

Posters

**The Nature of Environmental Capabilities
Implications for Environmental Policy and Business Environmental
Strategy**

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Abstract - Poster Session - Yücel Calbay

The poster is divided generally in the ecological and socio-economic sphere, while the latter is itself divided in the firm and the institutions of its environment that are relevant to the market success of its activities. It is looked at the path of ecological information that arises from hazards into the elements of the socio-economic sphere and eventually into the firms perception and (ideally) into its capabilities as a strategic response.

Thus the poster deals with two main areas of analysis. First, it aims to investigate the mechanisms and influencing factors of the rise of how ecological issues become part and diffuse through the socio-economic environment of the firm. Second it looks at ways the firm can strategically respond to this greening of the 'selection environment'.

The first stage of this path is its diffusion into the firms environment. After an introduction into the evolutionary nature of the main conceptual framework and the basic concepts underlying the line of argument, the first part identifies three main market actors, i.e. actual and potential customers, regulators and other institutions involved in the development of the legislative and standard-setting framework and cooperating and competing firms. It attempts to identify their main epistemological conditions particularly for environmental issues and relates them to their economic rationale. Also, two main market factors emerging from the interaction of these actors are developed, namely the 'overall set-up' of societal values and attitudes as well as the infrastructural conditions and emerging 'lock-in's of particular technology systems. From these elements of the firms 'selection environment' possible patterns of the direction and rate of the diffusion of ecological information (i.e. basically the knowledge about ecological hazards of anthropogenous activities) within the socio-economic sphere are derived. While doing so, necessarily a closer look is taken to the cognitive and perceptual limitations on the individual and organisational level and the qualitative 'distortions' the

ecological information is subject to that are connected to them.

The second part of the poster tries to illustrate the 'affection' (and the own contribution) of the firm by this development (and thus focusses on the next stage of the 'path' of the ecological information) and, building on this, possible areas and ways for an integration into its strategic considerations. Departing from the general relationship between skills, routines and capabilities (while the latter is attempted to be 'released' from its inflationary and shallow 'buzzworded' use in mainstream business literature), it is focussed on the question whether the building of environmental capabilities bears peculiarities and if so how they might be conceptualized. By doing so specific requirements for the organizational perception of ecological phenomena and entailed - also specific - potential risks are developed. Also in this context, the point of the affection of corporate coherence plays a central role. The poster eventually also tries to derive and make plain consequences for environmental policy.