



Are corporate 'win-win' strategies an effective way of alleviating social & environmental problems?

It depends

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QUASI Seminar September 17, 2021

It depends on the type of problem.

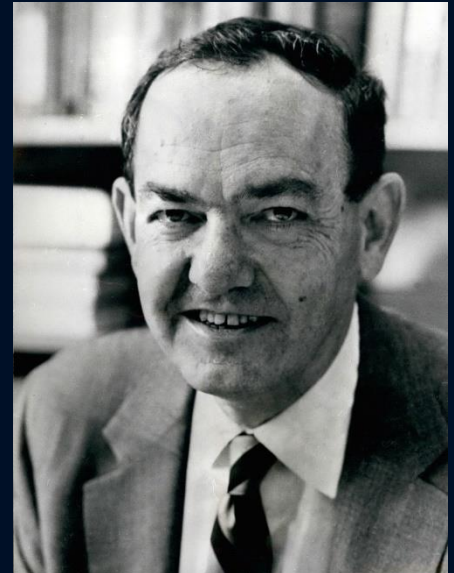
Characteristics	Tame Environmental Problem	Wicked Environmental Problem
<i>Definition and nature of the problem</i>	<ul style="list-style-type: none"> ❖ Clear definition of the problem elicits the solution ❖ Outcome determined by whether solution is successful or not <ul style="list-style-type: none"> ❖ Scientific based protocols guide solutions ❖ Problem associated with low uncertainty as to system components and outcomes ❖ Shared values as to desirability of outcomes ❖ Problem largely unchanging across time ❖ Problem usually confined to specific area 	<ul style="list-style-type: none"> ❖ Disagreement as to definition of the problem as each possible solution changes the problem ❖ No single outcome - assessment whether things are better or worse <ul style="list-style-type: none"> ❖ Solution(s) based on judgement of multiple stakeholders ❖ Problem is associated with high uncertainty as to system components and outcomes ❖ No shared values with respect to societal goals ❖ Problem changes over time ❖ Problem not confined to specific area or region
<i>Social context and type of knowledge</i>	<ul style="list-style-type: none"> ❖ Handled by limited number of stakeholders including those who created the problem – a mostly private problem <ul style="list-style-type: none"> ❖ Solution dictates the knowledge necessary to proceed 	<ul style="list-style-type: none"> ❖ Public problem dispersed amongst a host of actors that cannot be resolved by a single actor alone <ul style="list-style-type: none"> ❖ Requires co-creation of knowledge to bridge social, environmental & economic tensions
<i>Problem resolution</i>	<ul style="list-style-type: none"> ❖ Few stakeholders, so easier to bargain for solution 	<ul style="list-style-type: none"> ❖ No definitive solution; depends on judgements of many key stakeholders
<i>Examples of problems</i>	<ul style="list-style-type: none"> ❖ Point pollution (single source of pollution is known), food contamination, soil erosion, energy efficiency 	<ul style="list-style-type: none"> ❖ Climate change, income inequality, biodiversity, deforestation, water, poverty

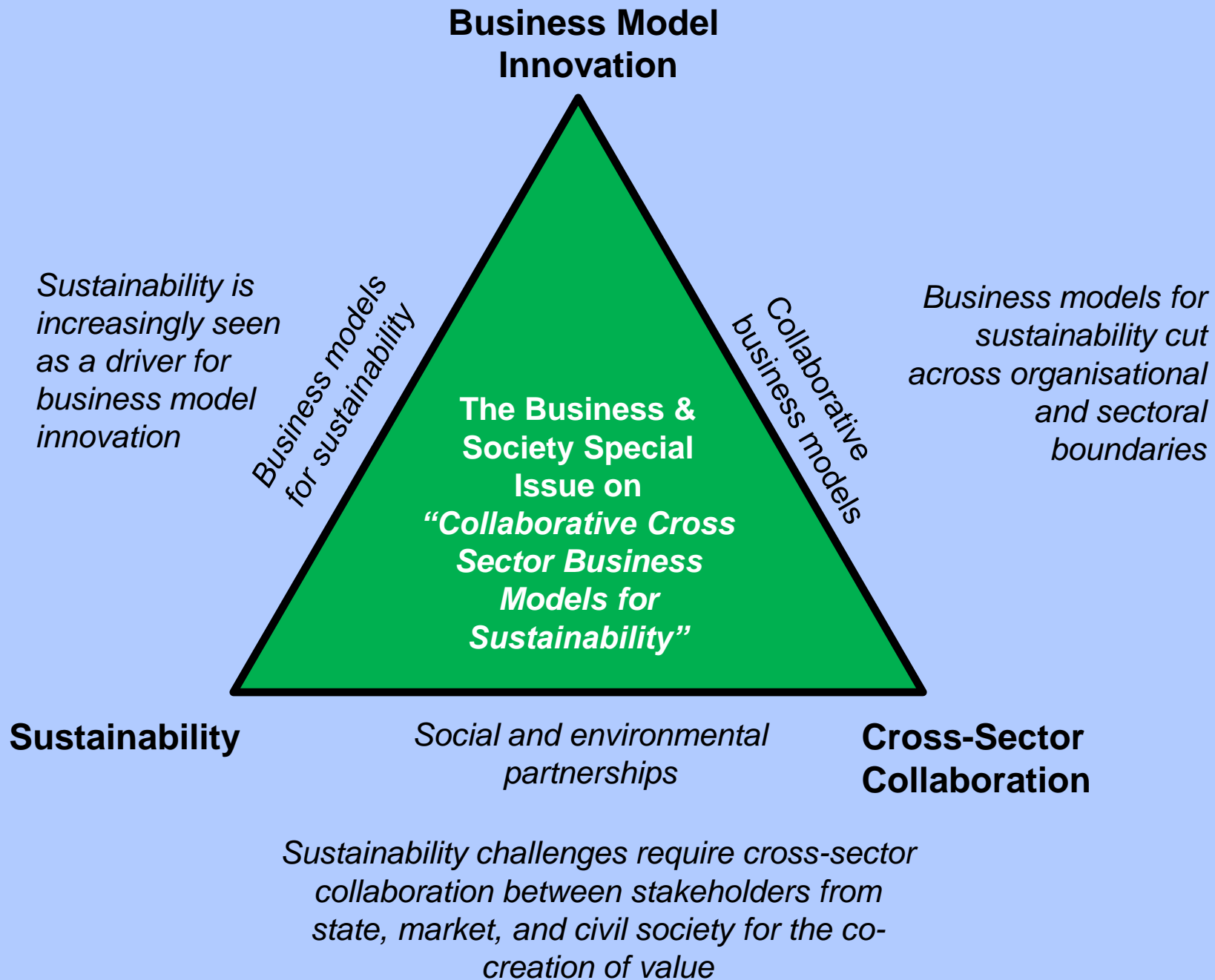
It depends on the type and amount of pressure.

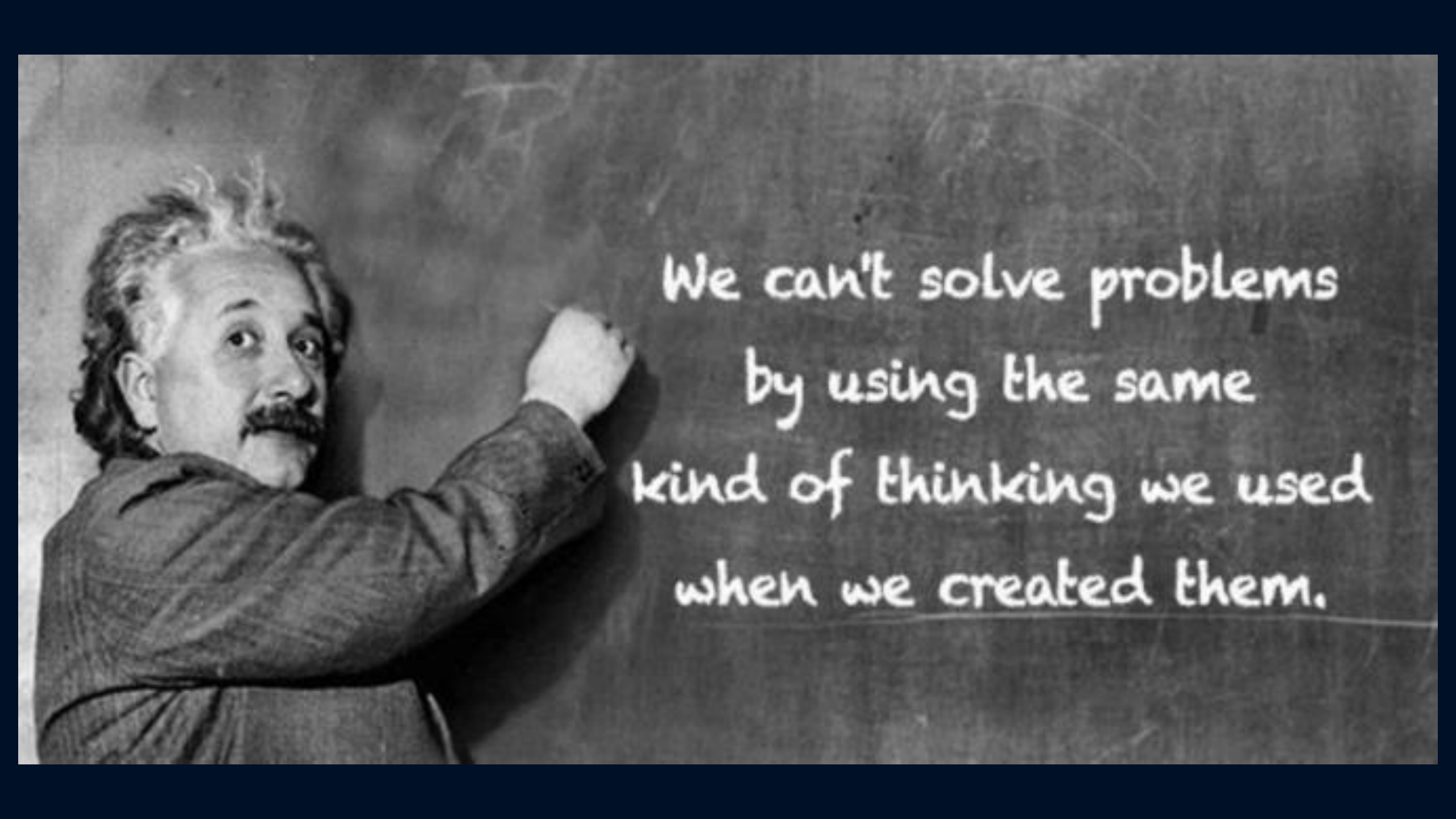
		Threat of Stakeholder Action	
		Low	High
Threat of Government Action	Low	<i>Carefree</i> Managing for shareholders Friedman, 1970 1	<i>Calculation</i> Managing for stakeholders Freeman, 1984 2
	High	<i>Collusion</i> Managing for industry Barnett & King, 2006 3	<i>Collaboration</i> Managing for sustainability Batie, 2008 4

Everyone designs who
devises courses of action
aimed at changing existing
situations into preferred
ones.

Herbert A. Simon
Economist





A black and white photograph of Albert Einstein standing in front of a chalkboard. He is wearing a dark jacket and has his characteristic wild, white hair and mustache. He is looking towards the camera with a slight smile, while his right hand is raised, holding a piece of chalk and writing on the board. The chalkboard contains a handwritten quote in white chalk. The quote is: "We can't solve problems by using the same kind of thinking we used when we created them." The text is arranged in four lines, with a horizontal line drawn under the final line.

We can't solve problems
by using the same
kind of thinking we used
when we created them.

References

- Barnett, M., Henriques, I. & Husted, B. W. 2020. Beyond good intentions: Designing CSR initiatives for greater social impact. *Journal of Management*, 46(6): 937-964.
- Barnett, M. L., Henriques, I., & Husted, B. W. 2018. Governing the void between stakeholder management and sustainability. In S. Dorobantu, R. V. Aguilera, J. Luo, & F. J. Milliken (Eds.), *Sustainability, Stakeholder Governance, and Corporate Social Responsibility*, Vol. 38: 121-143.
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