliable reporting, it is also difficult to tell which corporations are actually adhering to these laws and which ones merely claim to do so.

The argument made for financial gain as a motivator is only upheld if a firm is able to successfully increase revenue, decrease costs, or both. If neither of these criteria are met, then a firm will either be motivated to adopt environmentally friendly practices through legal compliance or out of a sense of moral obligation to be socially responsible.

After conducting a content analysis of letters to shareholders, it was found that overall, 14.7% of motivational factors spoke to legal compliance, 47.7% to corporate social responsibility, and 37.6% to some sort of business related advantage. These findings differed slightly depending upon the development of the nation in which firms were headquartered and what type of industry in which a firm operated. While all firms emphasized CSR, business advantage, then legal compliance in this order regardless of national development levels, the amount of emphasis on each factor varied. While firms in developed nations devoted 9.1% of their reasoning to adopt sustainable practices to legal compliance, 18.6% of the factors mentioned by firms in developing nations involved abiding by laws and regulations. Those in developed nations also tended to cite the need to be socially responsible at a higher rate than those in developing nations did. When analyzing the differences between industries, it was found that firms operating in industries with direct consumer involvement (consumer goods, financial, and technology) devoted 10% more of their reasoning behind adopting sustainable practices to corporate social responsibility than those with indirect consumer involvement did (this includes basic materials, industrials, and oil & gas industries). A complete list of calculations and results for each firm can be found in Appendix B. Appendix C demonstrates the number of motivations mentioned by all firms together. Percentages were also derived to portray the differences among nations (Appendix D) and industries (Appendix E).

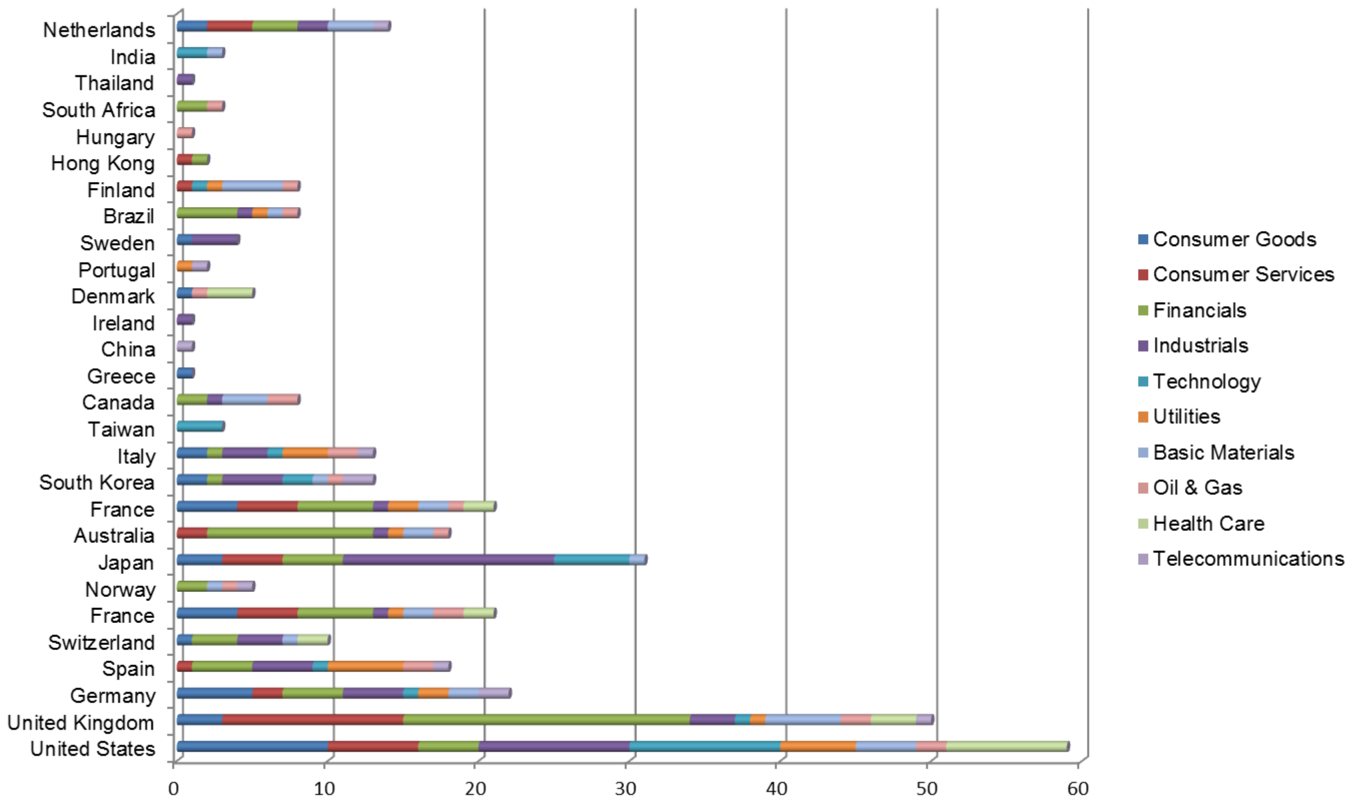
CONCLUSIONS

Drawing from the existing scholarship, it can be determined that businesses are motivated to adopt environmentally friendly practices by a combination of factors including legal requirements, ethical considerations, and financial benefits.

The findings proposed in this discussion are helpful in offering a general explanation as to why any firm would want to become more "green." However, these conclusions were derived from research that did not take any other factors into consideration. In order to further evaluate the adoption of environmental policies on corporations, a few distinctions should be made since companies vary in their size and scope. First, firms can be analyzed on their size. What is good for a multinational corporation may not be feasible for a small, family-owned business. Second, businesses can also be broken apart based upon their geographic segments. Environmental policies differ from region to region and thus not every firm around the globe will be motivated in the same way. A third means by which companies can be examined is through their product offerings. Although each industry allows for ecological improvements to be made in some way, the ability of a manufacturing company to "go green" is going to be far different from that of an entity within the technology industry for example. Different industries may also be under stricter scrutiny than others by the public simply due to the nature of particular products.

Knowing what influences companies to become more responsible regarding the natural environment is becoming of increasing importance to a number of stakeholders. Businesses can benefit from understanding the strategic decision making process when it comes to adapting practices for a number of reasons. By becoming more environmentally friendly, firms may be able to reduce costs by means of reducing waste and increasing efficiencies. Although the implementation of some environmentally friendly policies can have high initial costs, firms will be able to make up for this by avoiding fines and lawsuits associated with negative environmental impact. Additionally, firms are better able to position themselves within their industry by improving brand image, thus gaining an advantage in market share. Since a corporation's primary obligation is to maximize shareholder wealth, investors can also gain from sustainable practices. When firms begin to adopt environmentally friendly practices, they typically like to make this known to the general public. As firms become more transparent in their practices, consumers are able to make more informed decisions about from whom they want to make purchases. Local and international regulatory institutions may also benefit by experiencing decreased resistance to the adoption of environmental policies. Furthermore, consumers are able to put pressure on those firms that do not currently possess responsible practices similar to those of their competitors. It goes without saying the natural environment also benefited from the adoption of such practices with a decrease in pollution as well as the preservation of resources and habitats.

Appendix A: Firms Included on Dow Jones Sustainability Index by Country and Industry
[Return to Text](#)



The chart above organizes all of the firms included within the Dow Jones Sustainability Index (DJSI) from the year 2010. The DJSI includes the top 10% of the leading sustainable firms out of 2500 of the world's largest firms on the Dow Jones Stock Market Index. This chart includes 325 countries including representation from 27 nations across 9 industries.

Appendix B: Content Analysis Results
[Return to Text]

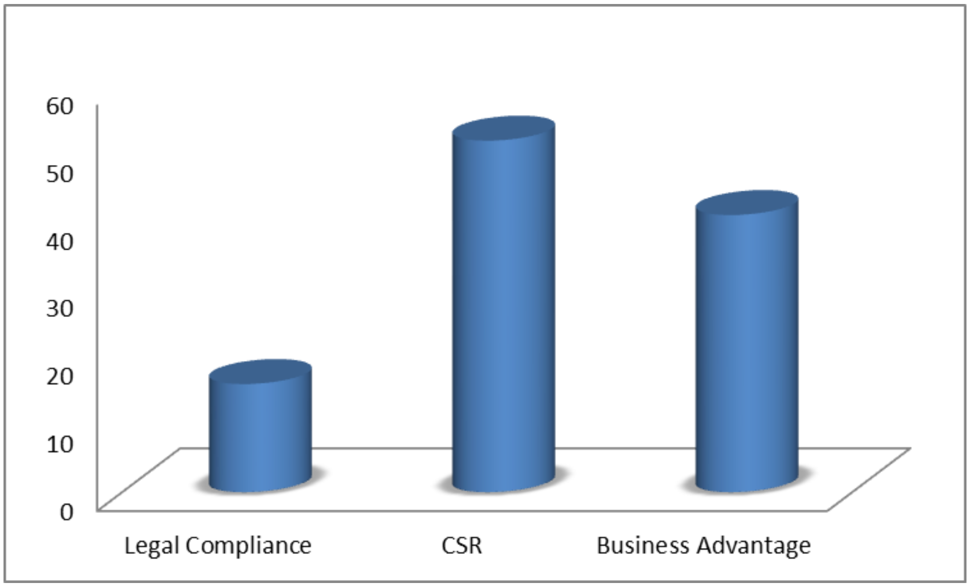
Company	Legal Compliance	Corporate Social Responsibility	Business Advantage
Norsk Hydro Norway – basic materials	2 – 8.7%	10 – 43.5%	11 – 47.8%
Statoil Asa Norway – oil & gas	2 – 18.2%	5 – 45.5%	4 – 36.4%
Transurban Group Australia - industrials	1 – 20%	2 – 40%	2 – 40%
Stockland Australia - financials	1 – 12.5%	5 – 62.5%	2 – 25%
Dell, Inc. United States - technology	0 – 0%	5 – 55.6%	4 – 44.4%
Whirlpool Corporation United States – consumer goods	2 – 20%	7 – 70%	1 – 10%
Wipro Ltd. India - technology	3 – 21.4%	7 – 50%	4 – 28.6%
Investec Ltd. South Africa – financials	1 – 9.1%	4 – 36.4%	6 – 54.5%
Sasol Ltd. South Africa – oil & gas	3 – 30%	3 – 30%	4 – 40%
Siamcement PCL Thailand - industrials	1 – 12.5%	4 – 50%	3 – 37.5%

Appendix C: Motivations Including All Firms
Return to Text

Percentage of Incidences:

Legal Compliance: 16/109 = 14.7%
Social Responsibility: 52/109 = 47.7%
Business Advantage: 41/109 = 37.6%

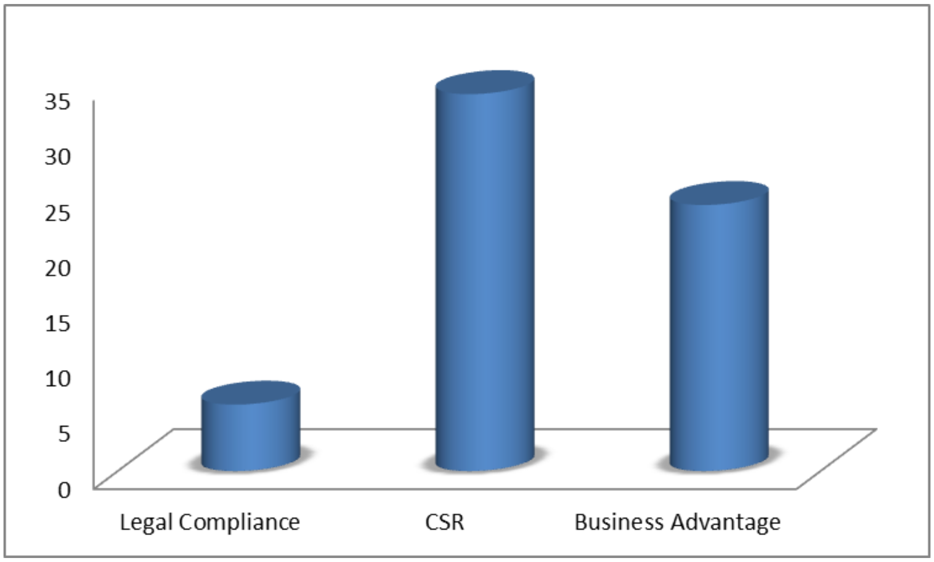
(109 is the total number of motivating factors by every firm combined)



Appendix D: Motivations Dependent Upon National Development
Return to Text

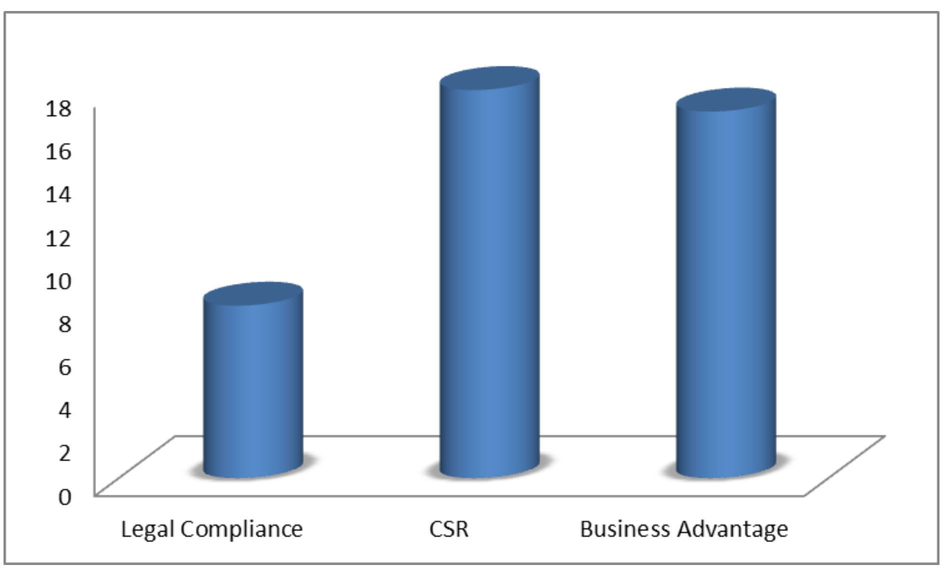
Developed Nations (Norway, Australia, United States):

Legal Compliance: 6/66 = 9.1%
Social Responsibility: 34/66 = 51.5%
Business Advantage: 24/66 = 36.4%



Developing Nations (India, South Africa, Thailand):

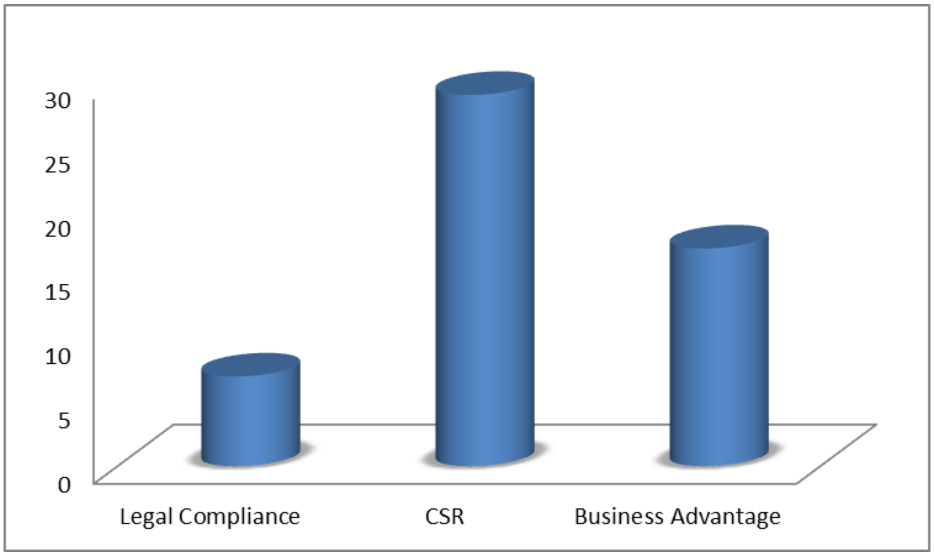
Legal Compliance: 8/43 = 18.6%
Social Responsibility: 18/43 = 41.9%
Business Advantage: 17/43 = 39.5%



Appendix E: Motivations Dependent Upon Type of Industry
Return to Text

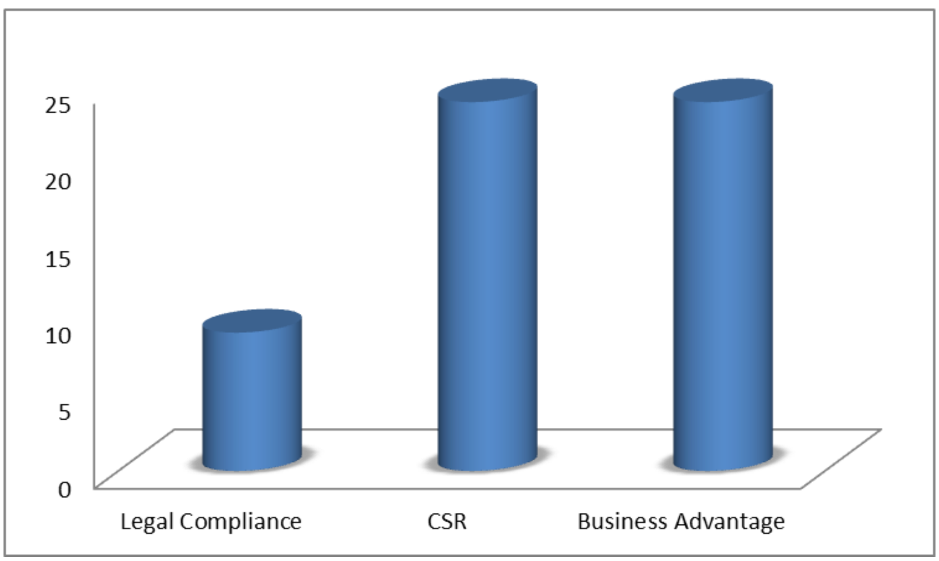
Direct Consumer Involvement (financials, consumer goods, technology):

Legal Compliance: 7/53 = 13.2%
Social Responsibility: 29/53 = 54.7%
Business Advantage: 17/53 = 32.1%



Indirect Consumer Involvement (basic materials, oil & gas, industrials):

Legal Compliance: 9/57 = 15.8%
Social Responsibility: 24/57 = 42.1%
Business Advantage: 24/57 = 42.1%



WORKS CITED

Arnold, R., & Whitford, A. (2006). Making Environmental Self-Regulation Mandatory. *Global Environmental Politics*, *6*(4), 1-12.

Bansal, P., & Roth, K. (2000). Why companies go green: a model of ecological responsiveness. *Academy of Management Journal*. *43*(4). 717-736.

Bernhagen, P. (2008). Business and International Environmental Agreements: Domestic Sources of Participation and Compliance by Advanced Industrialized Democracies. *Global Environmental Politics*, *8*(1), 78-110.

Brown, B., & Flynn, M. (2008). The Meta-trend Stakeholder Profile: The Changing Profile of Stakeholders in a Climate- and Water-Stressed World. Greener Management International, (54), 37-43.

Chen, Y. (2007). The Driver of Green Innovation and Green Image – Green Core Competence. *Journal of Business Ethics*, *81*, 531–543. doi: 10.1007/s10551-007-9522-1.

Clapp, J. (2005). Global Environmental Governance for Corporate Responsibility and Accountability. *Global Environmental Politics*, *5*(3), 23-34. doi:10.1162/1526380054794916.

Dahl, R. (2010). GREEN WASHING. *Environmental Health Perspectives*, *118*(6), A246-A252.

Dell, Inc. *Fiscal Year 2010 in Review*. Retrieved April 12, 2011. <http://content.dell.com/us/en/corp/d/corp-comm/fy10-year-in-review.aspx>.

Ebeku, K. (2007). Constitutional Right to a Healthy Environment and Human Rights Approaches to Environmental Protection in Nigeria: Gbemre v. Shell Revisited. *Review of European Community & International Environmental Law*, *16*(3), 312-320. doi:10.1111/j.1467-9388.2007.00570.x.

Hendry, J., & Vesilind, P. (2005). Ethical motivations for green business and engineering. *Clean Technologies & Environmental Policy*, *7*(4), 252-258. doi:10.1007/s10098-005-0013-8.

Heinkel, R., Kraus, A., & Zechner, J. (2001). The Effect of Green Investment on Corporate Behavior. *The Journal of Financial and Quantitative Analysis, 36*(4), 431-449.

Investec Ltd. *Executive Summary.* pp. 5-6. Retrieved April 12, 2011. <http://viewer.zmags.com/publication/0efbaa68#/0efbaa68/7>.

Kolk, A. & Tulder, R. (2010). International business, corporate social responsibility and sustainable development. *International Business Review, 19*(2), 119-125.

Li-Wen, L. (2010). Corporate Social Responsibility in China: Window Dressing or Structural Change?. *Berkeley Journal of International Law*, *28*(1), 64-100.

Lyon, T. P., & Maxwell, J. W. (2008). Corporate Social Responsibility and the Environment: A Theoretical Perspective. *Review of Environmental Economics & Policy*, 2(2), 240-260. doi:10.1093/reep/ren004.

Norsk Hydro. *Letter to shareholder*. Retrieved April 12, 2011. <http://www.hydro.com/upload/Annual_reporting/annual_2010/downloadcenter/Reports/All%20chapters/01_02_CEO_letter_2010.pdf>.

Okereke, C. (2007). An exploration of motivations, drivers and barriers to carbon management: The UK FTSE 100. *European Management Journal, 25*(6), 475-486.

Ord, D. (2009). How can we tell which companies are really green?. *Ecologist*, *39*(5), 11-13.

Quazi, H. A., Khoo, Y., Tan C., and Wong, P. (2001). Motivation for ISO 14000 certification: development of a predictive model. *The International Journal of Management Science*, 29(6), 525-542.

Sarkis, J., Ni, N., and Zhu, Q. (2011). Winds of Change: Corporate Social Responsibility in China. *Ivey Business Journal,* <http://www.iveybusinessjournal.com/topics/social-responsibility/winds-of-change-corporate-social-responsibility-in-china>.

Sasol Ltd. *Chief Executive's Statement*. pp. 3. Retrieved April 12, 2011. <http://www.sasol.com/sasol_internet/downloads/Sasol_SD_2010_1288024256601.pdf>.

Sharma, S. (2000). Managerial Interpretations and Organizational Context as Predictors of Corporate Choice of Environmental Strategy. *Academy of Management Journal*, 43(4), 681-97.

Siamcement PCL. *Message from the President*. pp. 1. Retrieved April 12, 2011. <http://scc.listedcompany.com/sustainability_report.html>.

Statoil Asa. *Health, safety, climate and environment.* Retrieved April 12, 2011. <http://www.statoil.com/annualreport2010/en/sustainability/health,safety,climateandtheenvironment/pages/health,safety,climateandtheenvironment.aspx>.

Stockland. *Shareholder Review*. Retrieved April 12, 2011. <http://stockland.ice4.interactiveinvestor.com.au/Stockland1004/ShareholderReview2010/EN/body.aspx?z=2&p=12&v=1&uid=>.

Transurban group. *Our FY10 Sustainability and Safety Highlights.* pp. 18. Retrieved April 12, 2011. <http://www.transurban.com.au/TRN021_AR2010_FA_Single_pg.pdf>.

Whirlpool Corporation. *The Environment.* Retrieved April 12, 2011. <http://www.whirlpoolcorp.com/responsibility/environment/default.aspx>.

Wipro Ltd. *Letter from the Chairman.* pp. 5-8. Retrieved April 12, 2011. <http://www.wipro.com/Wipro_Sustainability_Report/index.html#/5/zoomed>.