Abstracts

Integration of sustainability into the strategy of water companies

Individual paper by:

Ms. Judith E.M. Klostermann, MSc
Tilburg University, Faculty of Economics and Business Administration B730
Warandelaan 2
Telephone +31 13 466 20 46 / 23 15
P.O. Box 90153 Telefax +31 13 466 28 75
5000 LE Tilburg E-mail J.E.M.Klostermann@kub.nl
The Netherlands

(NB: I move to the Erasmus University Rotterdam on the 1st of October 1999, ESM-EUR, P.O. Box 1738, 3000 ER Rotterdam, The Netherlands, tel. +31-10-408 2050)

Abstract

This project was started at Tilburg University and is intended to look for more sustainable ways of groundwater management. The first phase of the project consisted of a general exploration of issues and positions in the field. Many different actors appeared to be influencing groundwater levels, such as industries, water companies, farmers, polder boards*) and municipalities. Their complex interaction will determine how (un) sustainable the results will be. I chose to focus on water companies.

In the Netherlands water companies are public utilities, responsible for the production of drinking water. Their past was characterized by a steady growth in water demands. After a long period of convergence, a period of divergence and experimentation has started. This divergence is caused by new demands from society concerning economic liberalization and sustainability and by new water production technologies. It is likely that the divergence will eventually lead to different kinds of performance in ecological terms.

If the impact of water company strategies on sustainability could be measured 'objectively', we could produce a relatively simple answer to the question to what level of sustainability different business strategies lead. However, there is no scientific or political consensus on goals and indicators of sustainable water management; and consensus will most probably not emerge during this project. Therefore, I had to look for a research approach that would work in such an uncertain domain.

The 'school of thought' I found useful has social construction as its paradigm. The basic idea of social constructionism is that the way humans see reality is socially constructed. Meanings are negotiated in an ongoing cultural process, and the relation between meanings and the 'real' reality will always be uncertain. The social constructionist approach is suitable for studying an uncertain and turbulent area.

According to social constructionism, a paradigm such as sustainability is constructed in a discourse of social actors. Although these actors may have different and even conflicting views and interests, they also function within a larger social network. I am interested in the effects of the discourse on sustainability. These results can be studied at the strategic as well as the operational levels. The strategic level fits in well with discourse analysis: according to Weick, perceptions of the environment are decisive for the design of business strategies. At the operational level, we could measure an unlimited number of indicators, such as the amounts of groundwater and surface water used, amounts of waste produced and energy used, investments in new technology, efforts to monitor and educate, etc. Data at the operational level will be harder to accommodate. An instrument for judging whether these are the 'right' results is missing. The only argument is if the operational outcomes form a coherent whole with the picture created in the discourse. I will therefore not attempt to make a complete assessment at the operational level; I will choose a limited set of indicators to check the coherence of the discourse within an organization.

The next step in the project is operationalization of the conceptual framework into a detailed research protocol. This paper does not attempt to present the entire protocol but instead discuss the most important issues and conclusions.