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ENABLERS AND DISABLERS IN  
THE COMMUNICATION OF  
SUSTAINABILITY DISCOURSES  
BETWEEN LOCAL GOVERNMENT  
AND BUSINESSES

A THESIS  
SUBMITTED IN FULFILLMENT  
OF THE REQUIREMENTS FOR THE DEGREE  
OF  
MASTERS OF MANAGEMENT  
AT  
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BY

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## **Abstract**

New Zealand businesses have looked to position themselves within the global market place as pioneers of environmentally sustainable business practice. This strategic development of environmental sustainability as part of our national 'brand' gives us an innovative edge in the market place. But as environmental sustainability becomes an ever more contentious issue we need to ask questions about how we will continue to define and negotiate our understanding so we can continue to compete within a growing market of educated consumers.

Our ideas of what it means to be environmentally sustainable are continually shifting under the influence of competing worldviews. And for New Zealand to continue to compete we must understand the negotiation of the meaning of environmental sustainability and ensure that each party is represented in this negotiation.

Within wider society government and business operate to set benchmarks for environmentally sustainable practice. Thus the communication between these two stakeholder groups is to negotiate and create discourses and ideas about sustainable business practice which businesses take to the market place as their competitive advantage. The ways in which discourses regarding the issue are communicated between government and businesses within New Zealand's Waikato region are important to understand in order to understand how this affects the potential for business to use sustainable practices within local and global market places. This is because our understanding of what sustainable business practice is directly affects the ways in which we act it. The way we think is the way we act.

This paper uses stakeholder theory to address two key research questions; what discourses are employed by key stakeholders in understanding and negotiating issues of sustainability within and between local government and local business sectors? And how do these discourses facilitate or impede the implementation of sustainable business practices? Using a mixed method approach of both quantitative surveys and qualitative interviews of business leaders and

governmental agencies this case study develops a snapshot of negotiated meanings of environmentally sustainable business practice.

This project identifies distinct difficulties in the areas of stakeholder engagement stemming from a lack of clearly defined shared goals, differences which exist between the communication styles of various stakeholders, the presence of stakeholder hegemony and the lack of a clearly defined authority on sustainable action.

The results from this project have drawn the researcher to provide recommendations to local government institutions which include a realignment of communication goals to more closely match business interests, a use of business orientated language and the development of a stream of communication which is aimed at educating small to medium enterprises on the benefits of sustainable action both within the local market place and within the international market place for those looking to trade internationally.

## **Preface**

This research project aims to develop a snap shot of the communication that local government in the Waikato region uses to communicate the issue of sustainability to businesses with the local region. The researcher aims to analyse this communication to identify the ways in which sustainability is defined and how this creates enablers and disablers for businesses adoption of sustainable business practice.

This is important to ensure that local government supports businesses within the Waikato region to be competitive. This support comes through information and tools which government communicates to business. To understand this communication is key to understanding how government aids business in their implementation of sustainable business practice.

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## **1.0 Introduction:**

The ways in which discourses regarding the issue of sustainability are communicated between local government and local businesses within the Waikato region of New Zealand are important to understand in order to capitalise on sustainable practice being used as a competitive advantage within the global market place. Competitive advantage is, in this context, the way in which we, as a country, set ourselves apart as a supplier of certain products. Discourses regarding sustainability that are communicated between local government and local business aim to legitimise what is seen as good sustainable practice. This research project uses stakeholder theory to understand not only what these communicated discourses are, but who influences them and how they create enablers and disablers to the implementation of sustainable business practices.

Discourses that exist within wider society are continually promoting public awareness of issues that affect us all. These discourses are negotiated amongst cultural groups in a continuous effort to understand what is important to us and how we should act accordingly. Recently discourses regarding various environmental issues have begun to frame social ideas about the importance of sustainable enterprise. The increasing validity of sustainable discourses has meant that they are being highlighted in the political arena (Clark, 2007) through institutionalisation of sustainable practices. For New Zealand businesses it is becoming increasingly important to understand these discourses, what they are, who is communicating them and how they should be incorporated into good business practice. Discourse, by its very nature is a vehicle for molding the way in which we make decisions and attribute goods and services to address issues within our spheres of influence.

New Zealand businesses have sought to position themselves within the global market place as pioneers of environmentally sustainable business practice. This development of our understanding of what we define as environmentally sustainable gives us an innovative edge in the market place. This edge stems from the idea that we are addressing the wants and needs of an ever changing global

consciousness which is now, more than ever, becoming aware of how their consumer decisions affect the world around us. But as environmental sustainability becomes an ever more contentious issue we need to ask questions about how we will continue to define and negotiate our understanding so we can continue to compete within a growing market of educated consumers.

Our ideas of what it means to be environmentally sustainable are continually shifting under the influence of competing worldviews. And for New Zealand to continue to compete we must understand the negotiation of the meaning of environmental sustainability and ensure that each party is represented in this negotiation.

Within wider society government and business operate to set benchmarks for environmentally sustainable practice. Thus the communication between these two stakeholder groups is to negotiate and create discourses and ideas about sustainable business practice which businesses take to the market place as their competitive advantage. The ways in which discourses regarding the issue are communicated between government and businesses within New Zealand's Waikato region are important to understand in order to maximize the potential for business to use sustainable practices within the global market place. Businesses look to government and industry leaders for guidance in the form of communication, policies and legislation as to how they should translate environmental issues into business practice. Conversely, governments are influenced by lobbying efforts of business.

This paper uses stakeholder theory to address two key research questions; what discourses are employed by key stakeholders in understanding and negotiating issues of sustainability within and between local government and local business sectors and how do these discourses facilitate or impede the implementation of sustainable business practices. Using a mixed method approach of both quantitative surveys and qualitative interviews of business leaders and governmental agencies this case study develops a snapshot of negotiated meanings of environmentally sustainable business practice.

To understand the role of the government as a stakeholder in the development of discourses regarding sustainability, the roles of the two primary governmental institutes which will be researched within the governance of the Waikato region must first be stated. The Hamilton City Council plays a key role in the development of environmental action within the region through the guidelines for environmental practice set out in their Environmental Sustainability Strategy: Engaging our City (Hamilton City Council, 2008). The role of this document within Hamilton is to give “Hamilton the opportunity to look at how we as a city strike the delicate balance between economic growth, land use, and the protection of important environmental resources” (Hamilton City Council, 2008). This document aims to show the city of Hamilton’s commitment to Agenda 21, an action plan developed by the United Nations at the United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro, Brazil, in 1992 to shape sustainable development. It is important to note that the role of the Hamilton City Council is directly related to the Hamilton city and does not have an influence on the Waikato region as a whole.

Environment Waikato (EW), which underwent a as an influence over the whole of the Waikato region. The “Waikato Regional Council is responsible for promoting the social, economic, environmental and cultural wellbeing of communities in the present and for the future” (Waikato Regional Council, 1999-2011). EW uses “a mix of rules, plans, education and information to manage the region’s natural and physical resources, as well as natural hazards and hazardous substances” (Waikato Regional Council, 1999-2011). EW works with the community and businesses to develop sustainable solutions which look to develop the Waikato region as a whole.

With this in mind this project is a case study which takes a snap shot of the discourses communicated by theses two governmental institutes and aims to understand the stakeholders which are involved in this communication.

### **1.1 Aim:**

The primary aims of this research project are to evaluate the effectiveness of government communication with business in regards to the issue of environmental

sustainability and to identify the stakeholders that influence this communication and how they do so. In producing recommendations the researcher looks to develop communication strategies which could effectively be used by governmental institutions to improve the level of implementation of sustainable business practice in businesses within the Waikato region in New Zealand. This project also aims to evaluate the input of corporate entities compared to that of SME's in regards to the development of local environmental strategy.

## **1.2 Research Objectives**

### **Research Question 1:**

What discourses are employed by key stakeholders in understanding and negotiating issues of sustainability within and between local government and local business sectors in the Waikato region?

### **Research Question 2:**

How do these discourses facilitate or impede the implementation of sustainable business practices?

### **Research Question 3:**

What level of buy in does the local business community have regarding the sustainable discourses that are communicated by local government?

## **1.3 Significance of Research:**

This project is significant in that it develops an understanding of how governmental communication affects the implementation of businesses practices which directly affect the economic and business health of New Zealand. New Zealand's economic health relies heavily on our ability to successfully capitalize on added value or cultural advantages such as sustainability as a unique selling point for our products and services within the global market place. As Pant (2005) states "Economic policy makers, particularly development planners, need to accept the importance of cultural factors and, consequently, to elaborate policies and plans that take into account 'culture' as an integral part of human capital. Culture, the most intangible yet the most distinguishing element of any

population and country, plays a crucial role” (p. 275). This concept of using sustainability as a cultural part of our human capital is important in industries such as tourism. Bell (2008) states that “in New Zealand, revenue from tourism constitutes a significant part of GNP” (p. 346). Bell (2008) goes on to state that in her study of the use of green discourse in New Zealand tourism marketing, “on many of the sites, there is an emphasis on eco-tourism experiences, and messages drawing from the traditional ‘clean, green’ mythologies about New Zealand” (p. 347). In order for this to happen governmental agencies within New Zealand need to create enablers for businesses through communication, policy and legislation development. As stated in KPMG’s (2010) Agribusiness Agenda “Much of the global marketing of New Zealand has been focused around the “100% Pure”, clean, green nature of our environment and it is a story that has been used to support sales of our primary products for decades. However, telling the story is no longer adequate, it is critically important that farmers, growers, processors and distributors deliver on the talk and ensure their practices are consistent with the public image of New Zealand we have spent so much time and money to develop” (KPMG, 2010, p. 41). New Zealand can no longer rely on the marketing discourse doing the hard work, talk needs to be put into practice and government communication plays an important role in this.

Understanding how communication develops ideas and actions within business and society and who drives this development allows us to do two things. Firstly it allows us to create communication strategies to improve audience (business) engagement in sustainable practice. And secondly it allows us to evaluate the aims and power structures of the stakeholders which currently influence communication and understand how we can ensure that all stakeholders are fairly represented.

### **1.5 Background:**

#### **Sustainability and New Zealand Business**

Sustainable practice has become a unique selling point for a large number of businesses (Zwan and Bhamra, 2003). The New Zealand economy has set itself apart on the world stage with the ‘clean green’ and ‘100% Pure’ (Morgan,

Pritchard & Piggott, 2002) image of our country driving its tourism and export sectors (Clemens & Babcock, 2004). Environmental sustainability is becoming a more prominent issue for consumers in some of the largest markets that New Zealand exports to. Garry Brewer (2007) in his address to Yale University entitled *Business and Environment: Trends and Challenges* asks “does it pay to be green?” and goes on to answer this question by saying “increasingly we are finding the answer is yes...it’s a strategic issue”. International customers are becoming more educated consumers and consumption choices are becoming more influenced by discourses communicated through public forums. Sustainable practice is ingrained in the New Zealand brand (Bell, 2008) and therefore businesses that exploit this as part of their market positioning see that added value and ultimately capital growth can be gained through sustainable development (Bell, 2008 and Porter & van der Linde, 1995). Bhaskaran, Polonsky, Cary and Fernandez (2006) state that “environmental responsibility can result in beneficial commercial outcomes as a result of customers switching to or being loyal to organisations that they judge as being environmentally responsible” (p. 677). According to Margolis, Elfenbein & Walsh (2007) businesses that do not change to meet the sustainability demands of an idealistically driven market such as those in the developed markets of Europe and Asia will suffer in the long run through lost revenue from consumers seeking consumables within the sustainable niche.

Creating a sustainable niche for products through the use of marketing discourse and substantiated business practice is key to the competitiveness of New Zealand made products in the international market. The introduction of the ‘100% Pure’ branding in 1999 (Bell, 2008) that has been used to advertise New Zealand internationally has since created a perception of the country being ‘green’ and ‘sustainable’ that is drawn on by local businesses to create their own marketing discourses. Bell (2008) uses the example of New Zealand’s film industry supporting this discourse of a ‘green’ and ‘sustainable’ country. This marketing discourse looks to create added value for both the producer and the consumer. Zwan and Bhamra (2003) state that “added value for producers can usually be defined in terms of higher profit margins, improved image, or the ability to comply with governmental rules. To the consumers...added value can be defined as the extent to which needs are perceived to be satisfied” (p. 344). This added value is beneficial to business in many ways but who decides what types of

business practice are sustainable and give added value? According to Bell (2008) “while the messages [of a green, sustainable New Zealand] imply that the top-down initiative drives the network of grass root enterprises, in fact none of these labels is assurance of any particular standard of actual sustainability in product delivery” (p. 346).

### **Sustainability and New Zealand Government**

A question that remains to be answered is how do the government and local business negotiate what is considered to be sustainable business practice? The top-down initiatives mentioned by Bell (2008) are required to create a standard of what is sustainable practice and how it should be implemented. This is important so that consumers are not misled and the established image of New Zealand products is not weakened. Pant (2005) addresses the negotiation that occurs between government and local business in regards to sustainable business practice by stating that “certain enforceable environmental quality standards may prove to be crucial in order to create a distinct place brand that can penetrate the upper niche of global markets” (p. 273). It is important that we also understand the environment in which this negotiation of what sustainable business practices are so we can understand external factors that may facilitate and or impede the implementation of sustainable business practices.

The challenge that faces New Zealand businesses is the perception that the costs of implementing sustainable business practices are too expensive in the current unstable economic environment. *The Financial Times* stated that “New Zealand recorded unexpectedly sluggish growth in the third quarter, underlining fears that the country's emergence from its worst recession in decades will be slower than predicted” (Smith, 2009, p. 2). The global economic crisis has impacted all organisations within New Zealand. Although the country is officially no longer in a recession it is clear that businesses are still feeling the effects of the recession. During this recession businesses have been focused on survival rather than future planning and therefore have been reluctant to invest in expensive change. According to New Zealand Herald business writer Peter Huck “Economic woes have also stalled investment in renewable energy alternatives” (APN Holdings NZ Ltd, 2011). The New Zealand government’s attempts to

institutionalise sustainable practice through avenues such as the 2002 ratification of the Kyoto Protocol have been rejected by key players in the country's business market due to the fact that it was simply unaffordable for many (or perceived to be) (Collins & Roper, 2005). Other practices such as the Emissions Trading Scheme (ETS) have been implemented in a watered down form in attempts to reduce the impacts of the recession that gripped the country. The economic roadblocks to creating sustainable business practices need to be overcome if New Zealand is going to retain its market positioning and potential for export growth.

The New Zealand government's sustainability positioning has been threatened by forced attempts to reduce continued impacts of economic recession. But according to Dinnie (2008) any form of national branding needs to be integrated between national policy level and business levels. Local government institutes such as Environment Waikato create local sites at which discourses and government initiatives are passed down to local businesses. Pant (2005) proposes that "the business community and governments of remote areas...collaborate to adopt a clear and compatible place brand strategy, which may eventually add extra value and a new dimension to all their products and services" (p. 273).

This research project aims to create a snapshot of the discourses that are communicated across the local government and local business dyad, identifying communication stakeholders, their influences upon communicated messages and how these discourses are enabling or disabling the implementation of sustainable practices within business.

### **1.6 Context:**

This research project is highly contextualized in both a physical and time based manner. The material presented within this project relates only to the Waikato area of New Zealand in the time period commencing June 2010 and ending July 2011.

Due to the regional nature of this research project it is important to have an understanding of the region which is being studied. The following is a summary



of the Waikato region taken from the Waikato Regional Council's Council Handbook 2011:

“The Waikato is the fourth largest region in New Zealand covering most of the central North Island. It covers 25,000 square km (2.5 million ha) stretching from the Bombay Hills and Port Waikato in the north down to Mokau on the west coast and across to the Coromandel Peninsula on the east coast. In the south it extends to the slopes of Mt Ruapehu and the Kaimai Range” (Waikato Regional Council, 2011).

The report goes on to discuss the environmental assets which the region has in the form of several lakes, New Zealand's longest river, with eight hydro-electric dams. The region contributes 9% to the country's Gross Domestic Product with major contributions coming from dairy farming, dairy processing, electricity generation, retail and wholesale trade and tourism (Waikato Regional Council, 1999-2011).

## **Chapter 2: Literature Review**

### **2.0 Introduction**

Discourses, or the “standardized ways of referring to/constituting a certain type of phenomenon” (Jian, Schmisser & Fairhurst, 2008), shape the way in which we communicate and act within our social, business and political world. Discourses are a fundamental aspect of ever changing negotiation of the world in which we live and are influenced by a number of factors. Over the past decade discourses regarding environmental sustainability have become prominent due to scientific evidence suggesting the pressing nature of issues regarding the ability of humans to carry on living in our current condition in a sustainable manner. This matter was brought to prominence as an issue that related to governments, industry and the well being of economies in 1985 when the UN General Assembly established the World Commission of Environment and Development (WCED), widely known the Brundtland Commission (Ayres, 1998). The report created by the Brundtland Commission in 1987 titled *Our Common Future* was themed as sustainable development, “which was defined as economic growth which meets

the needs of the people living today without compromising the ability of future generations to support their own needs” (Ayres, 1998, p. 135). This definition was a moment in the creation of discourse regarding sustainability. As Clapp and Dauvergne (2005) state “the global discourse on environment and development shapes, and is shaped by, institutions and policies – from global to local, and public to private” (p. 70). This review examines literature on discourses regarding environmental sustainability, the construction of these discourses, how governments and institutions communicate with each other as key stakeholders within discourse creation to create enablers and disablers for environmentally sustainable business practices and corporate social responsibility (CSR). This literature review further seeks to understand how government and businesses act as discourse stakeholders and construct the way in which we view as sustainable environmental business practice. This continued negotiation of discourses is an example of “how politics and societies allocate financial, human, and natural resources directly influences how we manage local, national, and ultimately global environments” (Clapp and Dauvergne, 2005, p. 2). Within New Zealand a balancing act between economic and environmental wellbeing is shaped by the actions of both government and business. Boyce (1999) states that “it is well-accepted that major development decisions impact on both the economy and the social and natural environment, yet, in practice, the pursuit of economic development and growth often sees social and environmental impacts of economic processes ignored or discounted” (p. 27). Thus we can state that the way in which we construct and understand discourses on environmental sustainability is an important factor in both the environmental and economic management of New Zealand.

## **2.1 Discourse**

Discourses that exist within wider society are continually promoting public awareness of issues that affect us all. These discourses are negotiated amongst cultural groups in a continuous effort to understand what is important to us and how we should act accordingly. The way in which businesses, government and society as a whole create meaning and understanding of what is considered as truth is negotiated through the medium of discourse. Fairhurst and Putnam (2004) state that the term “discourse embodies cultural meanings that enable the social

and communicative; discourse is a medium for social interaction” (p. 7, citing Alvesson & Kärreman, 2000b; Potter & Wetherell, 1987). Discourse is constructed by not just communication but also the meaning attached to mediums and social constructs through which communication is disseminated, who is creating this communication, and social practices which surround such communication.

Jian, Schmisseur and Fairhurst (2008) identify the extent to which forms and contexts of social interaction construct discourse which in turn constructs society when they state that “a Foucauldian discourse study (e.g. Deetz, 1998) would seek patterns of thoughts and socially sanctioned practices as discourse and investigate its formation and effects in particular historical and political contexts” (p. 301). This shows that the phenomenon of discourse is more than simply linguistic, it also involves areas of social practice, semiotics and psychology and is in this way self reinforcing activity. Interactions and society shape discourse and in turn discourse shape interactions and society.

Despite the fact that discourses are powerful tools within society because they construct our understanding through collections of ideas that create stories and world views there is still a confusion around their study. As the term discourse is an abstract concept that exists across many communication disciplines it is often referred to by different terms, one of the most frequent being the term paradigm (Simmons, 2009). Numerous scholars have discussed the power of discourse and paradigm structures within management, government and society (Zorn, Page and Cheney, 2000; Deetz, 1992; Fairhurst and Putnam, 2004; Pacanowski and Trujillo, 1983), most of which fall into two categories. These two categories are addressed by Jian, Schmisseur and Fairhurst (2008) who refer to the two favored methods of discourse research as organizational discourse research and Foucauldian discourse study. The primary difference between these two forms of research being that the former, organizational discourse research, although diverse “would treat discourse as talk-in-interaction, focusing upon turn-taking and the membership categories invoked and fashioned” (Jian, Schmisseur and Fairhurst, 2008, p. 300). The later, Foucauldian discourse study “would seek patterns of thoughts and socially sanctioned practices as discourse and investigate its formation and effects in particular historical and political contexts” (p. 301).

Although these two positions seem separate in the way they approach the study of discourse Jian, Schmisser and Fairhurst (2008) discuss a way in which they are linked in the creation of discourse or a shared social consciousness. Jian et al. (2008) refer to the big 'D' and little 'd' of discourse. Organisational discourse research focuses on the little 'd' of discourse, meaning the day to day interactions of individuals or groups, the "microsocial encounter among social actors or textual encounters" (Jian et al., 2008, p. 311). These microsocial encounters in turn are building blocks of the big 'D' of discourse which is involved in Foucauldian discourse study.

For this reason we can say that discourse is the creation of a complex web of communications, none of which can be discounted as parts of the sum. All forms of communication influence discourse including verbal, written and visual, all of which are highly contextualized and can be interpreted in a variety of ways. This is important to understand for several reasons. Not only do discourses within society influence the way in which we manage our environmental resources but they also create hierarchical structures and power issues in regards to who makes decisions regarding such issues. Fairhurst and Putnam (2004) state that "power/knowledge relations are established in culturally standardized Discourses...these Discourses order and naturalize the world in particular ways" (p. 8, citing Alvesson & Kärreman, 2000b; Foucault, 1976, 1980). Power/knowledge relations within societal discourse are established in the way in which communication is legitimized and accepted. Those who have brought into certain discourses within society decide on what information is accepted into the epistemology of that discourse by evaluating messages on what they say, whether they are in line with current beliefs and the likelihood that the source is a qualified one.

## **2.2 Construction of discourse**

Discourses are constructed within societal, business and government contexts, and often bridge all three. They are constructed by the rhetoric of those involved, termed as public players or stakeholders. The creation of discourses, particularly those that are as politically charged such as sustainability, have a range of stakeholders, defined by Freeman (1984) as "those groups who can affect or are

affected by the achievement of an organisation's purpose" (p. 49), that are involved in the negotiation of what is considered to be dominant. Stakeholder theory is one management theory that has been continually applied to the study of corporate social responsibility initiatives and ethical business activities (Pesqueux & Demak-Ayadi, 2005). Stakeholder theory, as discussed later in this literature review, is based on the premise that "where a company has many opportunities to increase its performance, many actors can influence it" (Russo & Perrini, 2010, p. 208). Discourses within wider society are created by a large number of stakeholders but as these discourses are funneled into local government the number of stakeholders is reduced and the personal agendas of these stakeholders become highly influential (Entman, 1993). For this reason the communication that local businesses receive from local government can be framed by political agendas. It is important to understand who is influencing the creation of discourses that frame government and business policies to fully understand the reasons behind the social construction of our reality; particularly when regarding an issue such as sustainability that affects all of us.

Boyce (1999) states that the danger of stakeholders constructing discourses is that "the rhetoric of public players may give the impression that there has been a thorough analysis and systematic weighing of benefits and costs" (p. 27). The reality is that many stakeholders produce information that can be at times ambiguous and of a biased nature in the way that it omits or includes certain information. Political agendas of stakeholders are often unknown by the intended audience and can have a large bearing on decisions about what information is communicated and how it is communicated. These agendas are often not communicated because they would invalidate the authority of the information communicated in the mind of the intended audience.

What we must be aware of is that numerous groups, cultures, people, companies and governments are involved within the creation of discourses. For this reason we must move away from advocating any one perspective and look for ways in which various perspectives can work together towards a common goal.

### **2.3 Stakeholder Theory**

Stakeholder theory is an important facet of discourse. Discourse is negotiated and constructed by various stakeholders who have varying levels of influence on what we view as sustainable and how we act accordingly. Stakeholders within sustainability discourse are numerous. Stakeholders range from the general public, various government agencies, businesses and various networks who all have a certain level of influence on sustainability discourse.

Stakeholder theory is often used in reference to CSR or corporate environmental responsibility. Raar (2007) states that “stakeholder theory recognizes that there are external parties such as the community and government who are also interested in the activities and performance of the corporation” (p. 841). It is important to understand the influence that these various stakeholders have on what is ultimately seen as sustainable business practice. The way in which these stakeholders shape business practice varies depending on the way in which certain stakeholders can exert power and influence upon businesses. It may be consumer choices or stakeholders with political agendas. An important development in society is the growth in the amount of information that we receive regarding the products that we consume. According to Raar (2007) theories such as legitimacy theory and stakeholder theory encourage an increased transparency when reporting management’s handling of natural and physical resources, together with their economic goals (cited in Raar, 2007, p. 841, Patten, 1991; Roberts, 1992; Hooghiemstra, 2000). This level of information is changing the power dynamics of stakeholders.

The limitations of stakeholder theory must also be understood. One negative aspect of the current stakeholder model is referred to by Ganesh, Zoller and Cheney (2005) who state that the “stakeholder model assumes that all individuals and groups necessarily have an equal stake in the contemporary form of corporate capitalism” (p. 176). This is not true; various stakeholders have various levels of power and influence over the discourse of sustainability. Ganesh, Zoller and Cheney (2005) also point out “potential limitations of the stakeholder model that may impede our ability to connect individual resistance with social transformation. (p. 176). We need to understand that stakeholders can also have resistance to dominant ideology. Stakeholder theory is complex in the way it

maps power relations in society, but it is important to understand how various groups and their agendas influence our views of sustainability.

## **2.4 Discourse of Sustainability**

The discourse of sustainability is highly ambiguous. According to Filho (2000) “sustainability is today one of the most widely used words in the scientific field as a whole and in the environmental sciences in particular, but the analysis of the evolution of such a concept is a difficult exercise” (p. 9). Filho (2000) goes on to state that discourses of sustainability are variant on the different views and perspectives of those you ask. He offers four possible interpretations of what sustainability is:

“the systematic, long-term use of natural resources as defined in the Brundtland Report described elsewhere in this chapter so that these are available for future generations;

- the modality of development that enables countries to progress, economically and socially, without destroying their environmental resources (here referring to country policies);
- the type of development which is socially just, ethically acceptable, morally fair and economically sound (here referring to the social ramifications of development);
- the type of development where environmental indicators are as important as economic indicators (here referring to the close links it bears with economic growth). (Filho, 2000, p. 9).

This blurry understanding of what is meant when we use the term sustainability is not the folly of pessimistic academics, it is a well established problem. Doppelt (2003) states that there are “deleterious effects of a poor understanding of sustainability” (p. 39) and that many efforts at making changes within the business arena towards sustainability “fail because they lack clarity about the underlying rationale and purpose” (p. 39). Whereas some such as Tietenberg

(2007) believe that the environment should be viewed as an asset in a capitalistic market place, he states that “it is a very special asset, to be sure, since it provides the life support systems that sustain our very existence, but it is an asset nonetheless” (p. 13). At the opposite end of the spectrum Clapp and Dauvergne (2005) discuss the views of a group that they label social greens who “draw on Marxist thought, pointing specifically to capitalism as a primary driver of social and environmental injustice in a globalised world” (p. 12). From this we can see that there is a clear divergence of discourses regarding sustainability. This has in turn created confusion in the implementation of sustainable businesses practices for those required or choosing to reduce their environmental footprint( Doppelt, 2003).

This confusion regarding the implementation of sustainability has only been magnified by recent discourses regarding various environmental issues such as ozone depletion and climate change (Martinelli and Midttun, 2009, p. 8) that have begun to frame social ideas about the importance of sustainable enterprise. The increasing validity of sustainable discourses has meant that they are being highlighted in the political arena through institutionalisation of sustainable practices. For New Zealand businesses trading within a global market place it is becoming increasingly important to understand these discourses, what they are, who is communicating them and how they should be incorporated into good business practice. According to Zadek and McGillivray (2008) “the need for a more responsible basis on which businesses and economies compete in international markets has never been greater” (p. 72). Harris (2007) describes the reaction that many companies have had to the existence of these discourses: “in the marketplace, some producers have developed a number of strategies to address these concerns, and to take advantage of them by publicising the “clean green”, “eco”, “organic”, or “natural” status of their products” (p. 50).

The term sustainability acts as an umbrella term used to refer to processes and procedures that are viewed as maintaining or improving the current environmental condition. It acts as a discourse within business, government and wider society. It is important that we understand how these discourses work within society to construct reality and negotiate power and knowledge relations. Fairhurst and Putnam (2004) state that power structures are created within discourse, within the



communication of concepts Discursive frames that are prominent in local government and local businesses are negotiated and contested by various stakeholders, each of which interprets reality from the perspective of their own experiences (Conrad, 2003). Each stakeholder in the process of negotiation of dominant discourse is ultimately promoting their own interests (Entman, 1993). Prominent discourses in society can be highly influential across multiple levels of policy creation such as choice of government via voting choices and business success via consumer choice. Discourse scholarship incorporates the idea of communication as a cultural performance (Pacanowski & Trujillo, 1983) which suggests that communication is both a product of culture and a building block of culture. It is important to understand this relationship characterised by Jian, Schmisser & Fairhurst's (2008) little 'd' and big 'D' of discourse, the little 'd' being the product of culture and the big 'D' being the building blocks for culture. The underlying big 'D' of discourse frames the social norms and values through which the members of the culture identify them as a group. The little 'd' of discourse plays a socialisation role to new members and reinforces values and social norms.

Within communication between local government and local businesses the big 'D' of discourse is constituted by the discourses which wider society has decided on as being prominent. These discourses are created via the information that wider society gains from various information sources which become "politically powerful, regardless of their scientific validity or political viability" (Memon & Selsky, 2004, p. 46). Local government frames these discourses in a way that promotes their own interests (Entman, 1993) before communicating them to local businesses through training programs and protocols via the little 'd' of discourse. Discourses that are communicated between local government and local business need to be understood in relation to the overall discourses that exist in wider society in order to understand the various stakeholders and processes that have cumulated to negotiate it as a prominent discourse.

In regards to the sustainability discourse that exists within wider society and its influence on government policy and sustainable business practice the reality remains that as long as discourse is a driver of the way in which we as a society decide how to attribute resources to address challenges (Clapp and Dauvergne,

2005) decisions on what is sustainable will be made based on popular opinion. Discourses can not only be formed through the communication of valid information but they can also be formed through the communication of invalid information from sources that are aiming to promote their own interests (Entman, 1993). For this reason communication from any entity can create discourses and ultimately power structures within society. Even communication derived from a business or government which has little or no knowledge of complex environmental concepts can create strong political ideas and movements, regardless of their validity (Memon & Selsky, 2004). For this reason it is important for us to be cautious of which stakeholders influence our overall discourse of sustainability.

## **2.5 Discourse Stakeholders in Corporate Social Responsibility (CSR)**

Corporate Social Responsibility (CSR) is an issue that has become one of high importance with businesses and industry being seen as some of the worst contributors to declining environmental wellness. Dummett (2006) states that “there is a limited body of research into what drives some major companies to become aware of their environmental responsibility, what drives some to develop policies, and for an even smaller number of companies, what drives them to act on these policies and actually change their practices to become more environmentally responsible” (p. 375). CSR has often been seen as a public relations strategy used by large companies. But as Tengblad and Ohlsson (2009) state “in recent years, evidence has convincingly shown that corporate social responsibility (CSR), as a field of practice, is heavily influenced by local contexts, not the least by national governments (Chapple and Moon, 2005; Habisch et al., 2005; Matten and Moon, 2008)” (p. 653). Behind the decision for many businesses to practice in a socially responsible way in regards to sustainable business practice are the stakeholders within businesses and exterior stakeholders that directly affect the businesses’ viability. Stakeholder theory suggests that all decisions are made in regards to stakeholders. Jensen (2007) states that “normative stakeholder theory generally claims that a corporation should serve the common interest, in the sense that it should serve the interests of all its stakeholders. If it does so, it “serves a collectivist end without collectivist means,” i.e., it collects resources and decides how to spend them on the beneficiaries without democratic procedures and

democratic control” (p. 524). This is perhaps a naïve notion. Many would still argue that the sole purpose of business is monetary profit for stakeholders and therefore would say that CSR is merely a vehicle of corporate public relations or brand construction in order to meet the changing views of educated consumers. But who is to say that monetary gain is not a legitimate driver for sustainable action? Perhaps in a highly capitalist society it is the only driver which is capable of creating the sufficiently drastic changes in our social discourses that will be required to become sustainable.

Tengblad and Ohlsson (2009) suggest that the “important factors that influence CSR practices are political and social structures, the activities of NGOs and corporate cultures, and societal expectations of leaders and historical traditions” (p. 653). All of these stakeholders and internal stakeholders within companies are continually negotiating what is seen as acceptable corporate social responsibility. Zimmerman (2007) states that “in thousands of cities and towns across Europe, sustainability issues are increasingly moving up local agendas and lists of priorities...approaches incorporating diverse stakeholders have become the precondition for successfully defining and implementing local policies” (p. 505).

## **2.6 Government Policy on Sustainability**

Policies created by government on the issue of sustainability are an important guide for the way in which businesses and society view the issue of environmental sustainability. Although it is important to note the duality of the relationship between government and society (including business) in the creation of this view. The two continually affect each other’s opinions and ideas. This concept of state and non state stakeholders affecting one another needs to be taken into context. At the same time as government influences society through administrative power Dryzek (2000) addresses Habermas’ discussion of “how public opinion can influence the policy practice of the state” (p. 25). It is important to view government policy and governance of sustainability as what Runhaar, Dieperink and Driessen (2006) call multi-actor policy. Runhaar, Dieperink and Driessen (2006) state that “The multi-actor policy context implies that strategies for sustainable development usually have to relate to a form of “governance”: a non-hierarchical form of steering, where state and non-state actors participate in the

formulation and implementation of public policy” (p. 35, citing Rhodes, 1997). This steering model of governance incorporates non-governmental actors to develop policy grounded in discourse. By involving these actors in policy creation policies are more accepted by those actors. Although the incorporation of numerous actors within policy creation seems to be the most effective way of managing stakeholders in the creation of discourse to improve the acceptance of sustainable policy Schmitter (2009) states that “governance arrangements work best when they are partial, i.e. when the stakeholders involved are relatively few in number and highly dependent upon each other” (p. 87). Schmitter (2009) goes on to propose the question “can stakeholders in one domain – owners, employees, experts, interest representatives and Civil Servants – learn from what others have accomplished?” (p. 87). One response to this question can be found in governments’ response to the Brundtland Report.

The way in which governmental policy has developed over the past two decades following the Brundtland Report has shown flaws in the way we as a society work together towards sustainability goals. The Brundtland Report was followed by Agenda 21, which was developed at the at the United Nations Conference on Environment and Development (UNCED) held in Rio de Janerio, Brazil, 3 to 14 June 1992. Agenda 21 was set out as “a comprehensive plan of action to be taken globally, nationally and locally by organizations of the United Nations System, Governments, and Major Groups in every area in which human impacts on the environment” (United Nations, 2009). Despite this some believe that the creation of these reports is not the best way for environmental standards to be developed. Schmitter (2009) discusses governmental response to policy creation following the Brundtland Report (World Commission on Environment and Development (WCED), 1987). According to Schmitter (2009) “the obvious assumption was that this was the task of politicians acting in the name of sovereign national states who would enter into intergovernmental treaties with each other” (p. 85). This strategy, according to Schmitter (2009) was flawed. The twenty three years that have passed since the Brundtland Report has shown that “some countries sign treaties, but do not ratify them – including major countries like the USA. Others do ratify, but do not comply with their obligations” (p. 85). This suggests that although the Brundtland Report produced an agreed upon definition of

sustainability, a goal for governments to work towards, it failed to set pathways for governments to reach this goal.

## **2.7 Business perspectives of Sustainability**

Businesses have multiple perspectives on the issue of sustainability ranging from viewing it as unrelated to business goals, viewing it as a useful tool in creating competitive advantage and added value products to views of it as simply a necessity to ensure compliance with government policies and regulations. As businesses are not unmoving in their views and perspectives it is important to understand their role in receiving communication from local government. We must recognize that businesses do not simply receive information, they interpret it. Although they may receive a barrage of information they are very unlikely to act on all of it. They are most likely to evaluate the information in relation to current perspectives on sustainability and adopt that information that best reflects and reinforces their current perspective. The way in which businesses interpret this information and adopt it is why it is important to understand business perspectives.

There are two key areas which business perspectives regarding environmentally sustainable business practice fall under: those who view it positively and those who view it either as not important (neutrally) or negatively. Perspectives relate to what businesses see as the role of environmental sustainability within business and how this benefits them. Those who view it positively and put it into action do so for a number of reasons. Dummett (2006) provides the following list of drivers within businesses that do implement what he calls Corporate Environmental Responsibility (CER):

“Obviously for some companies it is a combination of some or perhaps even all of these drivers.

- government legislation or threat of legislation
- cost savings
- market advantage

- protection or enhancement of reputation and brands
- avoiding risk, or responding to accident or environmental threat
- a ‘champion’ within the organization
- pressure from shareholders
- pressure from consumers
- pressure from non-government organization
- societal expectation” (p. 377).

We can see that all of these drivers are highly contextualized within business goals. Most are driven by factors attributing to profit or driven by external entities such as shareholders, customers and government. This tells us that corporate environmental responsibility is something that businesses quantify in terms of how it fits into their current business goals, rather than creating new goals. Environmental goals are assimilated into business goals. This is important to consider within communication with businesses as communication that incorporates current business goals will be more suited to being adopted by businesses into everyday business practices.

## **2.8 How Government influences business (enablers/disablers)**

The incorporation of sustainability discourses into business procedures and policies for New Zealand based companies has become no longer the realm of organisations wanting to show that they are socially responsible. New Zealand’s approach to creating competitive advantage through developing an image of sustainability with messages such as ‘clean green’ and ‘100% Pure’ (Morgan et al., 2002) have meant that local businesses need to follow suit to take advantage of potential revenue that can be reaped from sustainable development (Porter & Van der Linde, 1995). Those that do not adopt sustainable discourse into their business practices will lose market share. Within organisations dominant discourses frame and constitute the negotiated reality that underpins decisions about what policies and procedures are legitimised and which are not implemented. These discourses are ultimately derived from the myriad of information that the organisation receives from both exterior and interior sources. Those sources exterior to the organisation, such as local government and market place activity place constraints upon what it is that is considered sustainable and

within this businesses are required to develop what they see as sustainable practice. Exterior negotiation of sustainable discourse creates enablers and disablers within business practice. Which poses the question of who decides which discourses within wider society should be incorporated into sustainable business practice? Is it local government or local businesses? And how are discourses communicated between local government and local business?

The communication between local government and local business regarding sustainable business practice is a location of discourse negotiation within civil society. This continual discussion of what is seen as sustainable business practice occurs within the governance of a society wide discourse of sustainability. Sobol (2007) states that “governance in practice means a *mélange* of governmental and non-governmental, corporate, social and individual actors who cooperate to reach common goals” (p. 197). The process of negotiation that occurs between these groups is due to the competing demands of these various stakeholders that exist within local government and local businesses. Sobol (2007) discusses the goal of this negotiation between various stakeholders as the governance of discourses. Sobol (2007) states that “governance is the process of steering societies in such a way that it circumvents the dangers of problems related to collective action or inequitable social relationships and removes barriers to the enhancement of social welfare” (p. 197). Sobol (2007) has identified the danger of having negotiated discourses that are heavily skewed in favour of the goals and interests of a certain party. In terms of the negotiation of the meaning of sustainable business practice between local government and local business we can identify how one party may be disadvantaged if negotiations are skewed. The environment and New Zealand’s market position as a producer of sustainable goods may be threatened if the government do not impose policies on businesses to define what sustainable business practice is. But if these policies are too strict in terms of the restrictions they place on what businesses are allowed to do this can cripple businesses ability to create innovative sustainable practices. According to Sobol (2007), “in practice, governance means the involvement of many stakeholders in the decision-making process and implementation” (p. 197). In the case of local government and local business it can be seen as an example of partnered governance (Nikoloyuk, Burns and de Man, 2009).

The partnered governance relationship of local government and local business “refers to governance involving the cooperation of diverse social actors in regulation” (Nikoloyuk et al., 2009, p. 60). According to Nikoloyuk et al. (2009) this cooperation creates an environment of self regulation. The continued negotiation of what is sustainable business practice means that the changing needs of each party involved are continually recognized in the perpetually changing meaning.

Knowing that this site of negotiation exists between local government and local business is important, but what is the overall goal of this negotiation? Zimmermann (2007) identifies the critical “need to define tangible targets for policy and action” (p. 506) before “the establishment and operation of sets of rules and decision-making procedures that serve to define social practices and guide the actions of those participating in these practices” (Sobol, 2007, p. 197). These rules and decision-making procedures look to institutionalise the negotiated meaning of sustainable business practice. This institutionalisation means that there is an agreed upon aim of sustainable business practice that will not change depending of the needs of stakeholders. This stable relationship between local business and local government is enabling to the creation of an environmentally sustainable society.

In conclusion sustainability discourses within wider society are negotiated across a large range of stakeholders; people gain information about issues from various channels such as media and interpersonal communication from which dominant discourses emerge. The process of how these discourses become business practices is one similar to a funneling effect with local government and businesses creating resistance to change and acting as roadblocks to certain discourses that they foresee as inappropriate to being incorporated into business practices. This influence of wider society on business practices is a seeming reversal of Deetz (1992) and Habermas’s (1984, 1987) cited in Zoller (2003) frameworks of the “corporate colonisation of the life-world” and “life-world invaded” (p.175). Rather the life-world is invading the corporate world; the market is influencing what is appropriate through market choices. To capitalize on the potential capital growth of sustainable development of New Zealand’s ‘clean green’ branding local government and local businesses need to work together to create sustainable



business practices that can do so. The understanding of the communication of discourses and the way in which they create enablers and disablers for sustainable business practices is paramount to understanding how local government and local businesses work together in the creation of sustainable practices.

## **2.9 Road Blocks to Sustainable Business Practice**

Although there are several advantages to sustainable business practice such as corporate social responsibility, competitive advantage within growing networks of market places and added value products it seems that the uptake of sustainable business practice has been sluggish to say the least. This is a reflection of several road blocks that exist in regards to implementation.

One of these road blocks is that fact that many small businesses simply do not have the skill set or knowledge that is required to address issues of sustainability within their workforce. Karlsson (2007) states that “complexity is a key issue that the world must deal with in its responses to environmental degradation, unsustainable development paths and resulting human insecurity” (p. 103). Environmental sustainability within business is a highly complex issue that requires a strong understanding of various facets of the environment, what business impacts on these areas are and what measures should be taken to minimize these impacts or off set them. Many small businesses simply do not have the knowledge, resources or time to develop a strategy for environmental sustainability for either corporate social responsibility or competitive advantage reasons. Although businesses may understand the added value which environmentally sustainable practice can bring to their product they may see this as a road block to its implementation. In this case “added value for producers can usually be defined in terms of higher profit margins, improved image, or the ability to comply with governmental rules. To the consumers...added value can be defined as the extent to which needs are perceived to be satisfied” (Nijhuis et al., 1998, cited in Zwan and Bhamra, 2003, p. 344). Any communication to businesses needs to understand the level of knowledge that exists within businesses. The information communicated to businesses needs to be at a level which is neither patronizing nor out of reach to businesses without the budgets to

attract staff with knowledge within the field of sustainability, such as the numerous owner operated SME's that exist within the New Zealand market place.

Another roadblock to sustainable practice which may exist for businesses is the difficulty in legitimizing sustainable practice. Businesses willing to adopt environmentally sustainable business practice and use this as part of the businesses marketing discourse must legitimize these claims of sustainability through the correct channels. This can be done through avenues such as environmental labeling. Mirovitskaya and Ascher (2001) state that "environmental labeling is done by private or public institutions and is used to help consumers select environmentally friendly goods or services, as well as to offer a market incentive to manufacturers and service providers willing to qualify for the label or certification" (p. 205). Not legitimising a product while claiming to be environmentally sustainable could mean the business loses customers through misleading product representation. Brands are very important tools in creating added value in products. "The experiences of the most successful products and companies have shown that a 'brand' is not only a name, a term or a differentiator; it is the announcement of a total experience associated with the process of purchase and consumption as well as the lifestyle of the consumers" (Pant, 2005, p. 280, citing Hill and Lederer, 2001; Bedbury and Fenichell, 2002). Companies need to ensure that branding and products are aligned.

Perhaps one of the largest roadblocks to the implementation of sustainable business practice is an inactive society created by mistrust of those providing information in regards to sustainability. Sobol (2007) discusses this as perhaps one of the most overlooked factors related to the governance of sustainable practice. Sobol (2007) states that "in practice, governance means the involvement of many stakeholders in the decision-making process and implementation" (p. 197) and that "an active society is of paramount importance in the process of governance for sustainable development" (p. 198). But this active society can be very difficult to facilitate. According to Sobol (2007) a lack of transparency at local and national government levels can create a level of mistrust towards those in positions of governance. He goes on to state that this mistrust can manifest as inactivity and "this inactivity can be perceived as a barrier, because when people are not engaged in a process, they do not feel important and responsible for it" (p.

199). Those who are inactive are no longer acting as stakeholders within the negotiation of sustainable business practice, meaning that their exclusion is self filling in that the more inactive they are the more removed from the process of discourse creation they become.

## **2.10 Environmental Economics**

The economy and the environment are inseparable in terms of the ways in which we as a society conduct day to day living. Resources from our environment sustain every facet of our lives and drive our economy. Tietenberg (2007) states that two of the main challenges we will face in the future is resource scarcity and accumulating pollutants. These problems put strain on economic growth that depends on abundant resources. For this reason it is important for both businesses and governments to understand the interrelationship of economies and the environment in order to maximize economic output and minimize environmental damage. Environment and resource economics is a field in which more and more importance will be placed as economies such as that of New Zealand, which relies heavily on natural resources, are constrained by unsustainable consumption. Mirovitskaya and Ascher (2001) state that environmental economics is “the label generally applied to the neoclassical economics approach to addressing issues of pollution control, standard setting, waste management and recycling, externalities of private enterprise action, conservation, use of common property resources, etc., in order to provide guidance for efficient allocation and sound environmental policy” (p. 67). This balance between environment and economic growth is one which will have great bearing on the future direction of New Zealand’s government and business sectors.

Both renewable and nonrenewable resources are major building blocks of New Zealand’s economy. Past industries such as coal and gold mining have been superseded by agriculture, aquaculture, forestry, horticulture and viticulture. Discussions are also currently being held for a revival of the mining industry. As an economy that relies so heavily on the consumption of resources while still promoting our ‘green’ image as part of our tourism industry (another of New Zealand’s largest earning industries) we must ensure that consumption of resources is done so in a manner that is as sustainable as possible. The

consumption of non renewable resources is at the forefront of sustainability discussion. Van den Bergh (2002) offers a discussion of the optimal extraction of non-renewable resources. She discusses several economic models of the use of non-renewable resources, the simplest form of which is the cake eating problem “which concerns the optimal allocation over time of the raw material from an exhaustible resource stock, where the raw material is the only source of well being” (p. 50). Models such as the cake eating problem are numerous in the field of environmental economics, showing that the importance of managing our resources in a sustainable manner to ensure our future capacity to draw on these resources is a highly contentious matter within environmental economics.

Particularly within New Zealand’s economic state we need to be well aware of the issues of depletion of biodiversity, water and air pollution, run off, land conversion and degradation that affect our economy. Van den Bergh (2002) state that in regards to the agriculture industry in particular we need to progress beyond traditional policies which have attempted to “achieve objectives related to farm income, agricultural prices and agricultural trade” (p. 159) and more towards policies that are “increasingly concerned with encouraging the supply of positive agricultural externalities, and reducing the generation of negative externalities” (p. 159). This process of regulating business practice through the use of government policies is perhaps the most feasible method of ensuring parallel concerns regarding economic growth and environmental sustainability are addressed. Methods of eco-taxation, carbon taxes, permits, noncompliance fees and subsidies are mentioned by multiple scholars such as Mirovitskaya and Ascher (2001). These methods of economic and environmental regulation are highly complex functions of governance that are required to ensure the availability of environmental resources that will sustain economic growth in the future.

Environmental economics is one of the few strands of economics that tries to incorporate both natural resources and psychology into the field of economics (Van den Bergh, 2002). This field is highly complex. Van den Bergh (2002) states that the knowledge required by an environmental economist “spans the domain from the extremely practical to the highly abstract and general” (p. 40). It is important to note here that it is the wide field in which discourses regarding environmentally sustainable business practice are generated among other things.

### **2.11 Triple bottom line for businesses and government (Elkington, 1997)**

Environmental sustainability is something that we need to aim for as we look forwards into a future that cannot sustain our current practices. What needs to be kept in mind for environmental practice, particularly in a business sense, is what Newport, Chesnes and Lindner (2003) call sustainability's three-legged stool:

- (1) the environment;
- (2) economic development; and
- (3) social equity (p. 357).

The reality is that although many agree that the degradation of the environment is a rapidly encroaching issue it is not the only main driver behind our actions and decisions. Within a largely capitalist global society we must recognize that issues such as social equity and economic development are far more urgent for the majority of the world's population. This is particularly true for developing nations, who although per capita have a very small environmental impact compared to developed nations, will rapidly impact on the condition of the environment as they industrialize. In saying this Newport, Chesnes and Lindner (2003) identify the three main areas in which business should focus on being sustainable in a utopian world. This approach does not take into view the various contexts in which businesses operate. Business environments are forever changing and developing. This creates a negotiation of the importance placed upon or the needs of environmental, economic and social sustainability at any particular time. Business does not operate exterior to its variables and these variables must be addressed.

Within this three legged stool suggested by Newport, Chesnes and Lindner (2003) the environment and economic development are discussed within academic literature very often. Social equity is not often referred to. This may be because many people view corporations' attempts at being involved within projects related

to social equity as merely a function of their economic growth strategy. Burchell and Cook (2006) suggest that “social responsibility represents an economic tool to gain competitive advantage and social capital” (p. 121). Despite this view Newport, Chesnes and Lindner (2003) view the issue of the three legged stool as one that should be addressed in new methods of implementing sustainability initiatives. Newport, Chesnes and Lindner (2003) suggests community based initiatives that create a ground up buy in, rather than a top down, policy based approach. The community based approach looks to incorporate environmental, economic and social wellbeing into initiatives that communicate simple messages to change social discourses related to sustainability. This approach looks to work from the ground up, changing peoples’ opinions and thereby creating larger changes in business and markets through product choices and consumer led market trends.

This three legged stool approach to sustainability is perhaps the ideal approach to facilitate a change in social discourse. To do so requires a ground up approach tailored to wider society. According to Newport, Chenes and Lindner (2003) “lessons from political campaigns suggest that broad reach throughout a community requires delivering the desired message in a simple, non-technical vocabulary” (p. 360). For this reason we can see the importance of communication and discourse to foster sustainable action within a national and international context.

## **2.12 Participatory Development**

The concept of participatory development looks to incorporate numerous stakeholders within the implementation of development projects. Acts of participatory development are defined by Mirovitskaya and Ascher (2001) as “approaches to socioeconomic development that emphasize the active participation of affected actors in the planning and execution of development projects and programs” (p. 16). This method of stakeholder involvement is important to negotiate a shared meaning of sustainability and develop a discourse of sustainability that encompasses social, economic and environmental wellbeing. This is important to ensure all parties and stakeholders have input.

Participatory development has several positive outcomes. According to Mirovitskaya and Ascher (2001) “the thrust of participatory development may be to increase the typically low levels of influence of politically and economically marginal populations (i.e., to foster ‘population participation’) or to ensure the participation of the whole range of affected parties (i.e., ‘stakeholder negotiation’)” (p. 16). This approach looks to take the issue of sustainability from a powerful few and divide it amongst the many. This empowers those who exist within a social system to change that system for the future. Participatory development may be of particular importance for the global economy in terms of the impact which emerging markets will have upon the environment. According to Agtmael (2007) “key economies of the former Third World will soon reemerge as the dominant economies of the future. In about twenty-five to thirty years, the combined gross national product (GNP) of emerging markets will overtake that of the currently mature economies” (p. 10). Agtmael (2007) refers to the four largest emerging markets according to Goldman Sachs projections as China, Brazil, India and Russia over taking the seven largest industrialized countries in the current economic environment, being the G7 (United States, Japan, Germany, France, UK, Italy and Canada). With the sustained economic growth of these emerging powerhouses comes increased environmental impact. It is important that various stakeholders within these emerging economies are given a voice in the negotiation of what sustainability is so nations avoid what Auty (1993) referred to as the Resource-Curse Hypothesis. This hypothesis refers to the “economic mismanagement with mineral revenues and comparatively poor performance of mineral-rich developing countries” (Mirovitskaya and Ascher, 2001, p. 17). This hypothesis has often been the case when governments have attempted development in mineral rich areas “without taking into consideration the needs and interests of native inhabitants of these regions, and often with severe consequences for their environmental health” (Mirovitskaya and Ascher, 2001, p. 17).

### **2.13 The Third Way (Giddens, 2000)**

The Third Way political view supported by former British Prime Minister has received both praise and critical reviews from political commentators. The idea of finding a third way to conduct politics is not a new one, but was once again

brought to the forefront of political discussion with the support of Tony Blair. The concept of finding a third way as it has been called has come about because as Giddens (2000) states “we need to introduce a different framework, one that avoids both the bureaucratic, top-down government favoured by the old left and the aspiration of the right to dismantle government altogether” (p. 2). The Third Way looks to strike a balance in the level of involvement which the government has in the lives of citizens. This balance is an important concept when looking at the communication that exists between government and business. What level of communication and what level of control should governments assert over businesses and citizens? The concept that there is a balance that should be struck is important to address when discussing sustainability.

The Third Way looks to create a society in which businesses and citizens will and are able to act within the market place to better themselves. Giddens (2000) states that the cornerstones of the Third Way or ‘new progressivism’ as it was originally described by American Democrats “are said to be equal opportunity, personal responsibility and the mobilising of citizens and communities...we have to find ways of taking care of ourselves” (p. 2). He then goes on to state that to do this governments must make changes in public policy, “public policy has to shift from concentrating on the redistribution of wealth to promoting wealth creation. Rather than offering subsidies to business, government should foster conditions that lead firms to innovate and workers to become more efficient in the global economy” (p. 3). In terms of communication this would mean that governments need to foster and grow the knowledge and tool sets that businesses and citizens have to, as Giddens (2000) puts it take care of ourselves.

Despite the potential of Third Way politics there have been a number of critics. One of the key areas of criticism that has arisen regarding the Third Way is that it “has no effective way of coping with ecological issues, save for giving token recognition to them” (Giddens, 2000, p. 25). This form of politics has been criticised as it leaves scientific and technological development to be “largely driven by big business, which will always put profit ahead of environmental considerations” (Giddens, 2000, p. 25). Governmental communication needs to be recognised as a powerful tool that can manage the requirements of both the environment and business. Giddens (1994) states that “every bit as important to



ecological questions as the management of the environment is the management of science and technology” (p. 212). The idea that competing needs exist between the needs of the environment and the needs of business should be addressed by government in their communication. Dryzek (2000) states that “discursive democracy should be pluralistic in embracing the necessity to communicate across difference without erasing difference” (p. 3). To ensure that both the environment and business benefit from the influence of government the government must be aware of all stakeholders involved within the creation and audience of communication that they disseminate.

## **2.14 Conclusion**

Creating an environmentally sustainable world will perhaps be the greatest challenge for government, business and society in the twenty first century. We are socially and culturally embedded in an industrialized world that is by majority based on a capitalist system of excess consumption. Due to the closed system nature of our environment the economic and environment laws of supply and demand show that we can simply not carry on the current way of living that we are accustomed to. Had we known the limits of our environment at the dawn of the industrial revolution we may have chosen our path differently. But we are only able to make decisions on the information that is given to us. As Tietenberg (2007) states “the fact that we did not have that knowledge and therefore did not make that choice years ago means that current generations are faced with making more difficult choices with fewer options” (p. 4). Now that we are faced with the challenge of changing the way in which we consume we must look at how this change is to be made and the road blocks to this change which exist.

Businesses practice is a key area in which sustainable approaches need to be implemented to ensure a sustainable future. This is due to the fact that businesses are on the forefront of sustainability and economics colliding. O’Hara (1998) states that “this conceptual notion of internalising sustainability considerations into the framework of economics has been called into question” (p. 176). It has been called into question because of the difficulty we have understanding and managing the numerous facets of society that contribute to the way in which we attribute resources for economic purposes in a sustainable manner. To understand

the way in which we manage sustainability within society we must have strong understanding of the discourses within society and the stakeholders who negotiate these discourses. We must understand that within society and economic processes “the environment provides natural resources necessary for production and consumption and it is recipient of the emissions and wastes generated in the process” (O’Hara, 1998, p. 177). In turn we provide labour and intellectual property. Discourses are the ideas within society that decide how these resources are used and for what purpose they are used. To understand how various groups within society construct discourses within society is to understand how our natural resources can be governed in a sustainable manner.

### **Chapter 3: Research Method**

#### **3.0 Introduction**

The aim of this research project is to draw upon both qualitative and quantitative data to develop an understanding of the enablers and disablers of sustainable business practice which governments communication creates within the Waikato region from June 2010 to July 2011. The research methods used were surveys to gather quantitative data and interviews to gather qualitative data. The research also draws data from critical discourse analysis of relevant documents, which will be detailed later in this chapter, obtained during the research period. The researcher decided to use these methods based on the methodology of case study theory, interviews, surveys and critical discourse analysis to triangulate meaning.

Due to the contextualised and social nature of discourse the use of both qualitative and quantitative methods to triangulate data is essential to create a case study, which by their very nature are contextualised (Stake, 2008). The mixed methodology has been chosen to create a snapshot of both the in depth embedded social nature of discourses and present a scientific quantitative representation of how these discourses affect those parties involved (Creswell, 2009).

This chapter will document the method of this research project and go on to discuss the methodology of the research methods used. First this chapter will discuss the way in which interviews, surveys and critical discourse analysis were

conducted and secondly presenting the methodology for this project to be conducted as a case study using these methods. In the conclusion of this chapter the way in which the use of these methods to create a case study triangulates resulting data will be discussed.

### **3.1 Method**

#### **Surveys:**

Local businesses were surveyed to ascertain their attitudes toward sustainable discourse and sustainable business practice. The survey was designed to create an understanding of how businesses view sustainable discourses communicated by Environment Waikato and how these discourses facilitate or impede the implementation of sustainable business practice (please refer to the appendix to view the survey). The survey was sent to the Managing Directors of businesses who are members of the Waikato Chamber of Commerce. Surveys were disseminated through two avenues, that of internet survey hosted by SurveyMonkey.com that participants were invited to participate in via email and surveys that were also sent out via mail.

The researcher aimed for a sample size of one hundred survey respondents within the Waikato area. A total of six hundred surveys were sent out. The resulting participant levels were slightly lower than expected with a total number of seventy responses, at a response rate of 11.6%.

Respondents represent a wide cross section of industries that operate within the Waikato area as can be seen in Figure 1:

Industry	Response Percent
Accounting	5.0%
Administration	0.0%
Advertising/Media	1.7%
Banking/Financial services	0.0%
Call centre/customer service	0.0%
Community/Sport	1.7%

Construction	6.7%
Consultation	6.7%
Education/Training	1.7%
Engineering	5.0%
Healthcare/Medical	0.0%
Hospitality/Tourism	16.7%
HR/Recruitment	0.0%
IT	8.3%
Insurance/Superannuation	0.0%
Legal	3.3%
Manufacturing/Operations	8.3%
Mining	0.0%
Real Estate/Property	3.3%
Retail/Consumer products	10.0%
Sales/Marketing	6.7%
Science and Technology	1.7%
Trades and services	10.0%
Transport/Logistics	3.3%

Figure 1: What industry does your company operate in?

In total seventeen different industries were represented in the survey results. Overall this is seen by the researcher as a good representation of the various industries that operate within the Waikato region.

### **Interviews:**

One on one interviews were conducted with the Managing Directors of eleven Waikato businesses. Interviewees were chosen on the basis that they viewed sustainability as an important part of their business. The way that these interviewees were identified was by identifying all survey respondents who answered agree or strongly agree to question eight of the survey; 'I personally see environmental sustainability as very important for my business'. Once identified these individuals were invited to participate in interviews, those who agreed to be interviewed were. Interviews took place in the interviewee's place of work and ranged in length from twenty five minutes to one hour and ten minutes.

One senior policy making staff from both Environment Waikato (EW) and Hamilton City Council (HCC) were also interviewed as representative of local

government. Each of the two representatives were chosen to be interviewed on the basis that they had a high level of involvement in the development of strategic direction of environmental action. For the representative from HCC this meant a high level of involvement in the development of the strategic document entitled Environmental Sustainability Strategy: Engaging our City. For the representative from EW this meant a high level of involvement in the interactions which EW has with businesses within the Waikato area. These interviews took place in the interviewee's place of work and ranged in length from forty minutes to one hour and twenty minutes.

### **Document Analysis:**

Thematic analysis was conducted of the communications of Environment Waikato and the Hamilton City Council regarding sustainable business and the transcripts of the conducted interviews. The analysis of governmental documents focuses on four key governmental documents drawn from Environment Waikato and Hamilton City Council's websites regarding sustainability and business. The following documents have been chosen for their relevance: HCC's Environmental Sustainability Strategy: Engaging our City and three issues of EW's Envirocare publication, issue 65-67, which cover the time period July-November 2010. These documents were selected as they are aimed at a Waikato wide audience as acts as a representation of what these government agencies are currently doing. This material was then subjected to thematic analysis to derive information regarding the broad discourses that are present within these artefacts of governmental communication.

Thematic analysis was chosen as the method of analysis for these documents. Themes were drawn from the documents based on frequency, recurrence and language used within the documents. Based on these themes data was categorised into streams of discourse which were prominent in the communication of these governmental institutes.

### **3.2 Methodology:**

#### **Case Study:**

This project is a case study. Case studies “concentrate on issue-related observations, interpret patterns of data, and reform the issues as assertions” (Stake, 2008, p. 126) and produce in depth understanding of the issue in focus. But it must also be stated that case studies are highly contextualized and the application of conclusions drawn from this project within other cases is not recommended. The contextualized data drawn from case studies is highly applicable to the study of social sciences as Stake (2008) states in regards to social science research “knowledge is socially constructed – or so we constructivists believe (see Schwandt, 2000) – and through their experimental and contextual accounts, case study researchers assist readers in the construction of knowledge” (p. 134).

The use of a case study has also been viewed as appropriate because of the focus on stakeholder theory that this research project has. Stakeholder theory looks to develop an understanding of those parties that influence information flow and decision making procedures (Freeman, 1984; Pesqueux & Demak-Ayadi, 2005; Russo & Perrini, 2010 and Entman, 1993). I have chosen to use a case study to create a snapshot of the social construction and negotiation of discourses surrounding the meaning of sustainable business practice. It is important to identify the parties that are involved in the negotiation of discourse to grasp the underlying power struggles that define normal business practice. The aims and objectives of local government and local businesses are numerous and varied and to understand which are dominant is to understand the social construction of discourse through the lens of stakeholder theory.

### **Surveys:**

I have chosen to use surveys as Frey, Botan, Friedman, and Kreps (1991) state surveys are a key method of communication research when studying large populations, although researchers must be careful that if they are to draw generalizations from data surveys must be designed to restrict the use of bias questions, sampling and analysis. According to Denscombe (1998) “evidence based on frequencies and amounts forms the bedrock of quantitative data and...well constructed tables and charts are a valuable asset for organizing and

presenting such evidence” (p. 192). For this reason surveys are being used as they are highly valuable in terms of their ability to display data effectively.

### **Interviews:**

I am using interviews as primary method of data collection as Gubrium and Holstein (2001) state that “interviewing gives us access to the observations of others” (p. 8) and is a method that is “socially situated” (Lunt, 1996, p. 79). This method lends itself well to my aim of discussing the way in which discourses regarding sustainability are socially situated and are negotiated as such. Gubrium and Holstein (2001) state “the interview is such a common information-gathering procedure that it seems to bring all experience together narratively” (p. 30). This is effective for this study as it draws together the multiple contextual factors which are present in societal discourses.

### **Thematic Document Analysis:**

Thematic analysis was used to further understand the underlying discourses within the communicated data. This is important in terms of understanding the negotiation that occurs between various stakeholders groups. Livesey (2002) states that the concept of analysing discourses with communication “reveal(s) the socially constructed nature of ‘reality’ and the social effects of language” (p. 117). Livesey (2002) goes one step further to state the importance of not only understanding what information a text is conveying but also “focusing researchers on the political functions of texts as well as their formal qualities” (p. 140). This method of data analysis has been chosen in order to identify the political nature of the communication that occurs between government and businesses. Fairclough (2001) suggests that textual analysis focused on discourses is the best methodology to study “social life as interconnected networks of social practices of diverse sorts” (p. 122).

For this research project thematic analysis has been chosen as the appropriate method of analysis to identify broad discourses in the data. Thematic analysis was used to categorize data into manageable categories. According to Titscher, Meyer, Wodak and Vetter (2000) thematic analysis is the action of drawing

inferences from the meaning of data by broking down communication into its constituent parts and understanding it “with the assistance of explicit classification and procedural rules” (p. 58, citing Ritsert 1972: 17). Titscher et al. (2000) also state that this method of content analysis looks to present data in a way that will “reduce the material in such a way as to preserve the essential content and by abstraction to create a manageable corpus which still reflects the original material” (p. 62, citing Mayring 1988: 53). Braun and Clarke (2006) state that “thematic analysis is a method for identifying, analyzing and reporting patterns (themes) within data” (p. 79).

### **3.3 Ethical considerations:**

Ethical approval for this project was obtained from the Waikato Management School’s Board of Ethics.

## **Chapter 4: Findings**

### **4.1 Introduction:**

Garry Brewer in his presentation to Yale University entitled Business and Environment: Trends and Challenges states that “the people who are leading the environment and are responsible for it are trained in a very very different way and have very very different interests and different languages then those who are trained in business and we have to work very hard to figure out where to bring them together”. The results of this research project highlight the truth in this statement. To understand this is the first step in understanding how we can bridge these gaps. Brewer asks the question of his audience “what’s the business of business?” (Brewer, 2007) The answer is simple “it’s to make money”. But increasingly the more poignant question is “does it pay to be green? And increasingly we are finding the answer is yes” (Brewer, 2007).

The results have shown that there are several findings that can be drawn from the data in terms of how the communication of government creates enabling and disabling effects for businesses implementing environmentally sustainable business practices. The findings that the researcher has drawn from the data



include the lack of a shared end goal for sustainable action, difficulties created by the different communication styles which government and business use and the inadvertent creation of power and hegemonic structures. Although the communication of New Zealand as a green brand by the government has created enablers for businesses within both domestic and international markets these communication difficulties have created disablers which have acted as a road block for sustainable business action. This results and findings section will discuss the information that has been gathered during this research project and discuss the enablers and disablers which the studied communication creates.

The conclusions and recommendations of this project look to develop communication strategies to negate the negative effects of these gaps and effectively work as enablers for the implementation of environmentally sustainable business practice.

#### **4.2 Surveys:**

Overall the response to surveys was made up of 70 individual respondents from the Waikato area. The respondents were gathered via the internet through the survey website Surveymonkey.com. Overall six hundred invitations to be surveyed were sent out with an overall response rate of 11.7%. The following is a summary of the respondent's demographic data.

Respondents also represented companies which operated in a wide range of markets, both domestic and international, as can be seen in the Figure 2 below:

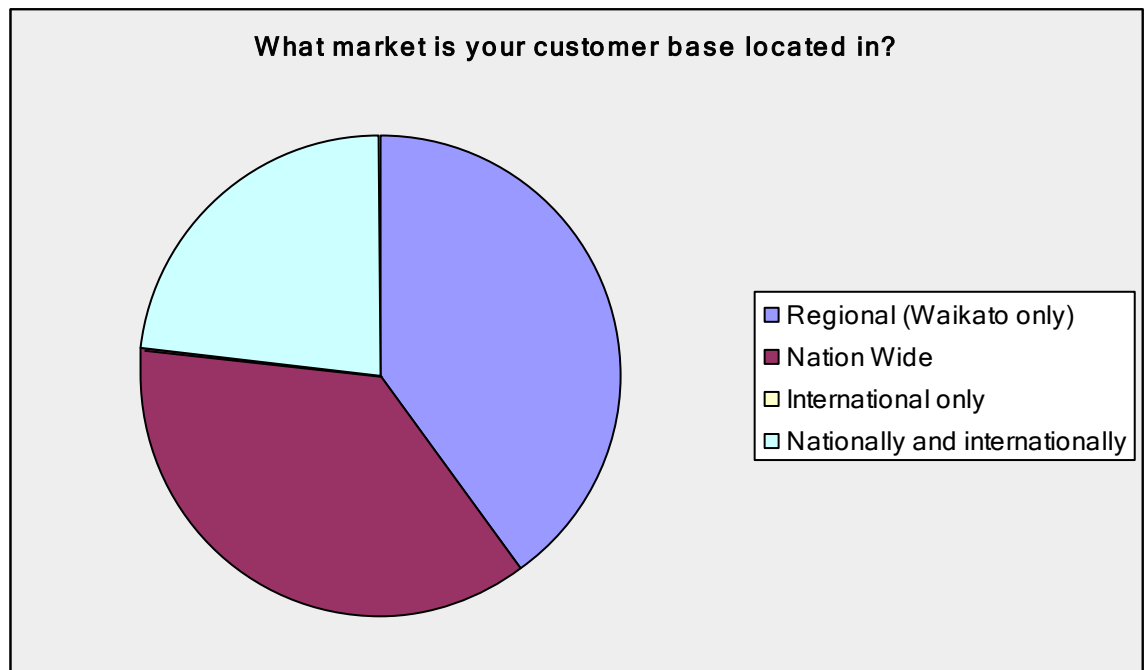


Figure 2: What market is your customer base located in?

Results show that of the survey participants 40% operated at a regional level only, 36.7% of participants operated on a nationwide level and 23.3% of respondents sold their product or service in both domestic and international markets. No participants operated solely in an international market. The companies that operate in both domestic and international markets were the main target for this research project. For future projects the researcher would recommend that questions regarding the markets from which companies draw their suppliers from be included.

The survey also inquired about the size of companies that were represented by the participants. The majority of participants were small to medium enterprises (SME's). SME's are defined by the Ministry of Economic Development (MED) as enterprises with nineteen or fewer employees (MED, 2011). Companies with one to ten employees constituted 65% of the companies surveyed which is representative of New Zealand's, and the Waikato region's overall cross section of businesses. There was also a good representation of larger enterprises with 15% of respondents being from companies employing 11-20 staff and 13.3% of respondents were from companies with 41+ staff. This cross section of company size, as seen in Figure 3, is a balanced representation of the market which the researcher was trying to capture with this survey.

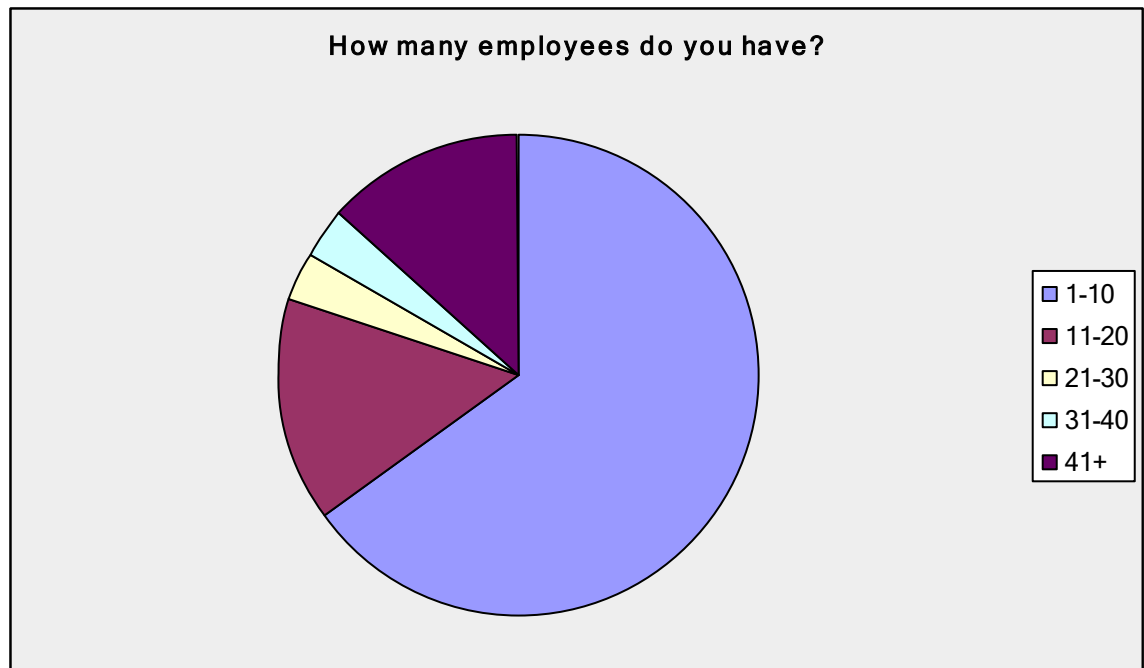


Figure 3: How many employees do you have?

Overall in terms of demographic responses there is a spread across industries, company size and market in which the company operates which shows a sufficient representation of the Waikato area.

### **Communication Buy In:**

The level of buy in which local businesses have for governmental communication has been measured by this project through the use of surveys conducted on local businesses, the results of which are measured by several key statistics focusing on local business awareness of governmental institutes, the importance placed on environmental business practices, current levels of environmental business practice, perceived understanding of sustainability, where information is received from regarding sustainable business practice and who they see as opinion leaders in the area. This section first presents an overview of the results drawn from the survey followed by an in depth analysis of this data.

### **Awareness of Governmental Institutes:**

A resounding 97.1% of local businesses are aware that the governmental institute Environment Waikato exists as seen in Figure 4. This statistic suggests that in general businesses within the Waikato area are aware that a governmental institute which is focused on the environmental management of the Waikato area exists.

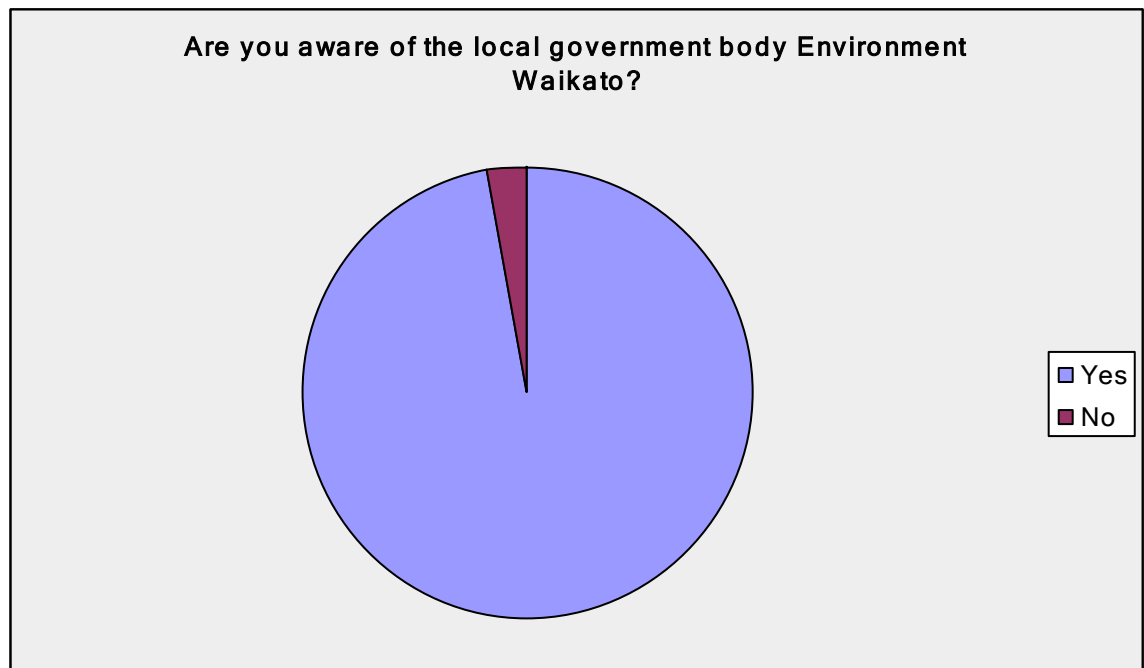


Figure 4: Are you aware of the local government body Environment Waikato?

#### **Is environmental sustainability important?:**

Surveyed businesses were asked several questions regarding the importance of environmental sustainable practice in their businesses, personal opinion and overall health of New Zealand's economy within the international marketplace. The resulting information shows that businesses believe that sustainability is very much an issue within their businesses.

When asked if they viewed environmental sustainability as an issue for businesses within the Waikato region 87.1% of businesses answered yes as Figure 5 shows. This shows that environmental sustainability is definitely an issue for businesses with the Waikato region.

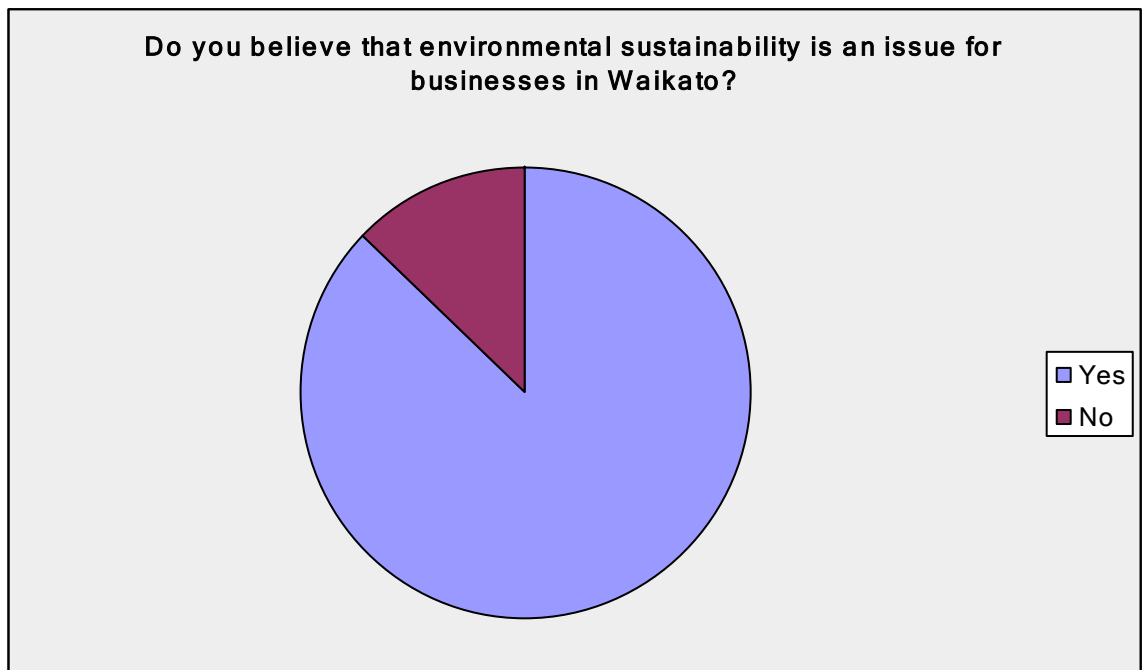


Figure 5: Do you believe that environmental sustainability is an issue for businesses in Waikato?

The high level of respondents who viewed environmental sustainability as an issue for business at the current point of time was in contrast with results that showed that over a quarter of businesses, 26% either agree or strongly agree with the statement ‘my company views environmental sustainability as not important at the moment’, whereas 49.2% of respondents disagreed with this statement, believing that their business currently views environmental sustainability as important. The remaining 24.8% of businesses were neutral on this topic. Figure 6 shows this data.

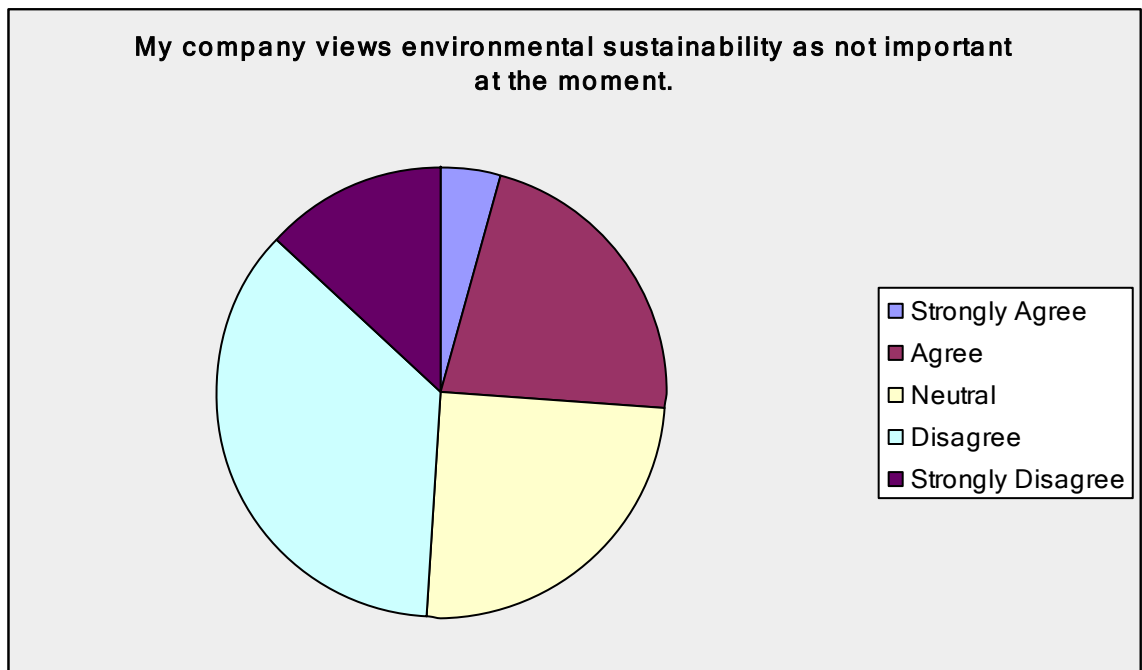


Figure 6: My company views environmental sustainability as not important at the moment.

In terms of the personal opinion of Managing Directors of companies results differed from the results of how businesses as a whole see the importance of environmental sustainability. As seen in Figure 7 below.

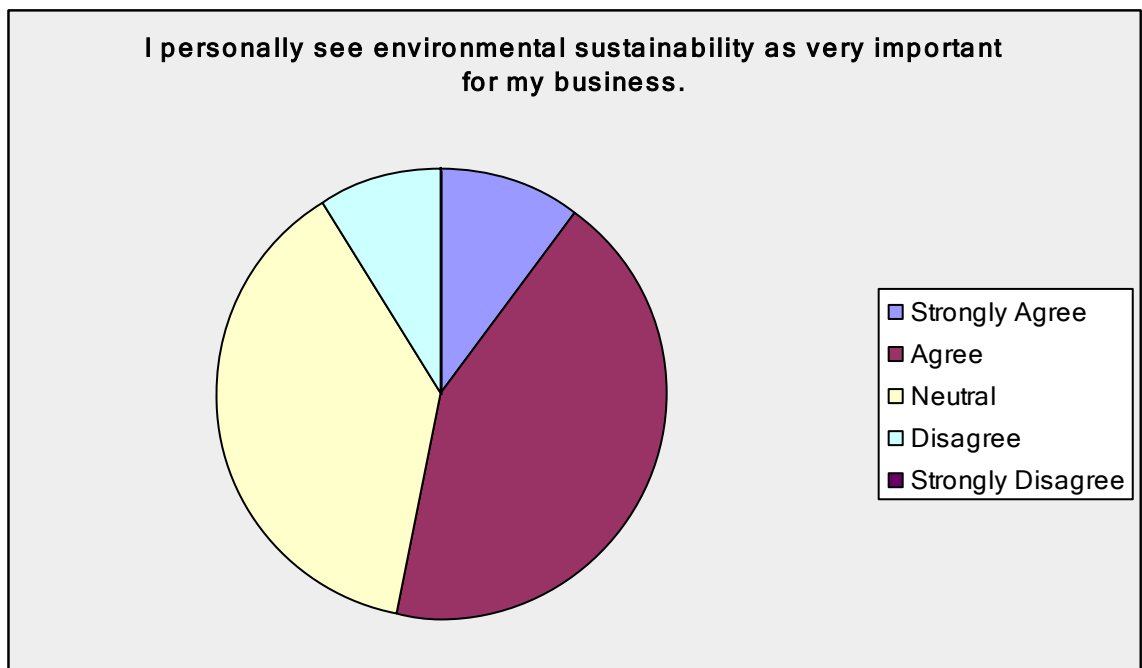


Figure 7: I personally see environmental sustainability as very important for my business.

Managing Directors tended to personally see environmental sustainability as more of an issue than businesses as a whole. As we can see below in Figure 8 a total of 52.9% of Managing Directors either agree or strongly agree that business sustainability is currently an issue.

Strongly Agree	10.3%
Agree	42.6%
Neutral	38.2%
Disagree	8.8%
Strongly Disagree	0.0%

Figure 8: Environmental sustainability is an issue for businesses within the Waikato.

**Current implementation of sustainable operations:**

A total of 55.9% of businesses either agree or strongly agree with the statement ‘my business implements environmentally sustainable business practices, while only 11.7% of respondents disagree or strongly disagree with this statement as shown by Figure 9.

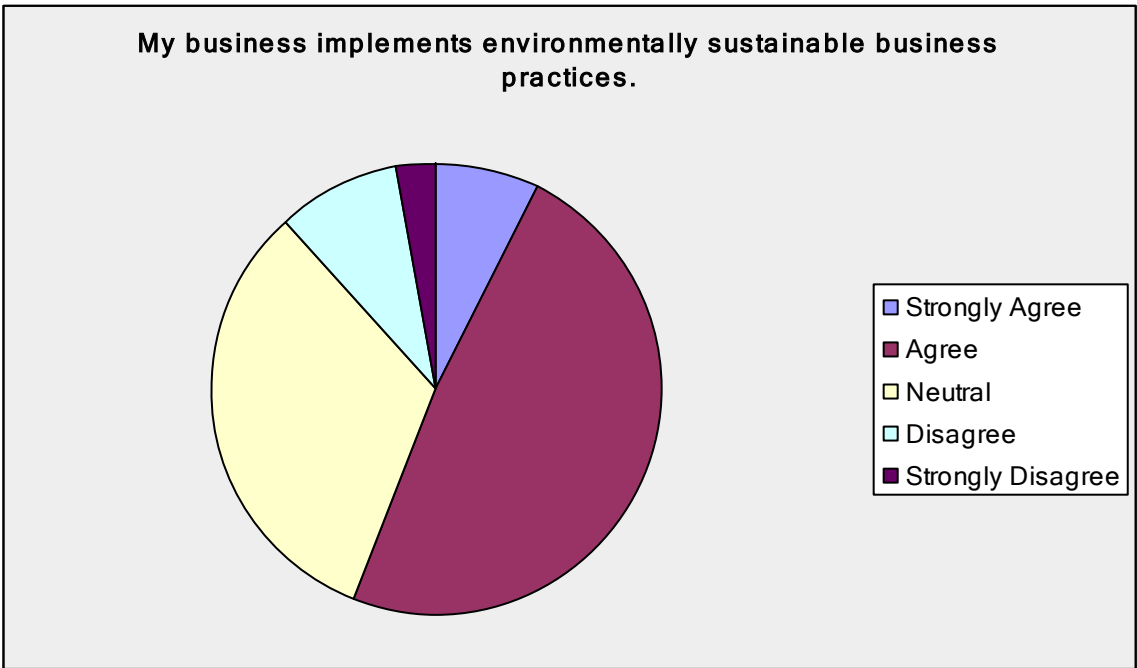


Figure 9: My business implements environmentally sustainable business practices.

When asked which environmentally sustainable business practices does your business implement the majority of respondents stated that their businesses recycled. The next most prolific business practice was energy targets followed by waste targets, innovation in processes and water targets. Carbon targets, despite receiving so much attention in the New Zealand press were implemented by very few businesses. A total of 10% of businesses did not implement any environmentally sustainable practices into their businesses at all. Figure 10 shows this data.

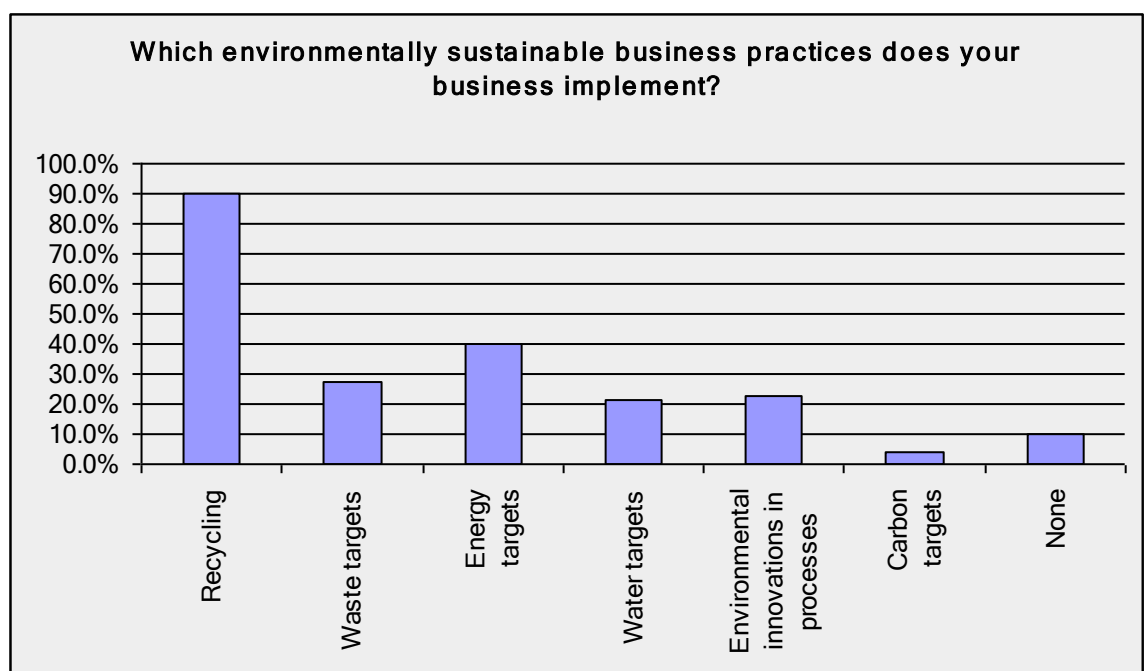


Figure 10: Which environmentally sustainable business practices does your business implement?

### **Perceived Understanding;**

Figure 11 shows that a total of 61.4% of business leaders agree or strongly agree that they have a strong understanding of what environmentally sustainable business practice is.



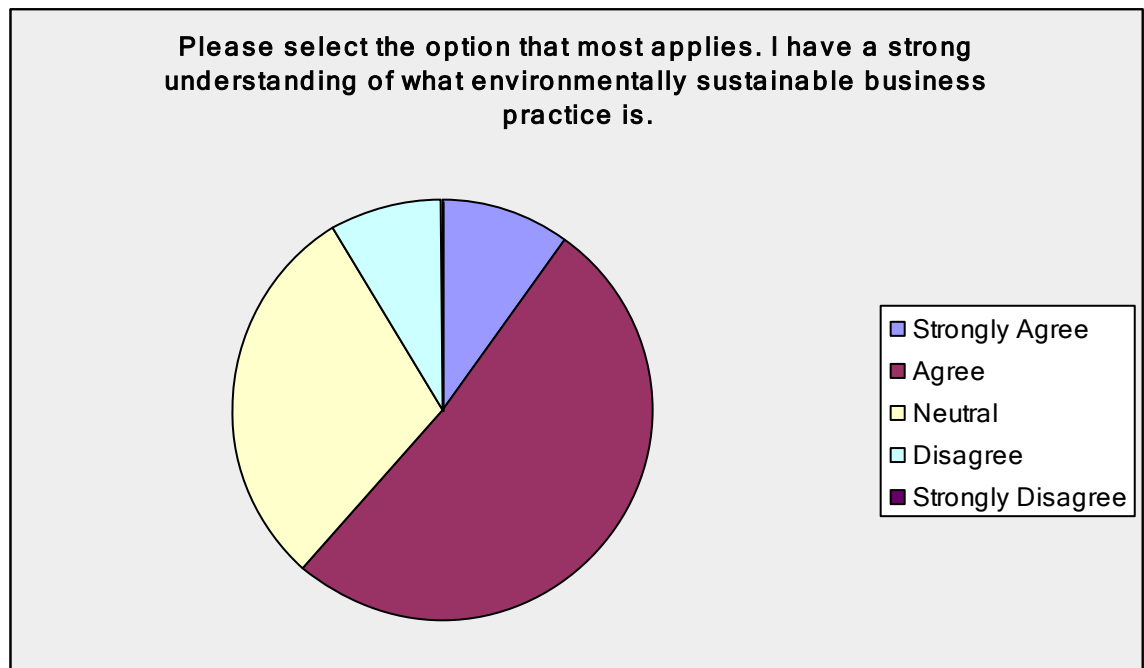


Figure 11: I have a strong understanding of what environmentally sustainable business practice is.

#### **Where information is received from:**

Businesses receive information regarding sustainable business practice from a variety of sources. A total of 58.6% of businesses receive their information regarding sustainable business practice from the media whereas 8.6% of businesses receive their information from other businesses and 20.7% of businesses do not receive or seek any information at all. Only 12.1% of businesses stated that they receive information from governmental institutes, 5.2% from Environment Waikato and 6.9% from the Hamilton City Council. Figure 12 shows this data.

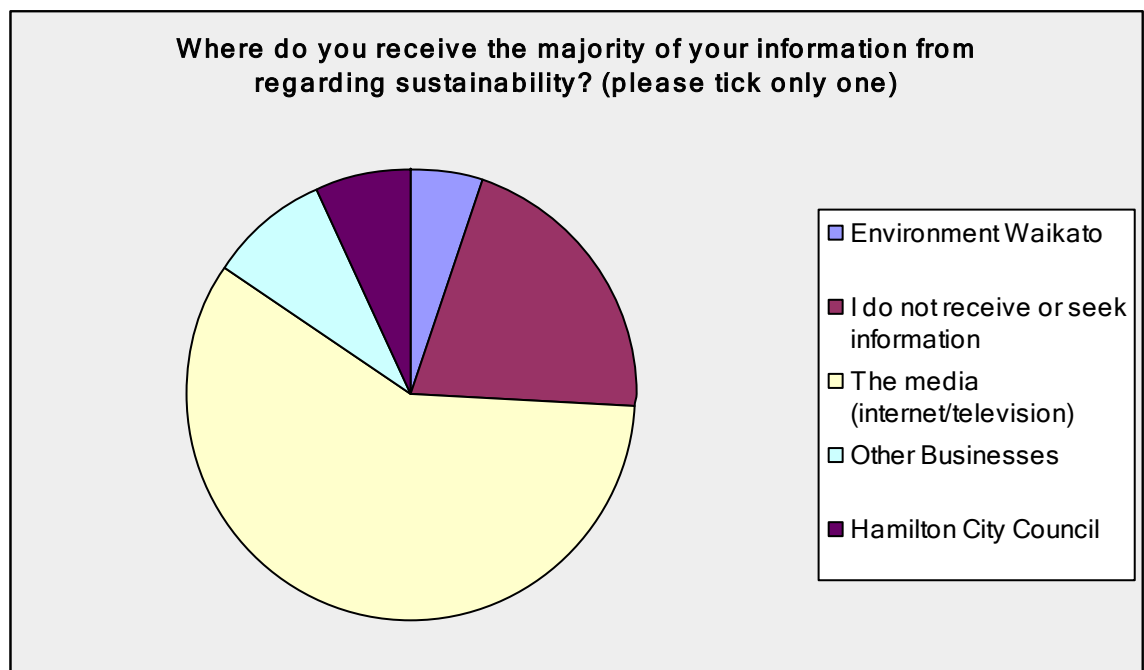


Figure 12: Where do you receive the majority of your information from regarding sustainability?

Survey results show that the majority of participants believed that the definition of environmentally sustainable depends on who you ask. A total of 73.9% of respondents either agreed or strongly agreed with this statement when asked, showing that within the Waikato region businesses receive information about environmentally sustainable practices from various sources which have differing views on what environmental sustainability is. These various sources are shown by Figure 13.

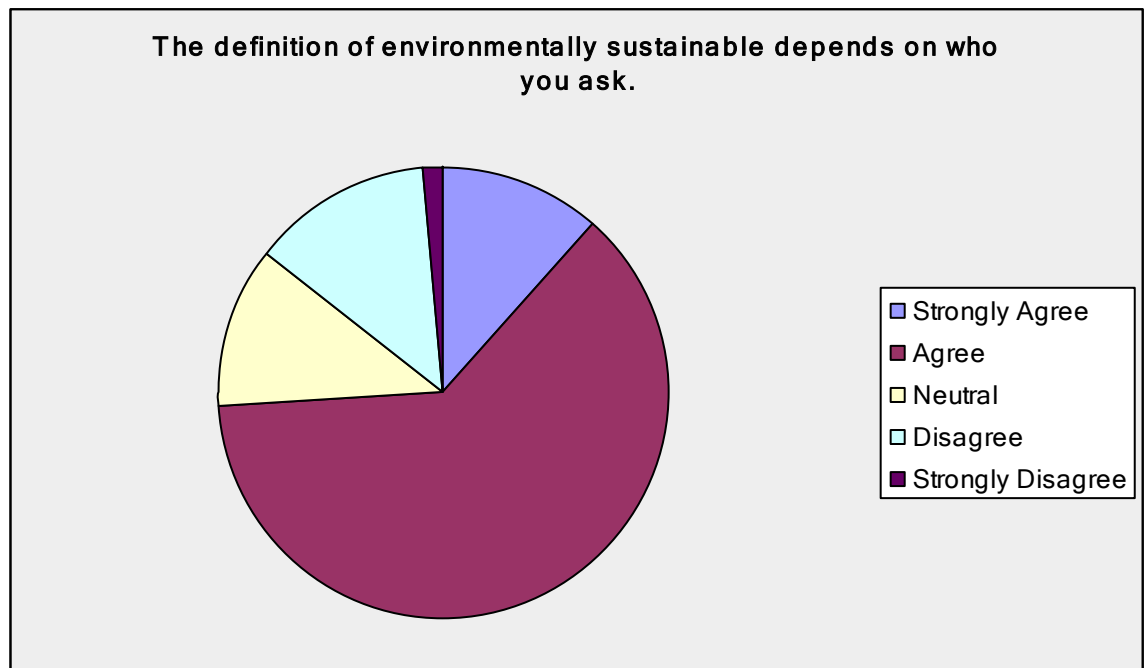


Figure 13: The definition of environmentally sustainable depends on who you ask.

#### **Disablers and Road Blocks to Sustainable Action:**

Businesses had varied ideas about what the main road blocks to sustainable action was. Given the choice of lack of technology, difficult to create sustainable products in your industry, competing against cheaper competition and the knowledge/skill of employees the main disabler for businesses was a lack of technology. When businesses were asked to rank these four obstacles from one, being the most difficult to four being the least difficult, lack of technology was rated at 3.16, knowledge/skill of employees was ranked next at 2.52, a difficulty to create sustainable products in the industry was ranked at 2.25 and ability to compete with cheaper competitors was rate lowest at 1.90. This suggests that businesses see that environmentally sustainable business practice is a credible strategy to compete with cheaper manufacturers/service providers but see the high initial investment in technology and lack of knowledge as the most difficult disablers to implementing environmentally sustainable business practice. This data is shown in Figure 14.

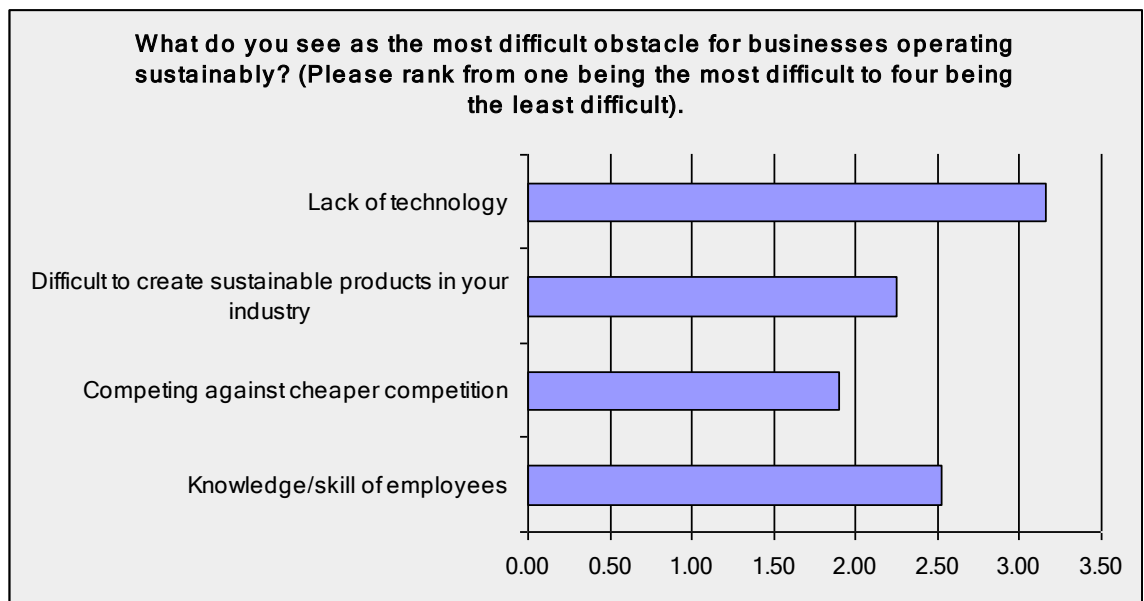


Figure 14: What do you see as the most difficult obstacle for businesses operating sustainably?

Overall this survey shows that businesses within the Waikato region receive information from several sources in regards to the issue of environmentally sustainable business practices. Businesses are well aware that there is a governmental institute within the Waikato region which focuses on environmentally sustainable business practice. But despite this there are several other sources from which businesses receive information regarding environmental sustainability. These sources include the media, the Hamilton City Council and other businesses. Receiving information from several sources has created a market place which acknowledges the importance of environmental sustainability. But despite this acknowledgement business leaders lack the specific information that informs them how environmentally sustainable business practices can be implemented within their specific industries and specific businesses. We can see this in the statistic that 87.1% of business leaders see environmental sustainability as a current issue for businesses overall in the Waikato region, but only 49.2% see it as an issue for their businesses. Almost 40% of business leaders within the Waikato region see the environment as an issue but do not think that it applies to their business.

Businesses would like to see more information communicated by Environment Waikato regarding several issues. A total of 69.2% of businesses want more

information regarding what is environmentally sustainable, 61.5% of businesses would like more information regarding how they can profit from being environmentally sustainable and 57.7% of businesses would like information regarding how to be sustainable on a budget and the business benefits of being sustainable as shown by Figure 15.

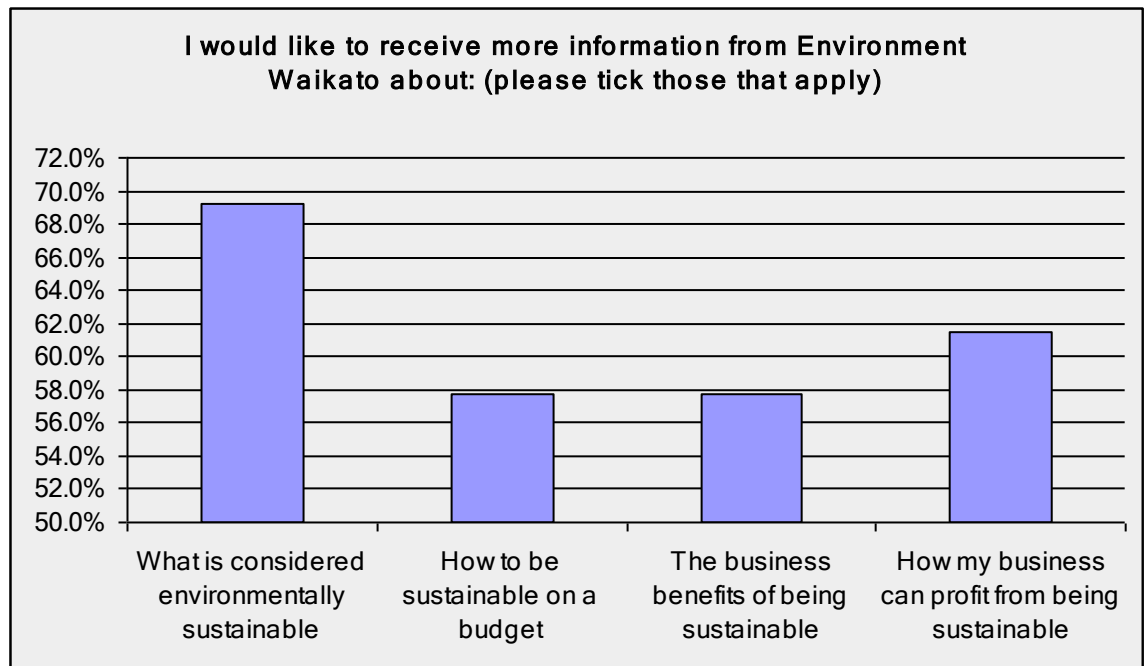


Figure 15: I would like to receive more information from Environment Waikato about (please tick those that apply).

These results suggest that businesses require more targeted information to understand the impacts of environmentally sustainable business practices on their businesses and industries rather than the market as a whole. It also shows that they are largely interested in sustainability only if it is profitable. The results also suggest that governments need to understand where businesses access information from. Competing discourses from several sources exist within the market place. This presence of information from different sources has caused the market place to be aware of the need of environmentally sustainable business practice.

#### **4.3 Interviews:**

Interviews were used to develop an in depth understanding of the information that was gathered through the use of surveys. Interviews were conducted with

representatives of local government agencies, namely the Hamilton City Council (HCC) and Environment Waikato (EW). Both representatives that were interviewed as part of this project had key roles in the creation of strategic documents that shape the Waikato region's environmental actions. Interviews were also held with representatives from eleven Managing Directors of companies within the Waikato area.

Thematic analysis of the interview transcripts identified key discourses and themes that were raised by interviewees.

### **Interviews with Businesses:**

The following are themes which were identified within the transcripts of interviews with the Managing Directors of eleven businesses.

### **Lack of Communication from Local Government:**

Interviewees repeatedly stated that there was a lack of communication from local government to the point that many stated that they received little to no communication at all regarding sustainability. Those that did interact with local government stated that this interaction was limited to issues regarding resource consent and issues that were not related to the issue of sustainability.

One interviewee stated that within their large mining operation the only interaction they had with government was to renew their resource consent:

“With the government we don't have a lot to do with them...as for Environment Waikato the only interactions we have with them is renewing our resource consent for our mining and quarries”

Another interviewee stated that they do have interactions with local government but these were limited in terms of content regarding sustainability:

“We do, in terms of sustainability not so much”

The interviewee from the largest company involved in this study which was the region's largest utilities provider stated that they had a lot of involvement in the local area and with the region's governmental institutes but none was related to sustainability:

“None at all...we have a lot to do with our network area, Waikato District, Hamilton City and Environment Waikato...and there is rarely, maybe the odd side comment/conversation, but there is nothing directly about sustainability at all”

Another interviewee jokingly stated that the only information he received from Environment Waikato involved reading a pamphlet in their office while waiting to meet with them to do some work within their office space:

“The only reason we deal with Environment Waikato is that they are one of our customers. So we pick up on little bits, when we are waiting for them we read a pamphlet. But as a mail out or an interaction, nothing”

It was stated by another interviewee that they did not receive any information from the government regarding sustainability at all:

“Well I guess when I think about it we don't get any information from government at all”

This lack of communication is contrary to Hamilton City Council's stated goal of creating engaged communities (HCC, 2008, p. 3). The clear lack of consistent information being received from local government posed the further question of where do business leaders get information from regarding sustainability? The second theme identified within interview transcripts was that there is information regarding sustainability being received by businesses from a number of nongovernmental organisations.

## **Competing Information from Non-Governmental Organisations (NGO's)**

Interviewees received a large amount of information from non-governmental organisations regarding sustainability. These NGO's ranged from industry authorities such as the HANZ group which disseminates information to hospitality members, industry publications and suppliers competing for sales.

Within the hospitality industry one interviewee noted that they received information from HANZ, the Hospitality Association of New Zealand regarding being more environmentally friendly:

“We get a few fliers from associations that we belong to such as HANZ and stuff like that. But yet again the environmentally sustainable issue hasn't been so much there it's more environmentally friendly”

One interviewee discussed the mine field that is the construction industry in which suppliers of different building materials compete to say who is the most sustainable:

“they are all competing to lead the market. The concrete industry is saying they are more sustainable than timber. Timber is saying they are more sustainable than steel and steel are saying they are more sustainable”

The same interviewee went on to state that when presented with this information there was no real way to decipher who was the most sustainable and who wasn't:

“you have all this conflicting information that you have to filter through and you have to make judgments yourself. And a lot of that stuff we do by intuition rather than doing deep research”

Businesses receive a large amount of information from various industry publications but often do not have time to read through it all:

“I guess you could say that we get some information from various industry magazines and booklets that get sent to us or that we subscribe to. But in



saying that we don't really pay that much attention to them. I know that a lot of them, especially building industry and stuff like that have information about sustainability but I don't really spend too much time reading them. The majority of the information is for the industries that we sell too, not really the industry that we are in. The only information that we really pay attention to is the information that we get from suppliers, like when they are promoting a sustainable product that we can use”

The key issue with receiving information from nongovernmental organisations is that businesses face two problems. Firstly the amount of competing information means that businesses have no way to take all the information in before making an informed decision. Secondly most businesses do not have the ability to make an informed decision and many, as one interviewee stated above made decisions based on intuition rather than research.

### **Validity of Information Regarding Sustainability**

As many businesses were unable to make an informed decision based on the information that was presented to them they questioned the validity of the information that they received.

One interviewee put particular emphasis on the need to get information that he perceived to be valid, based on the support of statistical data:

“it is more put importance on stuff that has statistical data behind it that can actually prove where it has come from and actually whether it is real and viable”

He went on to voice his doubts regarding current levels of research in the field of sustainability and how this made him skeptical regarding the information that he did receive:

“I am not sure if there has been enough research to prove or define what is environmentally sustainable and what is actually going on...I think there is a lot more research that needs to be done and some empirical data put behind it to see what is actually happening out there”

One interviewee, when asked how he believed local government defined sustainable business practice stated that his lack of confidence in the validity of government's knowledge led him to believe that government's definition of sustainable business practice was influenced by tax:

“I don't know if they actually know what sustainable business is, to them I think it is anything they can tax you on”

These responses show that many of the interviewed Managing Directors lack confidence in the information that they are receiving. They put emphasis on the need for data rather than discourse.

### **Language Use in Received Communication:**

The language used within communications between local government and businesses was criticised by a number of businesses that were interviewed as part of this research project. The main criticism regarding the communication was that the terminology used by governmental communications was difficult for everyday business owners to understand.

One interviewee stated that the communication he received was not English:

“It's not English, its bureaucratic crap”

He went on to say that his interactions with local government were difficult and often ended in conflict:

“Write in plain English, and speak to people in plain English...I go to them and end up swearing at them”

When asked about how he perceived local government's definitions of sustainable business practice this Managing Director was unable to comment as his understanding of local governments discourse was restricted by his understanding of their communication:

“I can’t really tell you a hell of a lot because I don’t understand it”

This particular interviewee went on to state that he allowed his business mentor represent him in interactions with local government because he was a “suit and tie man”.

Another interviewee stated that he avoided interactions with local government because he did not understand the jargon that government used:

“Whenever they say anything it just seems to be you have to do this, you have to do that. A lot of the time I don’t understand the jargon they use so I try to steer clear. So no, they just make business harder”

One interviewee went as far to say that his company outsourced dealing with the resource consent process to a consultancy due to the level of paper work:

“The resource consent process was a bit of a bureaucratic nightmare. We ended up outsourcing it to an environmental consultancy and they did it for us. I just don’t have time for all that paper work”

This inability for businesses to understand the communication that they receive from government acts as a roadblock for creating buy in to sustainable discourses. The specialist nature of knowledge required to understand the level of communication implemented by government is not in the knowledge set of the majority of Managing Directors interviewed.

### **Stakeholders Involved in Communication:**

Interviewees identified several stakeholders that they perceive as influencing the information that they receive regarding sustainability. Stakeholders identified include the media, Maori, councils, government and what one interviewee called pressure groups and spin doctors. The involvement of some stakeholders was viewed negatively and seen as a hindrance to business operations. Whereas many interviewees were unsure of from whom the information that they received

originated, and could only identify those that influenced them with broad terms such as the media or pressure groups.

When asked who he viewed as the people that influenced the sustainable communication which was received one interviewee stated that the following groups were involved:

“Pressure groups, spin doctors, councils and government and local government”

These vague terms used by this interviewee do not specifically identify individuals or organisations and are very broad. Another interviewee stated specifically his interactions with local Iwi and Maori tribes as on stakeholder which he believed have a high level of input into the way that sustainability is communicated and implemented:

“Everything that we go through we go through local Iwi and tribes. We have to have consultations with them in terms of renewing resource consent, getting the lease on the quarry for another X amount of years”

This direct interaction with local Iwi and Maori tribes directly influences the way which this interviewee's business operates. The values and priorities of those Iwi and Maori tribes is a key stakeholder within the idea of what is accepted as sustainable. This particular interviewee was the Managing Director of a mining business which worked closely with local communities to ensure the environmental and culture impact of their operations were sustainable. When asked about how he viewed this interaction with local Iwi and Maori tribes he stated that:

“I see it as a hindrance. Number one keyword is unprofitable. It has to be channeled and acknowledged, but as local businessman we don't get anything out of it. We would prefer if we could have a leading body that would consult with the Iwi so we don't have to do it direct”

The clear identification of profitability as an issue shows that for this interviewee financial sustainability is very important. Having stated that he would prefer not to interact with local Maori groups he went on to state that this was because meeting with them could be ‘uncomfortable’. He also stated that he would prefer if the government acted as an intermediary between business and Maori groups:

“we have to look to government for that. Hopefully in the near future we wouldn’t have to consult with the Iwi at all because some of the meetings we have with them can get quite uncomfortable”

The fact that business leaders feel uncomfortable in their interactions with Iwi shows that they are not happy about the current responsibilities that they have regarding their sustainable actions. Many interviewees identified the media as their only source of information, and saw this as a credible source. They did not go further in breaking down the media as a source.

“You have to get it off the web, the television”

“Read stuff here and there, most of the stuff I get is from either the internet or word of mouth”

One interviewee emphatically voiced his opinion on validity of the information that he received from the media:

“Because I have been told, the media knows all”

It is difficult to clearly discuss stakeholders that business leaders see as influencing the discourse of sustainability because many are unable to identify the key players within the negotiation of the discourse. What is clear is that the number of stakeholders present creates a number of competing discourses which lack the consistency to be understood by businesses. Without specialist knowledge to make informed decisions on which information should be put into business practice businesses tend not to take action. The theoretical discussion of the links between disorganised communication and lack of action will be addressed in the discussion of findings section of this paper.

## **Small Businesses Perceive that Local Government does not Understand Their Needs:**

Interviewees perceive that local government does not have, nor does it communicate a strong understanding of the issues and perspectives that businesses have towards sustainability. This disconnection is seen by businesses as a roadblock to their adoption of local government's discourse of sustainability.

One interviewee believed that although local government had a conceptual idea of how businesses operated this idea was not in line with actual business:

“I guess they are geared towards the way that they think businesses operate and the way businesses operate in the real world are two different issues”

Other interviewees also stated that this misalignment of business and government was detrimental:

“they sort of lose their focus more than anything. They seem to be more worried about themselves, not business”

“They are just a bunch of pencil pushers that sit in offices. They have no idea how small businesses work”

Other interviewees stated that although local government was perhaps doing well the practical application of their strategies were too bureaucratic in nature:

“well differences that I perceive is that they think that they are heading in the right direction and doing the right thing but yet again there is so much red tape and it takes so long for things to happen”

“regulations have been a hindrance”

This view that local government is not doing the best by business was common amongst interviewees. All of which had a negative view of it. Interviewees viewed local government as a stakeholder whose priorities were not focused business and acted in a way that actively discouraged businesses to act sustainably.

### **Sustainability as Marketing Discourse:**

The use of sustainability as a marketing discourse was discussed at length by many interviewees. It was seen as both an important factor in the creation of effective marketing strategy and discourse. Many interviewees also stated that their decisions to implement sustainable business practices were “driven more by market” more than any other factor. Responses included a story regarding one interviewee’s business experience with the benefits of the sustainable discourse which has been communicated internationally about New Zealand as a whole, namely the 100% Pure marketing campaign.

One interviewee saw sustainability as a very important facet of his business in terms of setting them apart from competing members of the industry in which he operated:

“we think that our focus is on sustainability, and we’ve got a known focus on that...we’ve seen it as part of our marketing...But the fact that it hasn’t been mandatory means that we can actually go out there and say that we are doing something which is actually different. And that has been really important to me and my marketing”

Another interviewee discussed the benefits for the New Zealand economy as a whole of the sustainable image which the 100% Pure marketing campaign has developed internationally:

“if you take the tourists out of the New Zealand market the whole country would fall over pretty quickly. And we have got a great image around the world and loads of people travel here because of it”

This campaign was of particular benefit for one of the interviewee who talked at length about his experience of using sustainability as a strategy to sell his products to international markets:

“I mean that’s the whole point of things like the 100% Pure New Zealand and stuff like that. It gives businesses an advantage. I personally can say that it has made our life a lot easier in terms of getting our product overseas. I remember on my first trip to Tokyo I was meeting with some potential buyers over there. I had no idea how they were going to react to the product, I mean they had expressed interest but as a small business I didn’t know if I would have much chance dealing with these guys. I had studied up on Japanese culture and knew what I had to do and what I couldn’t do when meeting for business. When I landed we decided to meet over lunch and they took me to a New Zealand branded restaurant in the middle of Tokyo. I think it was part of the New Zealand governments 100% Pure branding push. So here I was in the middle of Tokyo in a New Zealand restaurant. All the guys I was meeting with wanted to talk about was New Zealand, what it was like, nature, rugby, everything. It was probably the easiest sell I’ve ever made”

This particular example of a business’s experience of benefiting from the sustainable marketing implemented by the New Zealand government shows the positive outcomes of sustainability as a strategy. The important thing to note here is that these positive outcomes are the result of a consistent communication and strategy being disseminated by a singular stakeholder, that of the New Zealand government. The same interviewee went on to state further the beneficial aspects of image which New Zealand has internationally:

“But I definitely think that the fact that a lot people around the world are aware of New Zealand’s reputation as an environmentally conscious country is helpful from the get go. It kind of turns a cold sales call into a warm sales call”

This indicates that for this interviewee the organisation of a consistent narrative regarding sustainability has provided positive outcomes.



### **Business Case for Sustainability:**

Many of the interviewees identified that they understood that there was a strong business case for implementing sustainable business strategy. This business case was discussed in terms of reducing costs by using less utilities and raw materials in the day to day operating of their business.

When asked about sustainable business practice in the form of reducing utility use one interviewee stated his opinion as to whether or not he would consider it by saying:

“that just comes down to the sheer capitalist side of business, so if you can reduce costs you can make more money”

The same interviewee went on to state that from his point of view the example that he took from government agencies use of resources was that resource preservation was an issue which could better be addressed:

“you look within councils, local government and government bodies where there is a complete and utter waste of resources. Within themselves if they shrunk the budgets a little bit and tidied things up they could actually save fifteen or twenty percent”

Interviewees also noted that from their understanding of sustainability the incorporation of both environmental and financial sustainability into business strategy was not only possible but also the two sometimes were not mutually exclusive:

“But in saying that a lot of the proposals that we get through show that doing the right thing for the environment and doing the right thing for making a profit are often the same thing.”

“I think a large majority of how they define it is just good business practice. Using as little resources as you can to produce your product and for us that is just good business sense. That is what grows your profit”

“The only thing we do that is of any environmental sustainability value is we recycle. We do it bloody well because it’s good money”

Despite this it was made clear by interviewees that if the goal of being environmentally sustainable was to the detriment of financial sustainability than financial sustainability would take precedent:

“I guess when I put my truly business hat on financial sustainability is key. If you are able to quantify the benefits that are associated with sustainability that are real then that would be equally as important. Where you start to get a bit fuzzy is where you have the non quantifiable such as things like sustainability being that we have a happy culture here at work”

The notion that non financial aspects and benefits of sustainability not being easily quantifiable was a major concern of many businesses, especially the smaller businesses who participated in interviews. For the larger businesses which were interviewed as part of this project quantifying all benefits of sustainable business practice was an important part of their decision making process. One interviewee, representing a large utility provider stated that for one of their recent major projects their decision making process incorporated the environmental impact of the entire project lifecycle:

“the lifecycle in terms of the environmental impact started from the second that the first nut or first bolt was produced and the energy used to do that”

The need to be able to quantify the benefits of sustainable business practice relates to the business view of the adoption of sustainability as a viable option for strategic advantage. If the benefits of sustainable business practices are quantifiable then they are measurable and businesses can track improvements and receive tangible feedback from their input. Without this feedback businesses may view the benefits of sustainable business practice as intangible and therefore

inconsequential to decision making processes which are based on reacting to tangible feedback and data.

Interviewees from businesses identified several issues with the communication disseminated by local government. This project will now go on to present the findings of interviews conducted with members of local government and articles of communication collected from local government.

#### **4.4 Interviews with Government**

##### **Environment Waikato:**

The following are themes which were identified within the transcript of the interview with the representative from Environment Waikato:

##### **Focus on Environmental Sustainability:**

Contrary to businesses' financial focus on the benefits of sustainable business practice the interview with the representative from Environment Waikato shows that this governmental institute has a strong focus on the quantification of the environmental benefits. This is portrayed by the prolonged discussion about the use of the Natural Step system as a model for sustainable strategy:

“I think the best definition of sustainable business practice is the Natural Step system...well I guess if I am being honest I would have to say that it is because I have a science background. I think the Natural Step is a scientifically defensible definition”

The interviewee goes on to state that in his opinion the Natural Step system is ‘a little bit biased’. He mentions that the system integrates environmental sustainability and social sustainability but he does not mention the aspect of financial sustainability which interviewees from businesses identified as important:

“I think the Natural Step system conditions are a little bit biased to environmental sustainability but they also bring in the people, the social dimension”

This focus on environmental sustainability runs contrary to the identified values of business interviewees. Environment Waikato’s focus shows that there is a disparity between the outcomes related to sustainability that are viewed as positive by the interviewed business and government representatives.

### **Lack of Feedback from Businesses:**

The interviewee from EW identifies that there is a distinct lack of feedback received by the organisation from businesses regarding their interactions. This lack of feedback suggests that EW does not have sufficient data to draw upon to continually develop their communication to better communicate with businesses. When asked about the level of feedback solicited by EW from businesses the interviewee stated that:

“Probably not as well as we should..in short we don’t do that as well as we should”

He went on to state that EW is looking for more proactive ways to receive feedback from those they interact with. He identified the Waikato Chamber of Commerce as a key database that could be used as part of this:

“As part of that process we do need to find a way to get some feedback from the wider business community. It is quite difficult to know how to do it. Probably the Chamber of Commerce has the biggest database that we might have access to, but we don’t have unrestricted access”

The need to receive feedback is key to continuing to develop effective communication. This will be discussed further in the discussion of findings section of this thesis.

### **Recognition of Business Motivations/Difficulties:**

Although the interviewee identified that the EW has a focus on the environmental benefits of sustainable action he also pointed out that he was aware that businesses were more focused on financial sustainability.

“I think the obvious one is that they need to survive and they need to make a profit”

“I guess profit, surviving, reputation, which are bound together”

Despite that he also believes that there are many businesses which are implementing sustainable business practices for value driven reasons rather than just for financial gain:

“I also think there are an increasing number of people who are engaging in values driven business practices and they are great people to connect with. I think most of the people that joined our Carbon Save program probably fit into that category to some degree”

According to the interviewee there are many businesses which he interacts with which are interested in using sustainability as part of their marketing discourse. He states that businesses look to receive some kind of ‘certification’ as a means to validate their sustainable business practices to their current and potential customers:

“But the thing that people often ask me about is certification. People want some sort of stamp that will help them sell their product or service”

The interviewee went on to discuss how EW framed their message when communicating with businesses:

“The way that we have framed our message is trying to tap into the drivers that I have mentioned. We very much emphasise the fact that this can save you costs. We try to be sensitive to that. But having said that they

are still not banging on the door asking for advice, so you can only do what you can do”

The difficulty of communicating the value of sustainable business practice is addressed by the interviewee. Stating that due to the financial restraints on businesses many view sustainability as a cost rather than an investment:

“And I think one of concepts that is talked about in the Natural Step dialogue is that really businesses are not going to experience the benefits of sustainable practice until they see it as an investment and not a cost. It is really easy as an external party who is not a business owner, it is really easy to say you should invest more into sustainability but those guys are day to day survival. They have got to have the vision to see that it is actually going to take you a step beyond your competitors”

This refers to the need for a paradigm shift in the accepted discourses regarding sustainability in business. The current paradigm of sustainable business practice being viewed by businesses as a cost rather than an investment acts as a road block to the adoption of the proposed paradigm shift communicated by EW.

### **Voluntary Communication Buy In:**

The limited interaction which EW has with businesses within the Waikato area was discussed by the interviewee. He identified two key communication tools that the organisation uses to speak with local businesses, these being the Sustainabiz website and workshops which they facilitated.

In regards to the success of the Sustainabiz website he stated that:

“we monitor how much traffic goes through that. It’s not a huge amount, but it is reasonable enough to show that people are going there, accessing the information, so may be having some impact”

Whereas in terms of the workshops that they facilitate they have a clear goal of levels of business interaction:

“Well primarily I would say we do that via our workshops I suppose. We have a target in our annual plan to get 50 plus businesses through our workshops every year”

The interviewee goes on to describe the difficulties related to the voluntary nature of incorporating sustainable business practice into business models:

“I sort of think by its very nature sustainability goes beyond regulatory compliance”

“I don’t think you can make people do things. I think there is a certain amount of encouragement that is required...But I don’t think that you can assume that people will know the right way”

The voluntary nature of incorporating sustainable business practices into business models means that the nature of the communication that EW produces must be both informative and persuasive. It is not enough to just be informative, the EW must look to create discourse which changes behavior in businesses. This will be discussed further in the discussion of results section of this thesis.

### **Lack of Confidence in Own Communication:**

There is a distinct lack of confidence in the ability of Environment Waikato to influence businesses within the Waikato region to be sustainable shown by the interviewee. The interviewee suggests that this is due to political reasons. It is suggested that because of councilors’ focus on controlling rates costs the ‘greater good’ is not addressed. This relates to the motivations of key stakeholders in the EW. When asked about the level of communication which the EW produces for businesses the interviewee stated that:

“I would like to see more. I think if the organisation really is committed to encouraging sustainable business there would be more resources behind it. But what I have come to realise over the last couple of years is that there is a certain political reality involved. There are a certain number of our

councilors that got in on a rates control ticket and so they are very much concerned with controlling costs for the rate payer rather than the greater good”

The political nature of this comment suggests that there are competing discourses and stakeholders within the EW as an organisation. It also suggests that there are issues in regards to who is creating the policies which are influencing the uptake rate of sustainable business practice. Certain members in positions of power, namely Councilors are making key decisions in regards to funding which, according to the interviewee means that the communication of sustainability does not receive an appropriate level of resources to make a substantial difference. This will be discussed further in the discussion of findings section of this thesis.

### **Road Blocks for Business:**

The interviewee discusses the road blocks that he perceives as stopping businesses within the Waikato region. The two key road blocks that he identifies are the resource consent process and the existing cultural paradigms that businesses have.

“There may be instances where the resource consent process does”

He goes on to describe the nature of the cultural roadblocks which are held by businesses and the work of early adopters:

“Yes, I do. I think that quite possibly the biggest roadblock is a cultural one in a way. I think that we still operate in a paradigm that’s about take, make, waste. I think there are only a few visionary business leaders that are using the different model, that are working in what I call the ecological paradigm, you know recycling everything. So I think that’s the number one roadblock, the cultural assumption that we have unlimited resources”

The identification of the need for a paradigm shift in order for sustainable business practices to be accepted by more than just early adopters is a key facet of the understanding of EW’s audience. EW’s addressing of this need for a paradigm shift will be discussed in the discussion of findings section of this thesis.



### **Hamilton City Council:**

The following are themes which were identified within the transcripts of the interview with the representative from Environment Waikato:

### **Empowering Stakeholders:**

The empowerment of the stakeholders involved in the creation of the Hamilton City Council's (HCC) sustainable discourse is key to understanding the sustainable action that is an outcome of this. Throughout the interview with the HCC representative the various stakeholders involved in their strategy development, such as Wel Energy, local Maori and environmental groups among others (who are identified in full in the discourse analysis of HCC's sustainable strategy document in the following chapter) are discussed. The interviewee went on to discuss the fact that the HCC wanted to give power for these stakeholders to not only influence but also to operate sustainable projects:

“We didn't want to be leaders on these projects...we wanted everyone to pull their weight”

The interviewee also identified that the Sustainable Business Network (SBN) was involved in strategy development process representing small businesses interests:

“Sustainable Business Network were part of this...at least that is aligned with SBN were brought into this process”

The interviewee discussed at length the extensive involvement which stakeholders have in developing HCC's sustainable strategy and projects.

### **Defining Sustainability in line with International Standards:**

It is important to note that the interviewee representing the HCC discussed at length that the HCC aligned its actions with international environmental standards set out by the Bruntland Report and Agenda 21:

“That definition that I just gave you is what I think guides us and it has obviously come from Bruntland. There is no doubt about that. Bruntland, Agenda 21 and the Rio Summit. Environmental thinking in government since then, you could argue, in some way or form is related to that definition. And obviously the RMA (Resource Management Act) plays a big role in the sustainable management definition”

This influence must also be identified as a stakeholder in the development of the HCC’s environmental strategy.

### **Importance of Intrinsic Motivators:**

Contrary to the aims of the interviewee at EW the HCC looks to develop the intrinsic values of businesses and encouraging them to act sustainably because it is the ‘right thing to do’. This, according to the interviewee is a more reliable way of ingraining behavior into society:

“We are looking at ways to tap into intrinsic values...you wouldn’t be saying to a business do this because it will help you save money you would say do this because it is the right thing to do”

The interviewee goes on to state that with this aim of creating intrinsic value they hope to increase interactions with business by having more businesses approach the HCC rather than the other way around:

“In the future we would like to think that businesses would approach us as much as we approach them”

Tapping into the intrinsic values of people for them to ‘do the right thing’ is a powerful way of turning discourse into action. This concept will be discussed further in the discussion of findings section of this thesis.

### **Recognise That More Needs to be Done:**

Just as the interviewee from the EW stated the interviewee from the HCC also stated that there needs to be more commitment for working with businesses. He also identifies the issue of rates as a major roadblock to the action that is needed and that resources were lacking:

“I don’t think that we are really facing the reality of the way we use resources. We use a lot of astroturfing, do you know that term? And sort of not real commitment. If we had a real commitment we would have more of a mandate at council to do more, but we don’t because people say rates, rates, rates. It is a very blurry area”

“We would like to do more with businesses but it comes down to resources in the end”

Both the interviewee from EW and the interviewee from HCC identify the same road blocks to the uptake in the adoption rate of sustainable business practice in businesses in the Waikato region. This thesis will now address the collected forms of communication from the EW and HCC through critical discourse analysis.

### **4.5 Document Analysis:**

To supplement the information that has been gained from the surveys and interviews that have been conducted the researcher has also gathered several articles of governmental discourse regarding environmental strategies. Thematic analysis has been conducted on these documents to identify the broad discourses which are communicated by local government agencies. The information gathered from the analysis of these documents will be presented below.

### **Environment Waikato – Enviro Care Issue 65-67**

Having analysed the communication and themes used in the three retrieved issues of the Enviro Care publication several discourses have been identified. These

have been identified as prominent and repeated communication focused on the discourses of community involvement, importance of environmental protection, EW's fiscal sustainability and influence, cultural involvement in sustainability and stakeholder involvement. These discourses were extensively as shown below:

### **Community Involvement:**

The importance of community involvement in the management of the environment within the Waikato Region was a discourse communicated throughout these documents. EW identified numerous times the need for community involvement within their operations. Within this they also identified multiple groups which were involved and the benefits of this involvement for the community. One publication outlined EW's involvement with education in the community:

“Awesome, a dream come true, loved every moment – these are just some of the reflections of the four high school students selected by Environment Waikato to represent the region at the 2010 Sir Peter Blake Youth Forum in Wellington”

These publications also identified that there were multiple volunteer groups which worked with EW on environmental projects. Conservation Volunteers New Zealand was just one group that was identified:

“Conservation Volunteers New Zealand (CVNZ) have worked with Environment Waikato to enhance some of the Waikato peat Lakes”

Community involvement was also encouraged by inviting members of the community to make submissions on the proposed Waikato Regional Policy Statement:

“Any person may make a submission on the proposed RPS. The council will prepare a summary of all decisions requested by persons making submissions and will give public notice inviting further submissions”

This invitation for community involvement empowers community by creating an avenue for ownership of and inclusion to the management of the Waikato Region. At the same time this limits the ability of the community as a whole to take part as it informs only those that read this publication or similar publications of this avenue to make submissions. The publications go on to discuss the issues faced in the management of our region as issues faced by an inclusive ‘our’:

“Our wellbeing depends on our natural and physical resources, but at the same time our lifestyles place a heavy demand on these resources”

This inclusive our suggests that the issues faced in the management of the environment in the Waikato region is both caused by and should be solved by the community as a whole.

### **Importance of Environmental Protection:**

There is a communicated discourse of the vital importance placed upon the protection of the environment within the Waikato Region. Throughout the collected publications environmental impacts and results are presented as the key outputs of projects developed and run by the EW. When discussing EW’s business focused project Carbon \$ave the primary outcome focused on was the environmental impact of businesses:

“Environment Waikato’s Carbon \$ave programme has produced encouraging results for businesses involved in managing their environmental impact.

The business or financial benefits of this programme for businesses are not discussed. This shows that EW has a focus on environmental sustainability as the most important facet of sustainability. The monitoring of aspects of the environment is stated to be a significant issue:

“Air quality is a significant issue in some Waikato towns. Environment Waikato monitors air quality in the region and supports projects that help protect and improve air quality”

In discussing the need for regional infrastructure development it is stated that this development should be planned in such a way that it does not harm our environment:

“The framework, called the Waikato Regional Policy Statement (RPS), is a far-reaching planning tool that enables the use of natural resources, such as air, water and land, and allows for the development of roads, other infrastructure and buildings in ways that don’t harm our environment”

This focus on the environmental outcomes of projects is a key discourse communicated in these publications. Producing measurable environmental outcomes for the region is very important to the EW and they communicate it as such.

#### **EW’s Fiscal Sustainability and Influence:**

The continued financial stability of the EW and its ability to use these finances to spend on the environmental development of the Waikato Region is an important discourse which these publications address. This financial stability is stated specifically as one of the key goals of 2009/10:

“Saving costs and increasing efficiencies have been key goals for 2009/10. We have performed well, substantially achieving performance targets and delivering, after transfer to reserves, a \$2.255 million operating surplus which, after budget adjustments resulted in a net surplus of \$497,000 to be carried forward”

As a regional council the EW is required to report its financial position in extensive detail:

“In line with meeting the requirements of International Financial Reporting Standards, our accounts show a surplus of \$23.565 million against a budgeted surplus of \$1.268 million”

The financial and fiscal sustainability of EW is further addressed in their Long Term Plan:

“The 2010/11 Annual Plan represents the second year of Environment Waikato’s 2009-2019 Long Term Plan (LTP). It continues the council’s focus on financial sustainability and the provision of core services to protect people, property, and the environment”

This focus on the financial sustainability of EW and its ability to fund public projects that focus on people, property and the environment shows that the EW is concerned with financial sustainability, much like the businesses interviewed in this project.

### **Cultural Involvement in Sustainability:**

The discourse of cultural involvement in creating a sustainable region was a very prominent discourse that is communicated through these publications. It is stated multiple times that there is a strong partnership between EW and local Maori leaders and groups in regards to the management of the facets of the region. Maori language is also used throughout all three publications. EW states that this partnership is the start of a new era indicting the extensiveness of involvement which local Maori groups will have with management of the Waikato River:

“A new era in co-management - A new era in co-management between Environment Waikato and Waikato River Iwi began with the recent passing of the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act (EW, June 2010, p. 1)”

The publication goes on to state that this Act creates a shared responsibility for the well being of the Waikato River. The establishment of this and its related outcomes requires a substantial level of financial investment:

“Environment Waikato is focussed on establishing new ways of working with Iwi following the passing of Treaty settlement legislation over the Waikato River. Substantial council resource is needed to establish the new

co-management arrangements with Iwi, requiring reprioritisation of work programmes and increased funding. Over the next three years, the council estimates it will need to budget \$700,000 in staff labour and direct costs to fund the establishment of co-management arrangements such as:

- development of joint management agreements (JMAs)
- development of the Integrated River Management Plan
- additional work associated with developing the Regional Policy Statement around the Vision and Strategy for the Waikato River
- additional reporting to support the Waikato River Authority
- staff technical support to Environment Waikato elected members on the Waikato River Authority”

This extensive commitment of both time and finances communicates that the EW is willing to invest heavily in creating paths for the involvement of local Maori groups in the management of the regions resources. The document goes on to state that:

“It also signals a move towards co-governance of resource management between Environment Waikato and Iwi. Of particular note is the inclusion of Te Ture Whaimana Te Awa o Waikato – the Vision and Strategy for the Waikato River, the key direction-setting document for the protection of the Waikato River, established as part of Treaty of Waitangi settlements”

The statement regarding this co-governance agreement being established as part of Treaty of Waitangi settlements suggests that this partnership is politically driven rather than a cooperative decision based on community inclusiveness. The EW also manages and funds communication projects designed to increase the level of Maori involvement in environmental action with the Waikato region. Although it is communicated that one of the outcomes envisioned for this partnership is to ensure that our environmental assets are assets that should be available to the whole community as shown by the following quote:

“The passing of the Waikato-Tainui Raupatu Claims (Waikato River) Act heralded a new partnership between Environment Waikato and Iwi to



work together to achieve the vision of a healthy Waikato River for all to use and enjoy”

EW also suggests that this focus on communication to Maori groups will benefit the community as a whole:

“An expo to inspire Whanau, Hapu and Iwi to explore a diverse range of development options, which could provide significant benefits to the community, will be held 3 – 4 August in the Hamilton Gardens exhibition hall”

The main discourse communicated in terms of the cultural inclusiveness of sustainability is that the partnership of EW and local Maori will be beneficial to all. EW view this relationship as key to creating community focused outcomes.

### **Stakeholder Involvement**

The discourse that the environmental management of the Waikato Region is reliant on the involvement of various nongovernmental stakeholders is clearly communicated in these publications. There are numerous stakeholders which are identified for their high level of involvement in the development of various environmental projects. The stakeholders identified include volunteer groups, businesses, councils and community groups. The discussion of these stakeholders also identifies the relationships that exist between them. Community groups such as the Riverlea Environment Society make many projects achievable:

“The project involves Hamilton City Council funding Riverlea Environment Society’s purchase of bat detection devices which convert the sonar signal bats send out into a sound audible to humans”

The limited resources of the EW means that involvement of stakeholder groups within the community is essential for the continuation of many projects. EW organises it work to include these important community partnerships:

“Environment Waikato has organised its work to cover community partnerships, environmental management, regional development and safe and resilient communities”

The benefits of working with these groups are apparent in the communication of this discourse:

“We look back on rewarding collaborations with partners, stakeholders and the wider community involved in our regular work programmes, unexpected events including the tsunami alerts in February/March, and the drought declaration in April”

Despite this high level of community involvement it is clear that environmental action is influenced in a top down manner by Regional Plans which shape council action who in turn shape individual and business action:

“Councils are directly influenced by the RPS, so it ultimately has a bearing on what they do to enhance the environment, and what you or your business can do when you use the region’s resources”

Throughout these publications it is made clear that community involvement in the environmental management of the Waikato Region is highly valued by EW.

### **Hamilton City Council – Environmental Sustainability Strategy: Engaging Our City**

This document is the key strategic document for the Hamilton City Council. According to the documents introduction it “spells out the changes we need to make to create a sustainable Hamilton” (p. 2).

### **Importance of Adhering to National and International Standards:**

Throughout this publication several national and international environmental standards are referenced in the form of benchmarks for environmental action within Hamilton. The discourse communicated is that it is highly important that

Hamilton adheres in national and international standards in order to be a sustainable city. Overall the strategy set out in this publication looks to fit with the international Agenda 21:

“The strategy reflects our commitment to the environment, as part of an overall commitment to Agenda 21” (p. 3)

Although there is an overall international standard that shapes the city’s strategy it is also compared to New Zealand’s national standards and compared with other cities within New Zealand:

“The city and its surrounds are now one of the most modified areas in New Zealand” (p. 10)

“A recently adopted National Environmental Standard for Air Quality (NESAQ) has set maximum limits for the allowable amount of suspended particulates (PM10) in the air...Currently Hamilton exceeds this standard 1-4 times per year” (p. 11)

“On average Hamilton consumes 230 litres of water per person per day, approximately 62% higher than residents of Wellington and Auckland” (p. 14)

This consistent comparison to standards shows that the HCC has clear goals that they aspire to. This discourse of creating environmental projects to meet standards key to the value of this publication in realising the current position of Hamilton City and understanding what needs to be done to progress.

### **Community Involvement:**

Throughout this document there is a recurring discourse which states that everyone and every organisation within Hamilton city must work together towards a shared goal of being sustainable. It is explicitly stated by the Hamilton City Council that

“we recognise that achieving real progress toward sustainability will only be possible if the values, attitudes and behaviours of Hamilton people are consistent with this goal. Engagement across our city is therefore key to making this happen (p. 3)”

It is explicitly stated that:

“success depends on the cumulative effect of those changes (p. 2)”

“Each and every one of us is important, from householders and students, trades people to engineers, and business to industry. By taking little steps together, we can reduce our city’s footprint and make a big difference in our local environment (p. 6)”

The need for a high level of community involvement for the successful implementation of the proposed projects in this document is a clear discourse that is being communicated. Throughout the document inclusive pronouns such as ‘we’ and ‘our’ are used in calls to action to create an involved audience.

### **Stakeholders:**

This document addresses several stakeholder groups that exist within the communication of New Zealand’s sustainability positioning. These stakeholders exist in this communication but also in localized partnerships between local government and business leaders. The stakeholders identified here are from various layers of government, industry and the general public.

In terms of the development of governmental environmental strategy the primary stakeholders are explicitly stated in documents that detail said strategies. Hamilton City Council’s Environmental Sustainability Strategy document, Engaging Our City explicitly states the primary stakeholders that have been involved in the development of local governments environmental positioning. The signatories in the policy document itself are representatives of key stakeholders. The stakeholders involved include the Mayor of Hamilton City, the Chief Executive of WEL Networks (local electricity supplier), the General

Manager of Nga Mana Toopu O Kirikiriroa Ltd, the Director of the Centre for Biodiversity and Ecology Research, the Conservator for the Waikato Conservancy (facet of the Department of Conservation), the National Director of the Enviroschools Foundation, a Senior Lecturer of Strategy and Human Resource Management at the University of Waikato, the Chief Executive of Environment Waikato, the Chair of the Sustainable Business Network, and the Chair of the Waikato Raupatu Trustee Company Ltd. According to this strategic document “the groups and organizations that have signed this strategy...have committed themselves to jointly pursuing a quality environment that will benefit us all” (HCC, 2008, p. 2). These are the primary stakeholders in the development of local governmental policy in regards to sustainable action. We can see that Corporate entities, such as WEL, local Maori groups, such as the Nga Mana Toopu O Kirikiriroa, University academics from the University of Waikato and Scientific groups are represented. Despite this there is a distinct lack of community groups and SME’s represented. At the time of writing the Sustainable Business Network no longer operates in Hamilton city.

Despite the limited number of stakeholders that have been involved in the development of this strategy it continues to promote the importance of the buy in of all parties within the city. According to the document “each and every one of us is important, from householders and students, trades people to engineers, and business to industry” (HCC, 2008, p.6). This stakeholder recognition, explicitly stating that all of these local market and community groups are involved in the development and implementation of sustainable actions within Hamilton is contrary to the process that the Hamilton City Council has partaken in to create this strategic document. The limited selection of individuals that were consulted to develop this document excludes numerous groups and is not a representation of all those groups that are seen as important in implementing this strategy. The document goes even further to state that “we need collaboration, utilizing the experience of citizens, the knowledge of academic researchers and the know-how of the private sector” (HCC, 2008, p. 6). This begs the question, if such a wide range of stakeholders are important to the development and implementation of environmental strategy then why were so few stakeholders consulted in this documents creation?

The Environmental Sustainability Strategy document goes on to identify some key areas in which sustainable action needs to be focused. The strategy states that “in Hamilton a staggering 56% of our energy is used for transport, 27% is used in our homes and 17% is used by industry and the commercial sector” (HCC, 2008, p. 16). This information suggests that those that should be involved in the creation of a strategic environmental document are those that are involved in the creation of this energy use and subsequent pollution. Namely corporate entities involved in transport, home owner associations and SME’s. But these groups are underrepresented in the stakeholders that created this document.

The strategic document goes on to say that “we recognize that achieving real progress toward sustainability will only be possible if the values, attitudes and behaviours of Hamilton people are consistent with this goal. Engagement across our city is therefore key to making this happen” (HCC, 2008, p. 3). From a communication perspective it is clear to see that engagement cannot be generated without ownership. Without a feeling of ownership over the development and implementation of sustainability initiatives stakeholder groups will feel isolated and reluctant to be involved within the process of changing Hamilton into a sustainable city. Also those that are involved in the creation of this document will bring their own bias to the strategies that are developed. An example of this is the focus of air quality. Stated as a flagship project the Breathe Easy strategy looks to retrofit pre-1978 homes. “By replacing old, ineffective, wood burners with cleaner heading alternatives” (HCC, 2008, p. 13) the Hamilton City Council looks to comply with the Ministry for the Environment’s National Environmental Standard on PM10 particulates in the air which will come into force in 2013.

What is interesting about this project is that the project leader is named as WEL Networks Limited. This corporation provides Hamilton with its electricity and acts as a monopoly in the local market. By retrofitting these houses not only does Hamilton look to adhere to the upcoming restrictions to be put into place but also WEL Networks stands to have considerable benefits from their involvement. The inclusion of WEL Networks as a stakeholder in the creation of this document has the potential to skew the decision making process on what should be developed as flagship projects.

It is significant that both the EW and the HCC incorporate discourses of community involvement in their published communications. They state repeatedly that the success of environmental action within the Waikato Region is dependent on all stakeholders working towards a shared goal of a sustainable Waikato. To involve as many stakeholders as they possibility can they are engaging the stakeholder groups and communities that they work with through the use of communication. However it is clear through their identification of stakeholders that businesses, in particular small businesses, within the Waikato Region are not engaged. This is despite the ramifications of an inability to meet environmental targets being restrictions that will be placed on businesses “our failure to do so will result in limits being placed on business activities that adversely affect air quality” (HCC, 2008, p. 11). This is reflective of the information gathered from surveys and interviews that were conducted as part of this project. The findings of all three forms of data collection will be discussed in full in the next chapter.

## **Chapter 5: Discussion**

The resulting information of this research project shows that there are number of competing discourses and stakeholders within the Waikato region which are communicated to businesses regarding the issue of sustainability.

The following section will look to use both the qualitative and quantitative sources to draw conclusions on the communicative interactions between local government and local business in terms of sustainability. It will draw data from the surveys, interviews and document analysis to answer the three research questions proposed by this project. From these conclusions the researcher will look to develop recommendations for the creation of communication which is more effective in creating a sustainable society as a whole, in business, government and the community. These results will be addressed under the heading of each research question which this project has set out to answer.

### **5.1 Research Question 1:**

What discourses are employed by key stakeholders in understanding and negotiating issues of sustainability within and between local government and local business sectors in the Waikato region?

The results of this research project suggest that there are a number of stakeholders which communicate various discourses to businesses. The following is a discussion of the importance of these discourses and the stakeholders involved. The researcher has identified three key competing discourses which are employed in the communication of sustainability to businesses within the Waikato region. These three discourses are that of inclusive action, values versus the business case for sustainability and an environmental focus on sustainable outcomes. These discourses will now be discussed.

#### **Inclusive Action:**

The discourse of inclusive environmental action is evident throughout local government's communication. This discourse communicates the need for the community as a whole to work together towards the shared goal of environmental sustainability. Throughout this discourse community groups and local Iwi are identified as key stakeholders in the local environment and its management. But throughout this communication there is a distinct lack of communication addressing businesses as a stakeholder in this inclusive action. This lack of inclusion of business is detrimental in the development of both an inclusive action discourse and the ability of local government to influence businesses environmental actions.

The publications collected from EW and the HCC have a consistent discourse of inclusivity in the community in regards to environmental action. The HCC states that "we recognise that achieving real progress toward sustainability will only be possible if the values, attitudes and behaviours of Hamilton people are consistent with this goal. Engagement across the city is therefore key to making this happen" (HCC, 2008, p. 3). EW discusses extensively its involvement with local Iwi in the form of the Waikato-Tainui Raupatu Claims (Waikato River)



Settlement Act and local community groups such as the Conservation Volunteers New Zealand (CVNZ) (EW, June 2010). In saying this it is interesting to note that the interviewee from the HCC discussed the flagship projects that were to be part of their sustainability strategy. Only one was to be a community driven project with no corporate involvement but “funding got cut...that was all about working with community...hasn’t happened unfortunately”.

This concept of community involvement is addressed by Zoller (2005). Zoller (2005) states that “community organising is often referred to as a specific process of empowering individuals and building relationships and organisations to create action for social change at the community level” (p. 346). This concept of empowerment of the community is evident in the interview with the representative from the HCC who stated that “we didn’t want to be leaders on these projects...we wanted everyone to pull their weight”. Zoller (2005) goes on to state that “in a bottom-up approach, design and implementation of programs or policies are driven by community memberships. Grassroots efforts often draw from Saul Alinsky or Paulo Freire to create critical dialogue about the status quo that acts to mobilise groups for change (Minkler & Wallerstein, 1997)” (Zoller, 2005, p. 346). But contrary to Zoller’s (2005) concept of bottom-up action it can be said that the HCC has created a very much top down structure of community action by empowering entities such as WEL Networks and the Waikato Raupatu Trustee Company to create Hamilton City’s key strategic document.

Throughout the communications disseminated by both the EW and the HCC there is a distinct lack of inclusive discourse referring to businesses sustainable action. Businesses are mentioned once in the HCC document which only refers to the restrictions which will be placed on businesses if the community cannot reduce levels of air pollution, “our failure to do so will result in limits being placed on business activities that adversely affect air quality” (HCC, 2008, p. 11). The communication from EW also refers to businesses once, that is in regards to their Carbon \$ave programme which was run to teach local businesses to manage their environmental impact. According to the EW (June 2010) “Seventeen medium-sized businesses region wide signed up for the 12-month programme” (p. 5) and positive feedback has been received from those that did “we have all learned from this project and changed or improved systems to benefit the environment”, said

Sue Paris, sustainability champion at First Credit Union, Hamilton” (p. 5).

However for a region the size of Waikato a buy in of seventeen medium-sized businesses seems relatively low.

Both interviewees from the HCC and the EW stated that they should be focusing more on businesses but cited a lack of resources as a problem. The interviewee from the HCC stated that “we would like to do more with businesses but it comes down to resources in the end”. The implications of this lack of inclusiveness of businesses within the communication of local government’s sustainability discourses is evident in survey results. Only 16.2% of respondents agreed with the statement ‘Local government policy regarding environmental sustainability is developed with business in mind’, whereas 0% strongly agreed with the statement. This lack of business inclusivity in the communication of local government is detrimental to the uptake of sustainable business practice within the Waikato.

This is a case of failed participatory development. As stated in the literature section of this thesis acts of participatory development are defined by Mirovitskaya and Ascher (2001) as “approaches to socioeconomic development that emphasize the active participation of affected actors in the planning and execution of development projects and programs” (p. 16). The key to successful participatory development is the inclusion of all affected actors. As addressed by Sobol (2007) it is of upmost importance that an active society takes part in the governance of sustainable implementation. The development, communication and implementation of sustainable action undertaken by the EW and HCC lack the participation of local businesses. This means that as a stakeholder that is affected by the actions of local government the needs and opinions of local businesses are not sufficiently addressed.

### **Values Vs Business Case For Sustainability:**

The business case for sustainability is not communicated as a discourse by local government. Key stakeholders within local government see this are an area in which they are lacking. The representative from EW that was interviewed stated that he was well aware of the business case for sustainability and the need for this.

In relation to the needs of business he stated that “I think the obvious one is that they need to survive and they need to make a profit”. He goes on to state that “we very much emphasise the fact that this can save you costs. We try to be sensitive to that”. In saying this he identifies the roadblock of a lack of funds which stops business needs from being further addressed:

“I think if the organisation really is committed to encouraging sustainable business there would be more resources behind it. But what I have come to realise over the last couple of years is that there is a certain political reality involved. There are a certain number of our councilors that got in on a rates control ticket and so they are very much concerned with controlling costs for the rate payer rather than the greater good”

Despite this lack of focus on the business case for sustainability in the communication of local government due to the political agendas of certain funding gate keepers there still is an understanding within the business community that sustainability is good business.

The results in this research project show that the majority of businesses within the Waikato view sustainability as important for their business; if not now then in the future. A total of 87.1% of survey respondents stated that they viewed environmental sustainability as important for businesses within the Waikato. When asked if they thought their customers would change their buying preferences to sustainable products in the next five years 42.4% of survey respondents stated yes and 94.9% of respondents answered that they would change their business practices if their customers wanted sustainable products. This is in line with the recent MIT Sloan Management Review Research Report entitled ‘Sustainability: The Embracers’ Seize Advantage. The results of this report state that “companies across all industries agree that acting on sustainability is essential to remaining competitive” (MIT, 2011, p. 5).

A number of interviewees from businesses that were interviewed as part of this project also held a strong belief that there is a business case for being sustainable. One interviewee stated that his business had found that “doing the right thing for the environment and doing the right thing for making a profit are often the same

thing”. A number of businesses are finding that if managed correctly sustainability can be a very profitable strategy to implement into business practices. As Brewer (2007) asks “does it pay to be green? And increasingly we are finding the answer is yes”. It is inevitable that the fundamental business motivation of companies will not change, “what is the business of business?...it’s to make money” (Brewer, 2007).

What is changing is the way in which businesses are doing that. The MIT Sloan Management Review reports that there is a gap between businesses that are early adopters (embracers) and cautious adopters. In terms of the business case for sustainability they state that “embracer companies see the payoff of sustainability-driven management largely in intangible advantages, process improvements, the ability to innovate and, critically, in the opportunity to grow. And the embracers, it turns out, are the highest performing businesses in the study” (MIT, 2011, p. 4). This is apparent in the interviews conducted as part of this study. Those who have invested extensively in sustainability state that the advantages that they have gained from this are substantial. One interviewee states that “the fact that it hasn’t been mandatory means that we can actually go out there and say that we are doing something which is actually different. And that has been really important to me and my marketing”. Early adopters have been high achievers as they have implemented sustainability as a business strategy to reduce running costs and overheads and improve marketing opportunities. This has led to improved performance in comparison to their competitors.

Despite extensive this literature stating that “companies increasingly believe sustainability will become a source of advantage, should be incorporated strategically in all aspects of a business’s operations and eventually will require a sea change in competitive behaviour” (MIT, 2011, p. 4) local government still aim to create communication in the belief that businesses will be sustainable because of intrinsic values based on environmental protection rather than the potential for sustainable business practice to create profitable and competitive businesses. This is discussed by the interviewee from the HCC who states that “we are looking at ways to tap into intrinsic values...you wouldn’t be saying to a business do this because it will help you save money, you would say do this because it is the right thing to do”. Despite this these intrinsic values have not translated into business

discourse. When asked what businesses would like to receive more information about from EW 57.7% wanted to receive more information about how to be sustainable on a budget, 57.7% wanted more information about the business benefits of being sustainable and 61.5% wanted more information about how their business can profit from being sustainable. There is a clear need for more information regarding the business case for sustainability to be communicated by local government.

Both the EW and HCC fail to address Newport et al. (2003) three-legged stool of sustainability which focuses on the environment, economic development and social equality. Although at some point all three are addressed by local government they are very much addressed as separate discourses rather than one all encompassing discourse.

#### **Environmental Focus on Sustainable Outcomes:**

The communication disseminated by local government regarding sustainability has is highly skewed towards the promotion of environmentally sustainable results. Very little discourse is communicated that relates to social or financial sustainability. As the interviewee from EW states regarding their attitude to how businesses view the benefits of sustainable business practice:

“I think the Natural Step system conditions are a little bit bias to environmental sustainability but they also bring in the people, the social dimension”

This focus on environmental sustainability is not consistent with businesses values. Although the interviewee from EW identifies this as an issue in the buy in of businesses he goes on to state that the main obstacle is the attitudes of business:

“I think one of concepts that is talked about in the Natural Step dialogue is that really businesses are not going to experience the benefits of sustainable practice until they see it as an investment and not a cost. It is really easy as an external party who is not a business owner, it is really easy to say you should invest more into sustainability but those guys are

day to day survival. They have got to have the vision to see that it is actually going to take you a step beyond your competitors”

This attitude shows a disconnect from the needs of business. Newport et al. (2003) stresses the importance of creating sustainable strategies which address environmental, social and economic sustainability. By not incorporating the business values into the communication of sustainability local government alienates businesses and reduces the level of buy in. This is an example of the disconnect that exists between business and government. As one interviewee states in regards to government “they are just a bunch of pencil pushers that sit in offices. They have no idea how small businesses work”.

## **5.2 Research Question 2:**

How do these discourses facilitate or impede the implementation of sustainable business practices?

### **Top-Down Driven Action – Disabler:**

The development and implementation of local government’s environmental strategy creates a top down structure which is detrimental to the involvement of small to medium market players. Although both local and national governments hold the tools, knowledge and resources for the development of environmental strategies within business the management of this creates a market in which certain market entities control where and how resources are disseminated and to whom. This structure is constructed in such a way that corporate entities and government backed groups are leaders of action within the Waikato region. Corporate and governmental groups have sole authorship of local environmental strategy and resource allocation. This means that SME’s have to accept the decisions and strategies of those groups who develop them. If SME’s are to develop their own environmental businesses practices, whether it be for social responsibility or market positioning reasons they are required to fall within the parameters set out by those who develop policy. This means that those corporate and governmental groups are able to develop legislative parameters that do not take into consideration the needs of smaller stakeholder groups. Nikoloyuk et al.

(2009) discusses the need for all parties to be involved in the negotiation of what is sustainable business practice. If all stakeholders are not involved in this negotiation the definition can become skewed to favor those who are involved.

The implementation of sustainability is often discussed as an issue of creating a non-hierarchical governance of stakeholders:

“strategies for sustainable development usually have to relate to a form of “governance”: a non-hierarchical form of steering, where state and non-state actors participate in the formulation and implementation of public policy (Rhodes, 1997). This steering model contradicts the traditional hierarchical model of government” (Runhaar, Dieperink and Driessen, 2006, p. 35)

The notion that local government decides on the stakeholders who are involved in the development of sustainable strategy for the region shows that there is a hierarchy in the decision making process which is controlled by the HCC. This has negative implications for the stakeholders who are not involved in this process as the requirements of those not involved are ignored.

### **Language – Disabler:**

The language used by the government in communicating the discourse of sustainability is identified as a roadblock to the adoption of sustainable business practice by several interviewees involved in this project. One interviewee stated about the communication that he received, “it’s not English, its bureaucratic crap” and went on to state that it would be helpful if local government would “write in plain English, and speak to people in plain English...I go to them and end up swearing at them”. This is an increasingly well documented roadblock that exists between those trained in the fields of environmental protection or sustainability and the field of business.

The interviewee from EW states that he is aware that this problem of differences in communication exists and he attempts to negate this by introducing a third party to communicate with businesses:

“We have had Simon Harvey, who is the Director of the Natural Step come down and run workshops with us. He is a very competent communicator. He comes from a Law and Strategy background, so he knows how to speak and put things into a business language. So I guess the short answer to that is that I don’t always do the communicating”

It is clear that local government is well aware that they lack the ability to communicate with local businesses in a manner that they understand. This is a background/educational issue between the communication efficiencies of people educated in business and people educated in science or environmental areas. As Brew (2007) states “the people who are leading the environment and are responsible for it are trained in a very very different way and have very very different interests, different languages than those who are trained in business and we have to work very hard to figure out where to bring them together”. It is clear from interviews that the governmental communication is not understood by businesses due to the nature of the language used. Newport, Chenes and Lindner (2003) suggests that to create a “broad reach throughout a community requires delivering the desired message in a simple, non-technical vocabulary” (p. 360). It is interesting to note here that both interviewees from the EW and HCC have training within the fields of environmental sustainability. Those interviewed businesses that implemented sustainable business practices as part of their business strategy referenced someone within their business who did have sustainable knowledge that was drawn from to make decisions. One interviewee, when asked how he knew what his business was doing was sustainable, stated that:

“I mean we’ve got people that have always been interested in that green aspect. [Individuals name omitted] in particular has done a lot of reading on that. [Individuals name omitted] as part of her doctorate and career has also done a lot of reading, so there is a lot of knowledge that they do have. I think [individuals name omitted] actually taught sustainability or she worked for the building research association in that area. She’s very well read in that area”



It is clear from the interview data that business decisions regarding what is sustainable is driven by internal knowledge rather than external information. The survey data shows that businesses view the level of knowledge/skill of employees as the second most difficult obstacle for businesses operating sustainably. This shows that without internal knowledge within an organisation businesses are not willing to make commitments to acting sustainability based on the information they receive from local government alone.

This lack of confidence in the implementation of sustainable business practice is based on the concept of knowing, not just based in a lack of information. Kuhn and Jackson (2008) state that “knowledge is a capacity to act within a situation” (p. 455). Kuhn and Jackson (2008) go on to state that “a capacity to act depends on one’s being able to make distinctions between the useful and the useless and to effect change in the service of solving problems, which are not necessarily based in discursive awareness (Giddens, 1984; Tsoukas, 2000)” (p. 455). A small number of interviewed businesses had organisational members that have the knowledge to interpret the information that they received and implement this into practice:

“I think that freely deciding what we want to do is probably the easier way. There is no mandate to do it. It is something that is effectively being lead by me in terms of the mid level at [company name omitted]. It is not something that is a directive from up above. We are currently working with a staff of four to drive some things within the business which actually has a relation to the greater concept of sustainability. So it is more of a push up rather than any outside influence or top down.”

The majority of businesses interviewee who implemented sustainable business practice did so when they were stimulated by an internal catalyst in the form of an individual or group of individuals. One interviewee went into extensive detail in identifying the individuals who drive sustainable business practice within his business:

“I have been, but having said that we’ve got, since I started the practice we’ve now got three employees who are quite strongly green in their

approach. We've got and urban designer, [individuals name omitted], who's in his sixties now actually. And his urban design, but also his architectural work and his interests are really based on low energy, low impact architectural and urban design. And urban design that's community based. He's been with us for about five or six years...Sorry, we've got another person, we've got [individuals name omitted], who is a drafting person who is now training in architecture. She's been with the practice for two years. She lives out at Raglan. She was very strong in the Hukinui Primary School project we worked on. And then we have got an architect, she's actually not qualified as an architect, she's not registered yet, but [individuals name omitted], she's got a doctorate in architecture and her focus is sustainability. She's been with the practice for a couple of years. She has been the key in the New Zealand Clean Energy Centre which was another competition we won a couple of years ago"

Although these individuals who act as catalysts to sustainable practice exist in a number of businesses the lack of individuals such as this creates organisations that do not have the internal capability to make informed decisions on the adoption of sustainable business practice based on the information that they receive. The inability for businesses to make this distinction between the useful and the useless information that they receive means that the volume and sources of information are inconsequential. Businesses can receive a high level of information from numerous stakeholders regarding sustainable business practice, but without the capacity to interpret the information that they receive businesses also lack the capacity to act upon the information they receive. Businesses will not act in a sustainable manner unless they receive information which they can interpret and implement, and currently this is not happening.

### **Intangible Business Benefits of Sustainability - Disabler**

The intangible business benefits of sustainability are identified as a roadblock to the implementation of sustainable business practice. At no point does the communication disseminated by EW or HCC discuss how businesses should go about quantifying the results of sustainable business practice.

One interviewee states that their attempts to quantify the intangible business benefits of sustainability have shown this to be a gray area:

“Where you start to get a bit fuzzy is where you have the non quantifiable such as things like sustainability being that we have a happy culture here at work and we have less churn. Therefore you can put a dollar figure to the less training. What I see it as being is that the non quantifiable stuff you can quantify you just need to take a couple of steps before you quantify. Most of the time the financial guys are well its either black or white. There isn’t black, gray, white”

This difficulty to measure the benefits of sustainable business practice is discussed throughout business and academic research. MIT Sloan’s report on adopters of sustainable practice states that “even embracer companies still struggle to measure financially the more intangible business benefits of sustainability strategies (such as employee engagement, innovation and stakeholder appeal), these companies are nevertheless assigning value to intangible factors when forming strategies and making decisions” (MIT, 2011, p. 5). This suggests that local government needs to communicate more to businesses regarding how these intangible benefits will produce long terms advantages within business.

One interviewee discussed his interactions with the local Sustainable Business Network (SBN) and the environmental audit which they conducted in order to try and set a benchmark for sustainable action:

“[individuals name omitted] was the Waikato representative, she is now with the Chamber of Commerce. With the SBN a couple of years ago I got an audit done, a sustainability audit. That worked really really well for us. We were sponsoring there awards so I sort of pushed them to give us something for good. And that gave me the ability of having a semi benchmark and then from there I have been able to identify what areas we should work on”

This need to set a benchmark is important for businesses but many lack the resources to do so. It should be noted here that the business which this interviewee represented had forty one plus employees, namely a large organisation which have more resources than small business owners. This interviewee went on to describe the resources that are used in terms of measuring the environmental impacts of one of their recent projects:

“If I want to talk about something specific with the wind farm that we built and then sold to Meridian when we went through the consent process for that we had to incorporate the cost and the environmental effects of Siemens in France building and making these turbine bases and the cost to transport it all the way to New Zealand and the cost to truck it to Te Uku and put it up. So the life cycle in terms of the environmental impact started from the second that the first nut or first bolt was produced and the energy used to do that. That is how in depth those opposing the consent needed us to be. So it doesn't only exist in terms of export its about are you making the right decision.”

Although this is one example of end to end quantifying of sustainable business practice from a larger business, it was not common amongst interviewees. Many interviewees simply placed a dollar value on their sustainable business practices. Smaller businesses in particular saw this dollar value as a negative on their balance sheet:

“You would have to have a cost and a reap of cost to make it sustainable. It is fine saying you can buy this product for X amount but then have to pay again to actually recycle the product. So your cost of product and then your resale is actually going to impact on the customer without their knowledge. Or you would have to then put it on an invoice hey look we are going to charge you this much but then all the product we take away that we don't use we are going to charge you this much to recycle it is that ok with you? So there is a cost and someone has to wear it.”

The difficulties that most businesses noted in trying to quantifying the benefits of sustainable business practice was also noted in the results of the survey in which

61.5% of participants wanted more information on what the business benefits of sustainability were.

It is clear that businesses suffer from a lack of knowledge in how sustainable business practice benefits them. This is an area which government needs to develop avenues of education to inform businesses on how they can quantify these benefits.

### **Competing Information - Disabler**

The numerous sources of competing communication that are received by businesses acts as a roadblock to sustainable action. Within the results of surveys and interviews it is clear that businesses receive information regarding what is sustainable from multiple stakeholders, all of which have their own agendas. One interviewee stated that he received information from several sources in the construction industry, each claiming that they offered a product more sustainable than the other. Another interviewee goes on to state that “of course if you stand to make a buck out of it you will always say that your product or service is the best. One example is with packaging companies, they all say that they are the most environmentally friendly and try and sell their product to you. I would say we have never had an honest sales man walk through the door, but that’s business”. It is clear that the majority of information that is received by businesses regarding sustainability is not from the government and is not regulated whatsoever.

The interviewee from the EW states that they do produce regulated information from the government which is disseminated through several channels:

“We have a website, Sustainabiz website, we monitor how much traffic goes through that. It’s not a huge amount, but it is reasonable enough to show that people are going there, accessing the information, so may be having some impact. We facilitate workshops, I haven’t run one for a while. But for example we had one with the Chamber about six weeks about, a lunch time seminar on sustainable business. And we work with the SBN to help them run events and support their programs, such as the Sustainable Challenge and so forth.”

It is clear by this statement that there is a lack of confidence from the interviewee in the frequency and business response to the communication that the EW disseminates throughout businesses in the Waikato region. He goes on to state that there needs to be a plan put in place to market the information that the EW offers to businesses:

“we don’t have a lot of businesses coming to us. So we need to be out there marketing what we are doing. I am not sure about that supply and demand relationship.”

The notion that governments need to market what they are doing to businesses shows that government are aware that businesses have a low level of awareness of their disseminated communications. The majority of businesses involved in this research project were more aware of the communication disseminated from nongovernmental organisations regarding sustainability than the communication from governmental organisations. For this reason it is important to understand where businesses get source their information from.

The primary source of information regarding sustainability for businesses is the media. This was a source identified by numerous businesses involved in this project, both in the survey and in the interviews. The term ‘media’ as offered by interviewees is a very ambiguous term which leaves a lot to interpretation. One interviewee identifies these as the publications that they receive from industry associations:

“We make a point of getting publications that come through to us. Not just from local government but from the association of cleaning companies. They provide us with all the information they have on the latest products and practices. From the bearing company point of view we are members of the Royal Bearing Association that provide us with”

The same interviewee goes on to identify the problems with the implementation of this information:

“The communication that we get is predominantly from a national level. And that is the way a lot of companies work. They have an overall picture of New Zealand, they publish a manual and say this is what we are going to do. Sometimes it is quite hard to interpret, especially in the cleaning industry what the hell you are actually supposed to be doing. It does work, but sometimes it takes a little bit of time to implement”

It is clear that businesses receive more information from within their own industry than from local government:

“We do get information but normally it is only from industry, umm what is the word for it, industry, like industry magazines and newsletters and stuff like that. We get a lot of information about sustainability coming through in those these days. Normally its information about sustainability from the construction industry, or the transport industry or whatever. We get a lot of information through but not from the government”

As there is no real way to ascertain the validity of the information received it can be difficult for businesses to deal with the volume of information they receive. In this case it is up to businesses to decide which information they receive is valid and which is not. Karlsson (2007) states that “complexity is a key issue that the world must deal with in its responses to environmental degradation, unsustainable development paths and resulting human insecurity” (p. 103) and the fact of the matter is communication adds to this complexity. Unless businesses have access to clearly defined, regulated information from a reliable source in regards to what sustainable business practice is business responses will be as varied as the communication they receive. In many cases we will also see that businesses simply do not adopt sustainable business practice. One interviewee that did implement sustainable business practice stated that “you have all this conflicting information that you have to filter through and you have to make judgments yourself. And a lot of that stuff we do by intuition rather than doing deep research”. Whereas another interviewee who had a very limited uptake of sustainable business practice stated that “I am not sure if there has been enough research to prove or define what is environmentally sustainable and what is actually going on...I think there is a lot more research that needs to be done and

some empirical data put behind it to see what is actually happening out there”. It is clear that those who lack an understanding of sustainability are skeptical about the validity of the information that they receive, creating a roadblock to their implementation of sustainable business practice.

### **Benefits of Sustainable Marketing Discourse - Enabler**

The one clear enabler of government’s communication of the discourse of sustainability is not one originating from local government, rather national government. This is the creation of a discourse that promotes New Zealand as a country which produces sustainable products. This is done through the use of marketing such as the 100% Pure campaign. Many of the businesses involved in this project stated that they view this as beneficial. A total of 67.1% of businesses surveyed either agreed or strongly agreed with the statement ‘New Zealand’s sustainable branding gives New Zealand businesses an advantage in international markets’. One interviewee went on to give the example of a business trip to Japan in which he was greeted by potential customers who already had a perception of New Zealand as a country that produced sustainable products. He went on to say that “I definitely think that the fact that a lot people around the world are aware of New Zealand’s reputation as an environmentally conscious country is helpful from the get go. It kind of turns a cold sales call into a warm sales call”.

This advantage which New Zealand has created within the international marketplace is an example of what Rohit Despande refers to as the Provenance paradox. Despande in his article printed in the Harvard Business Review (December 2010) states that “a product’s country of origin establishes its authenticity. Consumers associate certain geographies with the best products: French wine, Italian sports cars” and so on. New Zealand is associated with sustainable products. He goes on to say that “competing products from other countries – especially developing markets – are perceived as less authentic. Even when their quality is on par with that of established players, the developing-market firms can’t command a fair price. The lower price, in turn, reinforces the idea that the offering isn’t as good and that the region doesn’t make premium products” (Despande, Harvard Business Review, December 2010, p. 25). The development of this through marketing projects such as the 100% Pure campaign



allows New Zealand businesses to not only charge a premium for products created in a sustainable manner but also gives businesses easier access to international markets as they can draw upon previous communication.

The identification of this as a beneficial aspect of governmental communication was identified by not only businesses that used it as part of their marketing strategy but also businesses that did not use it. The view of New Zealand as a country which produces sustainable products is beneficial as long as the businesses that use this as part of their strategy live up to the marketing discourse.

### **5.3 Research Question 3:**

What level of buy in does the local business community have regarding the sustainable discourses that are communicated by local government?

The findings of this project show that there is a low level of buy in regarding the sustainable discourses that are communicated to business by local government. There are several competing stakeholders involved in the negotiation of discourses within the Waikato area that were identified by interviewees, these stakeholders include local and national government, small to medium enterprises, corporate entities, local Iwi groups, industry specific entities and the general public. The findings of this project show that the way in which local government communicate sustainable discourse to local businesses creates several disablers which make it difficult for local businesses to implement sustainable business practice into their businesses.

The level of buy in that businesses have in regards to governmental communication is shown to be low by the results of the survey conducted. A total of 11.1% of businesses receive the majority of their information regarding sustainability from local government (5.2% from EW and 6.9% from the HCC). This is in comparison to 58.6% of businesses that receive the majority of their information from the media, 8.6% who receive it from other businesses and 20.7% of businesses who do not receive or seek information regarding sustainability. When asked who should decide what is considered sustainable business practice government received the lowest rating whereas business leaders

and society/business customers received the highest rating. These results show that businesses believe that the adoption of sustainable business practice should be driven by society, consumer choices and businesses themselves rather than government.

This market driven view of sustainability is akin to the approach of Third Way politics. As stated earlier in this paper Giddens (2000) suggests “we need to introduce a different framework, one that avoids both the bureaucratic, top-down government favoured by the old left and the aspiration of the right to dismantle government altogether” (p. 2). It can be seen in the communication disseminated by the HCC and EW that this aim of creating bottom-up action is one that is favoured by government. But the lack of involvement of businesses within this bottom-up approach is detrimental to creating inclusive development.

This roadblock, or disabler to environmentally sustainable business practice is an issue within the Waikato region that needs to be addressed by local governments. In their Environmental Sustainability Strategy the Hamilton City Council states that it is working towards a more sustainable Hamilton, stating that “as partners we recognize that achieving real progress toward sustainability will only be possible if the values, attitudes and behaviours of Hamilton people are consistent with this goal. Engagement across our city is therefore key to making this happen” (Hamilton City Council, 2008). But despite this statement about consistency many businesses within the open market work within competing spheres of discourse communication which lack any kind of consistency. One Managing Director who was interviewed stated that within his industry communication was always competing and they were forced to make decisions based on what they were told “timber is saying they are more sustainable than steel and steel is saying they are more sustainable. So you have all this conflicting information that you have to filter through and you have to make judgments yourself”. Engagement across the whole community will not occur when businesses do not know which discourse they should be buying into.

This lack of buy in from businesses is an issue of governance. It is important to note that governance is a issue of balancing competing stakeholders and ensuring all stakeholders are involved in the negotiation of what sustainability is and the

practical implementation of it within the Waikato region. As Schmitter (2009) states:

“Governance works not through formal monopolistic institutions exercising ultimate authority over a specified territory, i.e. states, but through informal arrangements of actors exercising some degree of control over diverse functions, i.e. networks. Such arrangements are open to participation by different types of actors – public and private, profit and non-profit, national and trans-national, expert and amateur, producer and consumer, large and small – who have been identified and have accepted each other as ‘stakeholders’. What these actors have in common is an enhanced awareness of interdependence. They have conflicting objectives, but depend sufficiently on each other so that no one can simply impose a solution on the other; and all would lose if no solution were found. They know that their respective contributions are needed to varying degrees if some problem is to be solved or some public good is to be produced. Moreover, they also know that the solution cannot simply be bought in the market or commanded by the government” (p. 86)

The informal nature of governance is what makes it a good starting point to address the issue of sustainability (Schmitter, 2009). But as identified by businesses and local government there is a lack integration of the needs of all stakeholders involved. This is what creates the lack of buy in for businesses into the concept of sustainability as important to the economic success of both their business and the community.

The results of this research project show that the communication of local government is not addressing the importance of small businesses as a stakeholder within the creation of a sustainable region. The communication which is disseminated by local government creates several disablers for businesses. For these reasons the following recommendations are offered to improve the communication of local government to better meet the needs of local business in the implementation of sustainable business practice.

## **Chapter 6: Recommendations**

The following recommendations for communication are suggested in order to address issues faced regarding businesses buy in to discourses of sustainability:

- Business inclusion in participatory development

The majority of local governmental communication is aimed to promote the inclusion of social and economic groups in both the negotiation of what sustainability is and its practical implication. As this study has shown both businesses and local government believe that small businesses are not addressed in the communication disseminated by local government. It is recommended that governmental communication focuses more closely on the inclusion of small business in the development of sustainable practices within the Waikato region.

- Business focused language use

The interviewees identified that the language used by local government in their communications was difficult to understand. It is recommended that local government creates communication which is developed specifically to be disseminated to and understood by business leaders who have an education based in the field of business rather than the field sustainability or environmental sciences.

- Promotion of tools which quantify the benefits of sustainable business practices

Businesses lack the ability to quantify the intangible business benefits of sustainable business practice. Many businesses identified that although they wanted to act in a sustainable manner they would not unless they understood how to quantify what they implement. It is recommended that local government communicates in a way teaches businesses leaders the tools they need to do this. The Carbon \$ave program implemented by EW is an example of one way in which local government is currently doing this.

## **Chapter 7: Conclusion**

In conclusion this research project identifies that the communication that exists between local government and local businesses regarding sustainability within the Waikato region creates a substantial number of disablers for businesses adoption of sustainable business practices. This study identifies that businesses clearly identify sustainability as an issue for their competitiveness in both the national and international market places. Although most businesses implement some level of sustainable business practice the majority of businesses involved in this study are limited in their implementation by the knowledge and understanding of sustainability. Local government creates disablers by producing communication which is not understood by businesses, by promoting the inclusion of community stakeholders and large organisations but lacking in the inclusion of small business and by lacking a focus on the quantification of the business benefits of sustainability. According to Fokkema, Jansen and Mulder (2005) “although the urgency of a sustainable development is recognised by many people in business, science, government and NGOs both national and international, it is not yet a common shared orientation for society” (p. 222). Government in the Waikato region needs to address the issues which stop sustainability from becoming a common shared orientation for society.

Creating a sustainable region, as defined by Newport et al. (2003) environmental, economic and social sustainability is in the best interests of all parties involved. As Zimmermann (2007) states “integrated approaches, that incorporate economic, social and ecological development, have similarly been recognised as crucial to urban planning and development” (p. 505). Due to this there has been significant academic information in relation to the internal drivers of stakeholders involved in participatory development (Mirovitskaya and Ascher, 2001). As Sobol (2007) states:

“The main argument is that people act in the name of public interest when they believe that most other people are also doing the same. But if they are convinced that most people are doing the opposite, it makes no sense for them to be the only ones doing good. In practice, it seems to be pointless to be the only one to be fair, sort your garbage, not corrupt, etc. This

example is also a good illustration of the development of distrust. When a person starts thinking that the norm for governments, authorities, decision-makers, etc. is to break the law, his trust in fellow citizens will also go down. This works because, regardless of the quality of the people who are in power, they are more likely to enjoy higher respect than the general public. Hence, distrust in government institutions and authorities leads to distrust in most other people.” (p. 196)

The communication disseminated by local government lacks focus on the communication of the benefits of sustainability for businesses meaning that businesses lack trust whether the government has business and economic development as a priority. The results of this study show that businesses, particularly small business, are not buying into the participatory development of sustainability within the Waikato region. This lack of buy in and lack of trust in governmental communication means that the implementation of sustainable business practice is really only participated in by businesses which have the resources to develop their own practices exterior to the involvement of local government.

Local government recognises that there is a lack of buy in by small businesses. Representatives from both local government organisations, the EW and the HCC, identify a lack of resources as the reason for their inability to create buy in from small businesses. Although the representative from the EW states that there is a political motivation for this lack of resources. That being the political motivations of unnamed Councillors who, according to the interviewee, have aimed to get into Council by offering rates cuts to obtain votes. With reduced rates the EW has a reduced budget to draw from when addressing regional issues such as sustainability, therefore resulting in a lack of resources.

This lack of resources is clearly identified by local government. But it is also clear that there is a lack of confidence in both government and business that the resources that government do have are not being used efficiently. Businesses lack confidence that government creates opportunities for their implementation of sustainable business practice. One interviewee noted the ‘red tape’ involved in interactions with the local government:

“They are more about, umm, well differences that I perceive is that they think that they are heading in the right direction and doing the right thing but yet again there is so much red tape and it takes so long for things to happen”

This lack of confidence in the performance of local government is also clearly identified by representatives of local government:

“And in terms of the business work specifically we are at a bit of a cross roads, where are we going to go with it. As part of that process we do need to find a way to get some feedback from the wider business community. It is quite difficult to know how to do it”

It is clear that neither government nor business believe that the communication which exists surrounding the issue of sustainability is not satisfactory.

The government must be commended on its use of marketing campaigns to provide New Zealand businesses with an advantage within international market places. The use of the 100% Pure campaign was identified by both survey respondents and interviewees as beneficial to businesses in giving them opportunities which they would not ordinarily have when approaching markets to sell products. Those businesses that have used this as part of their strategy have benefited from this. But in saying this the government needs to do more to develop buy in for businesses who are not currently doing this.

To increase the buy in and implementation of sustainable business practice in Waikato’s business community local government must see small businesses as a key stakeholder in the development of a sustainable region. The inclusion of small businesses and the development of communication which is tailored to their needs will have positive effects across the Waikato region. Government must be aware that “our ways of talking do not neutrally reflect the world, but play an active part in shaping it” (Spence, 2007, p. 857). Business focused communication will create a higher level of sustainable business practice will have both tangible and intangible benefits for the region. Businesses within the

region will see benefits in their ability to compete in markets both national and internationally with added value products. Also the region will see environmental benefits in the form of reduction of air pollution and better water management by industry which was identified by the HCC as issues caused by business operations. Businesses will also see intangible benefits in the form of better employee retention and employee engagement as identified by one of the interviewees within this study.



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## **Appendices:**

Survey Questions:

### *Participant Survey Questions*

*Waikato Management School*

Te Raupapa



THE UNIVERSITY OF  
**WAIKATO**  
*Te Whare Wānanga o Waikato*

#### *Enablers and Disablers in the Communication of Sustainability Discourses between Local Government and Businesses*

1. Are you aware of the local government body Environment Waikato?

Yes    ☐    No    ☐

2. Do you believe that environmental sustainability is an issue for businesses in Waikato?

Yes    ☐    No    ☐

Please circle one of the following that best describes your point of view:

3. I have a strong understanding of what environmentally sustainable business practice is

Strongly agree      Agree      Neutral      Disagree      Strongly  
Disagree

4. The definition of environmentally sustainable depends on who you ask

Strongly agree	Agree	Neutral	Disagree	Strongly
Disagree				

5. My company views environmental sustainability as not important at the moment

Strongly agree	Agree	Neutral	Disagree	Strongly
Disagree				

6. Local government policy regarding environmental sustainability is developed with business in mind

Strongly agree	Agree	Neutral	Disagree	Strongly
Disagree				

7. New Zealand's sustainable branding gives New Zealand businesses an advantage in international markets

Strongly agree	Agree	Neutral	Disagree	Strongly
Disagree				

8. I personally see environmental sustainability as very important for my business

Strongly agree	Agree	Neutral	Disagree	Strongly
Disagree				

9. My business implements environmentally sustainable business practices

Strongly agree	Agree	Neutral	Disagree	Strongly
Disagree				

10. Which environmentally sustainable business practices does your business implement? (please tick all that apply)

- |                                        |     |
|----------------------------------------|-----|
| Recycling                              | [ ] |
| Waste targets                          | [ ] |
| Energy targets                         | [ ] |
| Water targets                          | [ ] |
| Environmental innovations in processes | [ ] |
| Carbon targets                         | [ ] |
| None                                   | [ ] |
| Other (please specify)                 | [ ] |

Other \_\_\_\_\_  
\_\_\_\_\_

11. Where do you receive the majority of your information from regarding sustainability? (please tick only one)

- |                                      |     |
|--------------------------------------|-----|
| Environment Waikato                  | [ ] |
| I do not receive or seek information | [ ] |
| The media (internet/television)      | [ ] |
| Other businesses                     | [ ] |
| Hamilton City Council                | [ ] |
| Other (please specify)               | [ ] |

Other \_\_\_\_\_

12. I would like to receive more information from Environment Waikato about (please tick those that apply):

- |                                                   |     |
|---------------------------------------------------|-----|
| What is considered environmentally sustainable    | [ ] |
| How to be sustainable on a budget                 | [ ] |
| The business benefits of being sustainable        | [ ] |
| How my business can profit from being sustainable | [ ] |

13. What is considered environmentally sustainable business practice should be decided by (please tick those that apply):

Government	[ ]
Business leaders	[ ]
Society/business customers	[ ]
Environmental scientists	[ ]

Please circle one of the following that best describes your point of view:

14. I view Environment Waikato as an authority on environmentally sustainable business practice.

Strongly agree	Agree	Neutral	Disagree	Strongly
Disagree				

15. What do you see as the most difficult obstacle for businesses operating sustainably?

(Please Rank from one being the most difficult to five being the least difficult).

Knowledge/skill of employees	[ ]
Competing against cheaper competition	[ ]
Difficult to create sustainable products in industry	[ ]
Lack of technology	[ ]

16. Does your customer base expect your product to be created in an environmentally sustainable way?

Yes [ ] No [ ]

17. Do you think this will change in the near future? (Next five years)

Yes [ ] No [ ]

18. Would you change your business practices if the demands of your customers changed?

Yes [ ] No [ ]

Please circle one of the following that best describes your point of view:

19. Customers have more influence on the environmentally sustainable business practices that I implement in my business than local government does.

Strongly agree      Agree      Neutral      Disagree      Strongly  
Disagree

20. What industry does your company operate in? (please tick the most appropriate)

Accounting	<input type="checkbox"/>	HR/Recruitment	<input type="checkbox"/>
Administration	<input type="checkbox"/>	IT	<input type="checkbox"/>
Advertising/Media	<input type="checkbox"/>	Insurance/Superannuation	<input type="checkbox"/>
Banking/Financial services	<input type="checkbox"/>	Legal	<input type="checkbox"/>
Call centre/customer service	<input type="checkbox"/>	Manufacturing/Operations	<input type="checkbox"/>
Community/Sport	<input type="checkbox"/>	Mining	<input type="checkbox"/>
Construction	<input type="checkbox"/>	Real Estate/Property	<input type="checkbox"/>
Consultation	<input type="checkbox"/>	Retail/Consumer products	<input type="checkbox"/>
Education/Training	<input type="checkbox"/>	Sales/Marketing	<input type="checkbox"/>
Engineering	<input type="checkbox"/>	Science and Technology	<input type="checkbox"/>
Healthcare/Medical	<input type="checkbox"/>	Trades and services	<input type="checkbox"/>
Hospitality/Tourism	<input type="checkbox"/>	Transport/Logistics	<input type="checkbox"/>

21. What market is your customer base located in? (please tick appropriate market)

Regional (Waikato only)      ☐

National Wide      ☐

International only      ☐

Nationally and internationally      ☐

22. How many employees do you have? (please tick appropriate number)

1-10      ☐

11-20      ☐

21-30        [ ]

31-40        [ ]

41+         [ ]

Thank you for participating in this research project.