

## Mind the Gap: Making Sense of Sustainability from a Business Manager's Perspective

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A Doughty Centre for Corporate Responsibility Occasional Paper



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- design and delivery of organisation-customised and open learning programmes around CR, sustainability or public-private-community partnerships

#### **About the Author**

Sharon Jackson holds Associate Faculty roles at Cranfield School of Management, is a Visiting Lecturer at Murray Edwards College, Cambridge University and a Visiting Research Fellow at Athens University of Economics and Business. She is also a responsible business practitioner in her roles as founder and Managing Director of CSR consultancy Carlton CSR (UK) and of the sustainable business teaching and research centre 'European Sustainability Academy' (Crete) [www.EuroSustainability.org](http://www.EuroSustainability.org)

During her career, Sharon has held several board and chair appointments in both businesses and NGOs. Before embarking on a career in executive education and organisation research she worked for 15 years in global commerce, in senior roles in the electronic component sector developing international business through global distribution and supply chains.

The research summarised in this paper is the first stage of a PhD (ongoing until 2012) which Sharon is undertaking at Cranfield University. Sharon welcomes all feedback, questions and interest in her research topic of how employees' sensemaking impacts enactment of organisationally espoused responsible business intentions. Contact: [Sharon.Jackson@Cranfield.ac.uk](mailto:Sharon.Jackson@Cranfield.ac.uk)

#### **With thanks to the following for their comment:**

**Sue Cheshire:** An executive coach and consultant, Sue – a trained as a psychologist - has for the last 20 years coached, lead organisational transformation and served executives from major multinational companies. Additionally, Sue researches, publishes articles, and presents on leadership, coaching for high performance, and peer group learning. She is the co-founder of the Academy for Chief Executives and The Global Leaders Academy.

**Melody McLaren:** Melody is a writer and consultant with over 25 years of experience in public relations, sales promotion, web development and corporate responsibility campaigning in the US and Europe. During ten years at Business in the Community she worked in diverse communications and knowledge management roles before founding McLaren (UK) Ltd in 2006.

## FOREWORD

Sharon Jackson is deeply committed to improving the lot of individuals, and to sustainable development. For more than a decade, Sharon has been working with organisations and individual managers to help them improve their environmental and social performance. Always wanting to develop her own understanding of Corporate Responsibility (CR) and sustainability, Sharon recently undertook a masters' programme at Cranfield. This was so successful that she was encouraged to build on the masters and study for her doctorate. This occasional paper is based on the research for the MSc.

The Doughty Centre is delighted to publish this paper as part of our wider inquiry into the obstacles that stop companies from making more progress to embed CR; and the critical role that individuals at different levels of an organisation play in embedding CR.

Personally, I am not sure that the references to Enron are necessary, as the main question that Sharon poses is about why managers don't follow through when there is a genuine corporate commitment to CR. The case of Enron is somewhat different – a superficial commitment to some of the outer attributes of CR – but where the core ethics and mindset of the company at senior levels was not responsible.

That quibble notwithstanding, Sharon's research raises important points about the need for organisations to think very carefully about how they communicate and educate employees – particularly the crucial middle management – about what the commitment to CR and sustainability means. In particular, the importance of not relying on intranets and written communications, but of creating multiple opportunities for managers and then employees generally to test out their understanding of the organisation's commitment –and what it means for their part of the business and their own jobs and how they carry out their jobs. Sharon's short final section on implications for companies is particularly important and helpful.

The Doughty Centre has a number of projects now to explore how companies can better engage employees on CR, and we will continue to share emergent findings over the coming months.

A handwritten signature in black ink that reads "David R. Grayson". The signature is fluid and cursive, with a horizontal line at the end.

David Grayson

Director, The Doughty Centre for Corporate Responsibility

Cranfield School of Management, Cranfield University

July 2010

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## EXECUTIVE SUMMARY

A decade ago, the world witnessed a series of high profile corporate crises resulting in the erosion of trust in business, wealth being destroyed, and many people losing their jobs – not an auspicious start to the new millennium. The likes of Enron revealed themselves to be corrupt in their business operations<sup>i</sup> despite publically stated commitments to Corporate Responsibility (CR). A significant gap had developed within some corporations between good intentions and good action. In response to the collapse of Enron in 2001 and other corporate scandals, many more organisations have made bold commitments to embed their espoused CR principles. However, we witnessed a reoccurrence of the disjunction between rhetoric and action in the financial sector in 2008.

It is clear that many organisations are still struggling to integrate the CR or sustainability principles that they espouse into daily business processes, and are being criticised by their stakeholders for a gap between rhetoric and action.

Why is this?

Research done between 2007 and 2009 by Sharon Jackson, Associate at the Doughty Centre for Corporate Responsibility, sought to understand the relationship between managers' sensemaking of their organisations' espoused CR or sustainability intentions with what managers *actually* do.

Sensemaking is the process that people draw on, to find the meaning of CR in their own reality. It is subconscious and can be taken for granted but is considered as having a central role in human behaviour. It is, therefore, very likely to play a practical role in terms of impacting on operational managers' behaviour in the context of embedding CR and thus plays a critical role in engaging individuals in action.

The research revealed the following three key findings:

1. Managers' sensemaking processes can lead to 'no action' in terms of enacting CR.
2. The underpinning culture of the organisation impacts on how managers make sense of CR and what they then do in relation to it.
3. Many managers do not read their organisations' CR communications.

The implications from this study for firms wanting to embed their CR suggest that to truly engage employees in CR they should encourage a reflective space for CR conversations and ensure that the organisational language and narratives used in CR and sustainability communications is aligned with their employees' sensemaking language.

This paper uses the terms CR and sustainability interchangeably in recognition that different firms use different terms.

# INTRODUCTION

We are living in a time where organisations all over the world are trying to convince society of their good intentions towards the environment and the communities in which they operate. The expansion of this apparent commitment to CR, or sustainable business, has resulted in a plethora of glossy reports, sophisticated green marketing campaigns in magazines and on television, and green messages at point of purchase. The purpose of these messages seems to be to persuade stakeholders – which means anyone who can affect or be affected by an organisation<sup>ii iii</sup> such as consumers, NGOs and investors – that organisations are committed to reducing damage to the ecological environment and to making a positive impact on society as an ‘embedded’ function of daily business activities.

However, a key contemporary management issue is the challenge businesses face (at least those with a publically stated commitment to CR) to engage their employees in actually integrating organisationally espoused CR and sustainability aspirations into their daily roles and business decision-making processes and behaviour.

Both practitioners and the academic literature have been critical of firms promoting themselves as responsible businesses where there is a perceived gap between rhetoric and action.<sup>iv v</sup> Furthermore, stakeholders do not trust organisations which espouse a commitment to society and the environment but their business decisions and actions are not aligned with their organisation’s stated commitment.<sup>vi vii</sup>

## 1. The gap between intent and action

This contemporary management issue was painfully illustrated in 2008 when many of the banks involved in the near collapse of the UK financial sector were those same banks that had publically stated their commitment to CR. Several boasted award-winning volunteering programmes and high profile CR reports which espouse ethical values and transparency. However, it became clear that in many cases managers working in the banks were engaged in dubious practices which were not at all in line with their organisation’s publicly espoused values.<sup>viii</sup>

There appears to be some similarities between this contemporary scenario and another – the high profile disruptive business episode of 2001, when the demise of Enron revealed the corporation to be corrupt in its business operations<sup>i</sup> despite its apparent commitment to CR and the CR accolades it had been awarded. In response to the Enron debacle of 2001 and other high profile cases of that time, a plethora of CR frameworks, tools and training programmes emerged to assist firms embed their espoused CR principles and commitment. And yet, in 2008, just a few years later, we witnessed a reoccurrence of the disconnection between intention and action.

These two examples illustrate a lack of congruence between espoused organisational CR intentions and actual day-to-day business behaviour. This indicates that embedding CR and engaging employees to enact in a responsible manner is much more complex than well-marketed intentions and step-by-step frameworks imply.

The issue of how organisations enact their responsible business aspirations as an integral part of their business operations has fascinated me for some time. Having been involved in delivering CR and sustainability-related executive education over the past 10 years, I have been particularly curious about the people actually ‘doing the doing’ in terms of enacting organisationally-espoused CR aspirations in their everyday business function.

**The critical questions:**

- Why is there so often a gap between CR intent and action when there appears to be such strongly stated intentions from organisations to be responsible businesses?
- What is it that influences employees to include CR and sustainability considerations in their daily decisions and actions?

## **2. How do people make sense of CR?**

With the aim of trying to shed some light on possible answers to the two critical questions, this occasional paper provides an overview of my two-year empirical research study, between 2007 and 2009, investigating how operational managers make sense of the CR intentions of their firms and how their interpretations impact on what they actually do – investigating why a disconnect between CR intent and action can exist and how organisations can ‘close the gap’.

*The overarching aim of the research was to gain a better understanding about what influences people in businesses to enact CR and to explore exactly how managers’ own sensemaking process might impact on a disconnect between rhetorical CR aspiration and actual CR action.*

## **3. Introducing Alpha Electronics and Delta Electronics**

This exploratory, qualitative study used a two-case study approach to collect data through focus group dialogues with operational managers – two businesses participated in the study - followed by an explanation of the sensemaking theory which underpinned the research. The data was analysed through fine grain detail, Conversation Analysis.

The study was conducted in the UK with operational managers in two global consumer electronics organisations. Both are leaders in their manufacturing sector which includes IT, telecoms, audio visual equipment and home appliances. They both have globally recognised and highly respected brands.

To protect anonymity, these firms will be referred to as ‘Alpha Electronics’ and ‘Delta Electronics’. The two companies were selected because they appeared to be very similar in terms of products manufactured, market position, turnover and stage of their CR journey. To frame the research, the assumption was made that Alpha and Delta’s intentions to embed CR behaviours across their businesses were genuine, , and could be observed and interpreted through their organisational documentation such as CR reports, websites and codes of conduct. In both cases, their internal and external communications expressed an explicit expectation of their employees to enact the espoused aspirations. This expectation is endorsed by the CEOs of both firms.



## SENSEMAKING: NOTICING AND DESELECTING INFORMATION

The focus of this research is on how people make sense of what is expected of them. Specifically, I aim to analyse their sensemaking process in terms of what they notice and do not notice about their firm's CR and sustainable business aspirations in relation to their own daily roles.

From a theoretical point of view, sensemaking can be described as a process which is subconscious, can be taken for granted and is considered as having a central role in human behaviour.<sup>ix x</sup> Therefore, it is very likely to play a practical role in terms of impacting on operational managers' behaviour in the context of embedding CR.

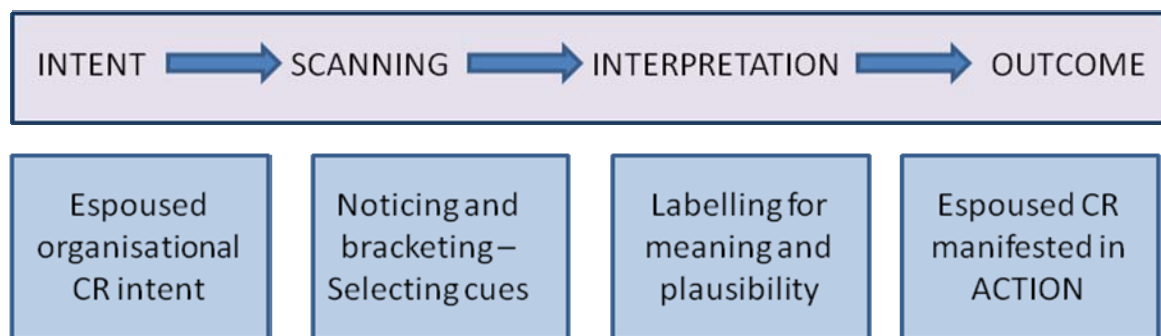
The work of academic Karl Weick is central to sensemaking theory. He proposes that sensemaking is a process by which people subconsciously notice information (scanning – through words and cues) which they then make meaning of (interpretation – in their own world reality), a process which subsequently influences their actions.

The theory suggests that in the:

- **Scanning** stage of sensemaking, people notice a range of cues and information from which they select some and deselect others.
- **Interpretation** stage of sensemaking, people give meaning to the information they have selected.

Figure 1 represents my interpretation of the theoretical framework of a sensemaking sequence. This model illustrates the relationship between the 'scanning and interpretation' stages of the sensemaking with the initial CR intention and final outcome (action).

**Figure 1: Adapted from Daft & Weick (1984), Starbuck & Milliken (1988), Thomas et al., (1993)**





This illustrates the process of making meaning and interpretation, referred to as 'sensemaking', which people adopt in a subconscious, ongoing and iterative process.

The main focus of this research is on the 'scanning and interpretation' phases of the theoretical sensemaking process.<sup>xi xii xiii</sup>

A critical aspect of sensemaking is that, through this process, people seek plausibility in their own world reality and a 'story' which is meaningful to them rather than searching for accuracy. This implies that selective scanning could result in managers excluding important details which could lead to inaccurate interpretation and subsequent action which is not congruent with the initial intention. The most poignant illustration of this is the example of how the medical community delayed for 25 years before officially acknowledging the existence of 'battered child syndrome'. It appears that, at the scanning stage of sensemaking, health professionals unintentionally deselected factual evidence because it seemed so implausible, which lead to distortion of interpretation and professional blind spots.<sup>xiv</sup>

This disturbing example leads me to ask:

- Is it possible that, at the point of scanning information about organisationally espoused CR intentions, the details managers select and notice can be incomplete and inaccurate which leads them to distorted interpretation?
- Could this lead to behaviour which is not aligned with the CR intentions of the business?

## RESEARCH FINDINGS: HOW MANAGERS MAKE SENSE OF CR DOES AFFECT THEIR ACTIONS

**The overarching findings from this study suggest the following:**

1. Managers' sensemaking processes can lead to 'no action' in terms of enacting CR.
2. The underpinning culture of the organisation has an impact on how managers make sense of CR and what they do.
3. Furthermore, there is strong evidence to suggest that many managers do not read their organisation's CR and sustainability documentation, website or intranet communications.

The next section will give some examples of how these findings emerged. As you read the following examples of genuine research transcripts, perhaps smiling in disbelief, you may begin to think of similar conversations that you have heard or been involved in.

### **1. Managers' sensemaking can lead to NO CR Action being taken**

You might assume that when a group of managers agree that they share the same understanding of their organisation's CR intentions, and agree that their organisation expects them to act to reduce CO<sup>2</sup> emissions and reduce energy use, that these managers might take the simple action of, for example, turning off unnecessary lights. However, it may be surprising to know that a group of 10 managers, over a period of 90 minutes, mentioned on 10 occasions that there were too many lights on in the room and that they should be switched off. *Yet not one person acted.*

This was one fascinating observation during this study which contributed to a key finding about managers not enacting their firms' CR intentions in the way that their firm expects them to do.

Here follows part of a conversation which was recorded during a 90 minute focus group (J, D and A refer to specific people).

*J. "You see the funny thing is straight away you said we should reduce our carbon, first thing people talk about is carbon but absolutely everyone is sitting in this room with all these lights on... do we need them on? Could we not have had half of these lights on?"*

Even more fascinating was how a conversation between the group members about how there were 'too many lights on in the room' culminated with this statement:

*D. "Come back in 5 years time I think you will have a different story, because one of us would have come in and turned the back lights off or something similar like that."*

Later, when one of the members of the group walked to the back of the room, the conversation was as follows:

*J. "Are you going to turn the lights off?"*

*A. "No, I am going to get a cup of tea to sustain myself."*

It should be noted at this point that this group of managers all participate as Eco Champions for their organisation and that they personally share strong intentions to embed sustainable practices across the business. Yet, it appears through their conversational sensemaking that they accept that there will be 'no action'; that they will not be turning off the lights in the present, but in future their behaviour may be different.

*This suggests a process of deselecting the importance of CR action in the present to some ideal in the future.*

Two weeks after the focus group session, attendees were interviewed one to one by telephone. The transcript of their group discussion about the lights was read to them and they were asked about their interpretation of what had happened.

Most of the participants laughed in stunned amusement. Only one person said that they had noticed this situation, but they did nothing because they wanted to see if someone would turn off the lights. All the other participants had been oblivious to it, with the main response being that they guessed that everyone expected someone else to do it.

*A. "That is quite interesting actually isn't it...? It kind of shows that although we are thinking about it we are not actually doing anything about it."*

So, why did no one take action?

#### **CR action is someone else's responsibility**

Other areas of this study revealed similar examples at both Alpha and Delta of people being aware of their firm's CR intentions, understanding that they are expected to contribute to achieving these aspirations, yet they do not take any action and therefore maintain the status quo. Using this example to explore why no action is so often taken by managers, we saw how managers' sensemaking process led them to deselect information about their present day personal responsibility to turn off the lights. The follow-up interviews suggest that one reason for this is that 'everybody' considered it to be 'someone else's' responsibility.

*J. "The whole reason for them not doing it... 'it's not my job, not my responsibility' and they expect everyone else, it is everyone else, or somebody else's responsibility, not everybody else but somebody else's responsibility."*

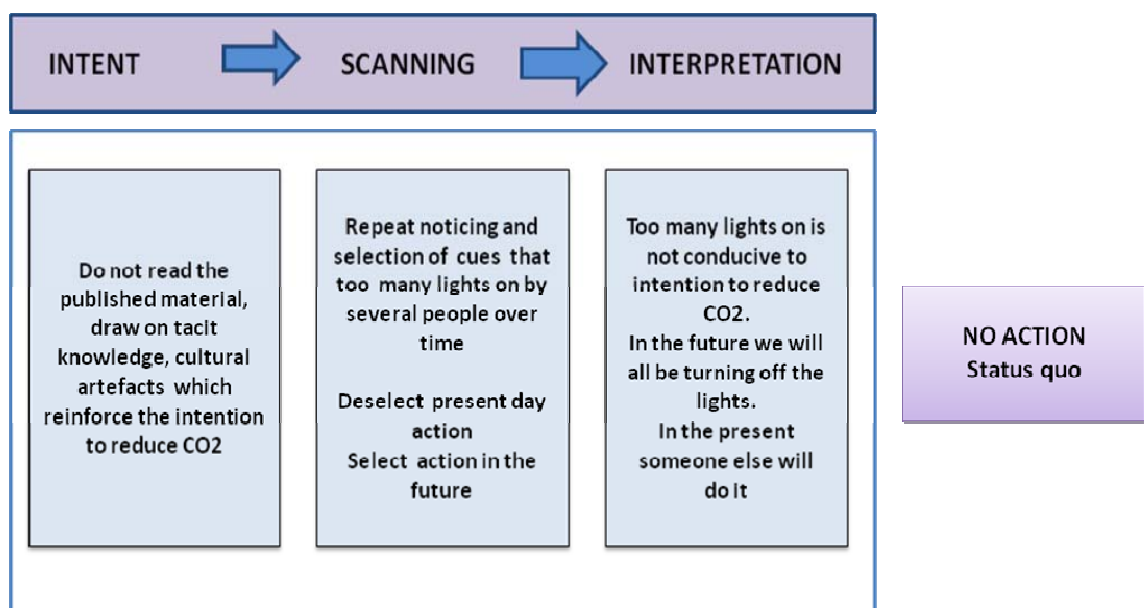
What is interesting about this quote is how – when referring to the focus group of which he was a participant – J refers to ‘them’ and ‘they and not ‘us’, as if to distance himself from what had happened. He also did not take any action to turn off the extra lights.

The managers, as a group, persuaded themselves individually that they did not need to take any action. Their sensemaking lead to a plausible story that it was not necessary for them to turn off the extra lights ‘today’ to reduce CO<sub>2</sub> and energy, but that they might do so in the same situation at some time in the future. They did this through dialogue with each other as they cognitively removed themselves from the present by deselecting the factual evidence that sitting in a room with too many unnecessary lights on is not behaviour which is congruent with the firm’s CR intentions.

Furthermore, it appears that, in order to make sense of and to justify their ‘no action’, they have selected a cue that enacting CR (including turning off excess lights) is the responsibility of someone else, perhaps a designated CR person, and not the responsibility of every employee in the organisation.

Figure 2 illustrates how the unconscious sequence of sensemaking events in this example resulted in excess lights not being turned off.

**Figure 2: Deselecting CR action in the present**



*Deselecting CR action in the present – turning off lights © S. M. Jackson 2009*

## Summary

This single example of the lights seems relatively unimportant; however, if this scenario is happening in organisations all over the world, every day, this could be a significant indicator as to why many organisations are not achieving their espoused CR intentions and why goals to reduce emissions and energy use, necessary to reduce the impact of climate change, are not being met. People seek plausibility through making a sense which fits with their own reality, even though their perceptions

may not be accurate. Because of the subconscious nature of this phenomenon, this inaccuracy goes unnoticed and un-discussed.<sup>x</sup> If we take the scenario of not acting to turning off lights to a more strategic matter such as large construction projects, mining, forestry or oil and gas projects, then the gap between what organisations espouse as their commitment to protect the environment and enhance society and their people not acting congruently with those espoused commitments, could be enormous.

The managers in the research appeared to be unaware that they deselect the reality of present day action. This process appears to be subconscious. There are parallels between this research observation and the battered child scenario mentioned earlier, as the managers struggle to find meaning in their own reality about WHO is expected to DO WHAT in terms of CR. The result is that they do nothing. From that lack of action, two pertinent questions arise:

- Could this be what was happening in the UK banks in 2008?
- Is this happening in your organisation today?

## 2. The impact of organisational culture on CR action

The two research sites were selected because they appeared to be so similar and could be used to observe common phenomena. However, the research revealed that the two firms have very different underlying cultures which impact on how their CR focus is interpreted by their managers.

Alpha's culture has a more philosophical and value-based stance (a moral underpinning):

**Alpha J.** *"If you read any history on our founder and you go back in time you will see the business principles our company has been built on, ethically."*

Delta, on the other hand, adopts a strong business case approach to CR (a business case underpinning):

**Delta A.** *"I don't see behaviours here being dictated primarily by CR policy rather than by business policy."*

It appears that these two distinct identities influence how managers make sense of CR in their organisation and what they actually do.

The dialogue of the managers observed during the research suggest that, in an organisation with deeply embedded and collectively shared ethical business principles, a cultural framework underpinned by values can become the common lynch pin for how managers select information about the firm's CR and sustainability expectations. This then impacts on what they do.

- At Alpha, the managers consistently selected sensemaking 'cues' from an image based on a philosophy and moral framework deeply embedded in their culture. In general, Alpha managers

made collective, shared sense about enacting CR when they discussed CR and sustainability through the frame of their business principles. However, the language used was critical to their sensemaking and interpretation. For example, in their underpinning guiding framework they did not use the language of 'business ethics' or 'codes of conduct' and therefore these terms were meaningless to them in the context of their everyday roles. Instead, their guiding principles have a specific internal image, an internal 'label,' and an identity with which people in the company passionately associate themselves. These principles are so strongly embedded in the organisation that they are generally taken for granted and lived and breathed as the way business is conducted.

Such a deeply embedded business philosophy appears to create a shared internal organisational image, which appears to impact on a manager's individual sensemaking. This is illustrated by the fact that, although at times managers at Alpha confessed to not being sure what CR or sustainability means, they all said very similar things and subconsciously selected similar information from their ethical business principles:

**Alpha DJ.** *"We aren't really sure what CR was for us or what are its boundaries whats its scope, and despite that we all had a similar view of what we thought it was."*

As a comparative illustration, at Delta there was not the same culturally embed moral framework:

Throughout the study, Delta managers struggled to align their culturally explicit business focus of selling a product with their organisation's espoused CR commitments. An irony of this scenario is that the managers believe that the sales people have no time for CR because selling the product is their sole priority, yet at the same time their marketing people are promoting green products as a commercial advantage.

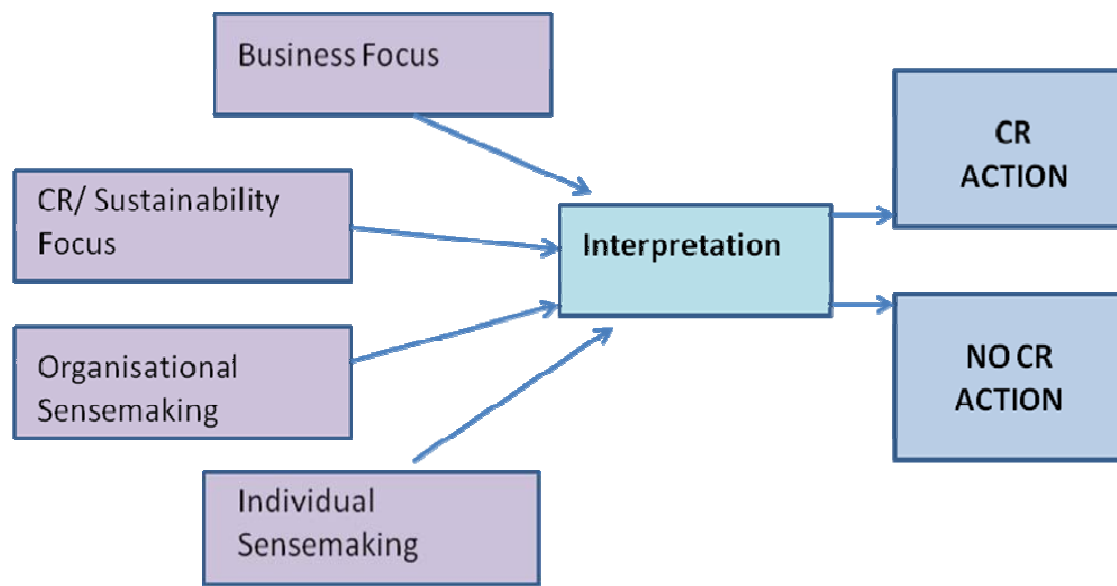
This contrast suggests that the narratives used in different departments are not aligned and therefore the managers struggle to make sense of what is expected of them. Furthermore, there appears to be a disconnection between understanding and then interpreting how the firm's CR and sustainability aspirations are aligned with their business growth focus.

***The comparisons seen in the research suggest that an overriding culture of 'business and profit first' does not help managers to make sense of what they are expected to do in their everyday roles in terms of sustainability principles or to motive them to engage in their firm's CR aspirations.***

In general, CR intentions in daily business do not seem to make sense to people where the bedrock character of the organisation is to 'sell things to make money'.

This research suggests that people try to find a meaning of CR which is aligned with the organisational culture and prevailing organisational sensemaking systems. They select information from the dominant organisational collective narratives (informal and formal story-telling) and day-to-day language used.

Figure 3: Influences on how employees make sense of CR



The observations discussed earlier regarding the difference between both companies in their underpinning of values (Alpha – moral; Delta – business case) begs the question: Are managers in explicitly, morally underpinned organisations more likely to enact CR? During data analysis, I assumed that attempts to embed CR are more likely to be successful where those CR intentions are aligned with an organisational culture which is underpinned by a moral framework.<sup>xv</sup> However, I then realised that the most illuminating examples of managers’ sensemaking processes leading to ‘No action’, such as not turning off the lights, were at Alpha, the organisation with a deeply embedded philosophy that might be assumed to be a CR enabling culture. How could this be?

There appeared to be a disconnection between the organisational philosophical approach (a CR supporting culture) and the managers’ CR actions. To understand why this disconnect existed, I read through the many hours of interview transcripts which had been finely analysed through Conversational Analysis. From analysing the conversations at both research sites, I noticed a pattern suggesting that managers enact their organisational CR intentions **ONLY** when their **individual sensemaking is aligned with organisational sensemaking**.

This means that the managers’ making sense of CR process must create an interpretive ‘story’ which is aligned with the prevailing organisational cultural narratives and stories. When this alignment does not happen, individuals’ own sensemaking process can draw on a different set of personal sensemaking influencing factors, including:

- Own perceptual filters
- Own tacit experience
- Own identity



This could be described as managers 'reading a different script' from the collective organisational sensemaking which leads them to a different interpretation of the firm's CR aspirations, which in turn impacts on what they actually do, or do not do.

This is very interesting because most academic and practitioner literature suggests that, if an organisational culture is underpinned by a moral framework which is 'CR friendly',<sup>xvi</sup> responsible business practice is more likely to be enacted by individuals (notwithstanding the other influencing factors on individuals, e.g. religious preferences etc.).

However, we have seen managers working in an organisation with a deeply embedded moral philosophy 'reading a different script', which significantly contributed to the result of them not turning off the lights despite knowing that they are expected to do so. This suggests that managers' own, individual sensemaking can 'derail' their interpretation through an alternative story, which is plausible within their own world reality but can subconsciously sabotage their enactment of CR intentions. In this case, the result was that they believed it to be alright not to turn off the extra lights today because in the future (5 years hence) they would act.

### 3. Managers do not read CR materials

Earlier in this discussion I explained that my starting assumption was that organisational CR and sustainability intentions are communicated through CR reports and websites etc. However, early in the study it became very clear that managers do not read these materials in any depth, if at all.

At both research sites, the managers stated that they do not read their organisation's CR reports, intranet or related written communications about CR. This is illustrated in the following extracts from both focus groups.

**Alpha DJ.** *"I don't spend all day looking at the intranet and you know I think the majority of people don't."* **Alpha P.** *"I think only if you are involved in it do you actually go on there (intranet) and think I'll read all that."*

**Delta D.** *"Even if there is something on websites saying this is what CR is and these are our goals, chances are 9 out of 10 people just go, oh I haven't got time for that."*

This is likely to have a significant impact on managers' confusion about their organisations' CR and sustainability intentions. The study showed that, in general, managers form their interpretation of their organisation's espoused CR from:

- Internally branded CR initiatives
- External consumer-focussed marketing materials
- Noticing cues related to their own special interests
- MD/CEO communications

- Cues from their own day-to-day role, e.g. Marketing or Public Affairs, where their function is explicitly involved with CR-related activities.

The research also revealed how managers draw on all their tacit knowledge in an attempt to complete an interpretation that they feel comfortable with, filling any gaps in their understanding with their own constructed stories. Obviously, this can impact on the sensemaking process from the outset so it can be 'hit and miss' as to whether the managers' sensemaking of CR starts from the same point as the organisational sensemaking of CR.

## IMPLICATIONS FOR EMBEDDING CR

One of the perennial challenges of embedding CR is that CR and sustainable business practices are not usually a clearly defined strategy, or a single policy, but more an aspirational construct to which managers are expected to contribute. In both of the research cases, managers were confused about their organisation's CR and sustainability intentions and the 'language' and 'labelling' used – and remember, these were managers on eco teams. This study showed how semantics are important for managers to be able to make sense of the relevance of CR in their own reality. Where the language is considered to be 'woolly' and the labels do not fit, people follow their own desire lines, aligned with their own tacit knowledge and experience, to find out the meaning of what is expected of them. This is very likely to lead to an outcome that is not congruent with the firms' intentions, or indeed to no action at all.

Since completing this study, a senior manager from an international telecoms business told me:

*"One of our biggest challenges is overcoming [the question of] why should our employees be interested in 'doing any' of our CR [actions]."*

I am sure this is a question being asked by many managers in businesses trying to embed their CR intentions. Practitioner writing suggests that, in order to embed CR, the operational managers of an organisation are expected to enact the espoused CR aspirations through their decisions and actions in their daily roles.<sup>xvii</sup> However, this research suggests that in many organisations this may not actually be happening.

Whilst the purpose of this occasional paper is not a 'how to guide', it is important to make sense of the findings and observations from this research and place them in a practical business context. I suggest that, without understanding more about the relationship between organisational sensemaking and managers' sensemaking, a distorted interpretation of CR and sustainability is likely to remain unchallenged in an organisation. The implication from this research is that embedding and facilitating CR requires a fundamental shift in approach in order to deal with professional blind-spots and the all-too common incongruence between well intentioned rhetoric and action.<sup>v</sup>

Below are some suggestions and questions you can ask in order to start addressing any disconnect that might exist in your organisation between intent and action in the selection and interpretation stages of managers' sensemaking and meaning-making process. This may enable you to begin to understand how to align individual and organisation sensemaking, which could then have a positive impact on getting your organisation shifting from merely aspirational to enacted CR.

### **1. Understanding sensemaking in your organisation**

This occasional paper has illustrated how 'No CR action' is possible even when people are fully aware of the intentions of the organisation they represent and what is expected of them. Is this happening in your organisation?

If so, ask (and answer) the following:

- How do YOU make sense of your organisation's CR aspirations?
- How does your interpretation compare with the other members of your organisation?
- What are the examples you have observed where individual interpretation of CR is not aligned with your organisation's interpretation of CR?
- What are some good examples of individuals enacting CR in their daily roles in line with your organisation's expectations? What does the sensemaking alignment look like?
- Where there is no CR action, which different influences and perceptual filters are people drawing on, which leads to alternative interpretations of your organisation's espoused CR aspirations?

### **2. How is your organisational culture aligned with your organisational CR aspirations?**

This research shows how different factors influence individual sensemaking of CR which can then result in a disconnection between intent and action. This includes how the organisational cultural 'stories' can impact on the sensemaking process, and also how individuals create a 'story' which is plausible in their own world reality but can subconsciously sabotage enactment of CR intentions.

To assess if your organizational culture is aligned, and clearly so, with its CR aspirations, ask:

- What are the cultural and identity-related sensemaking narratives and frameworks in your organisation?
- How do these 'artefacts' align with CR and sustainability narratives?
- What are your core business focus narratives? Are these aligned with CR narratives?
- How do individuals interpret organisational collective narratives in the context of CR?
- If your organisation does NOT have a long-term, deeply embedded culture such as Alpha Electronics, how can managers develop an alignment between prevailing interpretive systems, identity and CR intentions?

### **3. Communicating CR to people who do not read CR reports**

It seems that many managers do not read the CR reports, bulletins and newsletters circulated across the organisation. Further, where CR language is considered to be 'woolly' and the 'labels do not fit', people follow their own desire lines, aligned with their own tacit knowledge.

My recommendations are:

- Find out how people do actually become aware of the CR goals in your organisation.

- Try to communicate CR intentions in bite-size chunks, in different formats which are meaningful in terms of managers', and other employees', day-to-day role reality.
- Use meaningful language, labels and internal organisational branding.
- **VERY IMPORTANT** – Make sure that organisational communications and CR communications are aligned so that people can make 'joined-up' sense of them, rather than disconnected sense.

#### 4. Linking CR and sustainability with day-to-day reality

This research revealed that some managers develop their understanding about CR from their daily reality, especially where there are explicit links between CR actions and their day-to-day roles. Conversely, where people deselect CR intentions as not being relevant to their area of responsibility it can often mean that they think they do not have to do anything about it,<sup>xii</sup> and the 'no action' outcome becomes acceptable to them in their own frame of reality.

- Look at introducing key performance indicators and reward systems which include CR and sustainability-related activities and targets which make sense in everyday activities and support business objectives.

#### 5. Practical implementation of sensemaking theory

Sensemaking theory implies that understanding CR is reached through words<sup>ix</sup> and this research suggests that dialogue and conversations are essential for the alignment of organisational and individual sensemaking.

Before reading this paper, it is quite likely that you were not aware of the theory of sensemaking in terms of management development or that the process of people's sensemaking can be so inaccurate. However, hopefully after reading this paper you will understand a bit more about how sensemaking can have such an important role in embedding CR and sustainable business practices. You may also have become convinced, as I have, that a different approach to management learning and facilitation is required in order to raise individuals' awareness of their own CR sensemaking process, the information they notice and deselect, and also understanding the CR sensemaking of others.

From my experience, it is my belief that facilitated reflective learning<sup>1</sup> through focus group conversations could be used to alert managers to how their tacit experience can impact on their sensemaking. Also, more facilitated critical-reflection<sup>xviii</sup> might stimulate forward sensemaking<sup>xix</sup> and raise early warnings of inaccurate sensemaking leading to no action or non-congruent action.

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<sup>1</sup> **Facilitated reflective learning** - Critical reflection is a process of analysing, reconsidering, questioning and critically commenting on something that has happened. This process can be facilitated through learning interventions with an emphasis on reflection as a precursor to corrective action. It can be a powerful process to challenge unrecognised assumptions and to test incongruence.

It appears that a novel approach is necessary to help managers understand what is expected of them in terms of CR and to support them through a process of becoming conscious of their sensemaking. However, there is the possibility that some people may feel uncomfortable examining their deeply personal sensemaking processes and in most organisations there is a reluctance for managers to have ‘trustful dialogue’<sup>xx</sup> and ‘honest organisational wide conversations’<sup>xxi</sup> about the congruence between publicly-stated organisational CR intentions and what is actually happening in daily business activities. The Enron scenario is a perfect example of this. It demonstrates that many people are not comfortable with reflecting on their own behaviour, or questioning the behaviour of their peers.<sup>i</sup>

Learning forums and supportive conversations in a safe environment, which stimulate awareness of iterative sensemaking, could contribute to collective understanding of the firm’s CR intentions and such interventions could be effective in making managers aware of which cues they are selecting and deselecting and what impact this has on their interpretation of CR and action. This requires new skills and a new approach.

**Learning and facilitation suggestions include:**

- Train CR Champions and operational managers in the skills necessary to facilitate sensemaking enquiry (see Doughty Centre ‘How to’ CR Champions guide)
- Allow time and space for reflective conversations
- Conduct organisational sensemaking research
- Enable more focus group discussions
- Develop communities of CR and sustainability learning

## CONCLUSION

The introduction to this occasional paper discussed the contemporary management issue of a gap between rhetoric and action in the context of the commitments that organisations espouse towards the environment and society, compared with what the people in the organisations actually do in daily business operations. If organisations are genuinely committed to embedding their CR and sustainability principles, this gap between rhetoric and action must be understood and addressed. The findings of this research suggest that managers' sensemaking can be a contributing factor to this disconnect.

The main findings of this research provide some insight into how managers' sensemaking processes can prevent them from taking any action related to CR intentions. This implies the necessity for a different approach to 'operationalising' CR and to training employees in CR.

This aim of this research was to attempt to understand how operational managers' sensemaking regarding CR affects their behaviour. The results indicate that many managers can have inaccurate and distorted interpretations of their firm's CR intentions, and if they cannot make sense of those CR intentions in their own world reality they are not likely to act congruently with the espoused intentions. Furthermore, they do not read the CR reports and communications that organisations spend time and money creating.

From a practical point of view, this suggests the need for novel CR communication methods, including discussion forums and communities of learning, so as to find out for sure what CR means to managers and how they interpret CR in their own day-to-day reality. It also suggests the need for a new and different approach to management CR learning in order to develop new skills to identify incongruence and misalignment in the scanning and interpretation stages of their own and other employees' CR sensemaking processes.



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