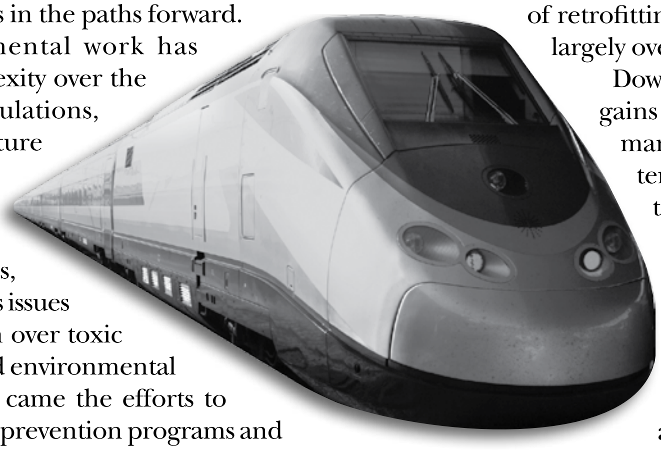
CAREER TRACKS

Sustainable Development and Its Career Implications, Part 1

Competitive Strategy by Richard MacLean

Will Rogers once said, "Even if you are on the right track, you'll get run over if you just sit there." Pick up any newspaper or magazine and you will find an environmental story. It's not just hot, it's fashionable, as in, *Green is the new black.* Environmental professionals have chosen an excellent career, but now it's time to examine where this profession has been, where it's headed, and more specifically, if it has begun to split into separate paths. Which track will you be on? In this, the first of a two-part series, I examine how the profession has reached its current junction. Next time, I will explore the career implications in the paths forward.



The nature of environmental work has increased in scope and complexity over the past 40 years. First came regulations, followed closely by infrastructure projects to meet those regulations. Next, environmental professionals began cleaning up legacy contamination issues, addressing community relations issues in response to media attention over toxic hot spots (e.g., Love Canal) and environmental disasters (e.g., Bhopal). Then came the efforts to reduce costs through pollution prevention programs and environmental management system efficiencies.

Beginning in the late 1980s, environmental issues required a level of resources and attention that elevated managers to directors and vice presidents. Professionals were being consolidated into environment + health + safety (EH&S) departments (more about this later). Security and quality responsibilities were added to some groups. Individuals with a real grasp of EH&S were getting to speak directly to the CEO and influence business decisions. They were helping drive the corporate train. And then the signals started to appear that this engine fueled by regulations was stalling.

Early Signals

The 1993 landmark U.S. Supreme Court decision *Daubert vs. Merrell Dow Pharmaceuticals Inc.*, and later the Data Quality Act, slowed down the regulatory train that had been roaring along during the 1970s and 1980s.[1] Under the banner of "sound science," corporations now were able to challenge the information that was fueling the call for more regulations. The public, pleased with the successes to date in cleaning up the environment, diverted their attention to other matters while the dueling expert witnesses and lawyers applied the brakes. The U.S. Environmental Protection Agency started to travel down another path called "voluntary programs." It began modestly with the 1991 launch of the 33/50 Program to reduce toxic emissions, gathered momentum under the Clinton administration, and roared full steam ahead with the Bush administration.[2]

Around the mid-1990s, manufacturing facilities were being shut down in the United States and operations were being outsourced to foreign countries to meet growing consumer demands. In addition, environmental staff work was being both outsourced to consulting firms and/or assigned to other employees under the banner of multitasking. Design and engineering firms were also handling regulatory requirements for new construction, since the task of retrofitting pollution control systems was largely over.

Downsizing, combined with efficiency gains from maturing environmental management and information systems, reversed the engine leading toward bigger, more influential, and consolidated departments. It's hard for the environmental manager to be at the top of the board of director's agenda if business executives and the public believe these issues are well under control. In the words of Robert Shelton at the time, the profession was hitting a "green wall" that separated environmental managers from the inner circle of business executives.[3] And in Securities and Exchange Commission legalese, these issues were no longer "material."

A New Main Spur Line Emerges

Just before the regulatory engine stalled, a new track appeared in the late 1980s. Instead of measurements such as "300 parts per million maximum allowable," fuzzier concepts such as "sustainable development" were being talked about. Even "corporate social responsibility," which had been around for decades, was revitalized and expanded to include issues beyond just philanthropy.

In part, the successes of the regulatory track during the 1980s enabled the focus to shift to these less clearly defined and measured areas. Some environmentalists might even claim that sustainable development gave companies the ability to divert attention away from traditional regulatory issues and to avoid making real (read: expensive) changes to their ongoing U.S. operations.

In the 1980s, environmentalists wrote the script for the media while corporations fumbled the public relations challenge. Corporations were focused internally on reducing their environmental footprint and decreasing the risk of another major accident. They literally tried to keep out of

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the public's eye. That flawed approach dramatically shifted during the 1990s. Beginning with the World Business Council for Sustainable Development, industry started to aggressively promote the successes achieved through voluntary programs. CEOs wanted to prove to the public that their corporations were not the problem, but part of the solution. Indeed, a sustainable future would be achieved through innovation and eco-efficiency, not regulations.

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But while the developed world was enjoying an improving environment and industry was showcasing its sustainability projects and voluntary programs, significant environmental issues were emerging in China and other developing nations. By the start of the new millennium, global environmental issues were finally making headlines in the popular media. The public was learning what scientists knew for decades, namely, that these transboundary environmental issues were far more complex, difficult, and expensive to resolve.

From a corporate standpoint, not since the building of expensive regulatory infrastructure during the 1980s and early 1990s, was so much at risk. As stated recently in Harvard Business Review's blog HBRgreen.org, "Concerns about climate change will undoubtedly spur massive market shifts—whether they come from changes in regulations, capital markets, consumer demand, or something else. And when changes come, they will create both winners and losers."[4]

Corporations began positively influencing the dynamics through industry-led programs such as the U.S. Climate Action Partnership. In sharp contrast, the Global Climate Coalition, an outspoken industry group formed in 1989, battling against controls on greenhouse gas emissions, went careening off the rails and crashed in 2002. Starting in the 1990s, corporations reached out to the very organizations that attacked them in the past, forming partnerships and alliances and leveraging their credibility. Some began to worry that nongovernmental organizations were being co-opted by industry. Others such as Shellenberger and Nordhaus in the classic 2004 essay, "The Death of Environmentalism," declared that the traditional techniques used by nongovernmental organizations were unable to meet global environmental challenges.

Companies began spending millions on green advertising to get their messages out. Green marketing has since become all the rage with GE's Ecomagination product line of "green locomotives" forging ahead. Indeed, this new track appears to overshadow, at least in the public eye, the traditional work performed by environmental professionals. For some CEOs, being green has shifted from a cost of doing business to marketing and strategic positioning of their brand.

Permanent Tracks

The point to this history lesson is that these dynamics have developed over decades and are driven by forces that will, if anything, get stronger with time as more and more global environmental issues come to light. Yes, there has been backlash in the form of claims of "greenwashing." And yes, regulatory court challenges of the past are now overshadowed by very public controversies over climate change. But this new track will not go away. As quoted earlier, there will be both winners and losers—and this is not just limited to corporations. How might these dynamics impact your own career track? We'll examine this question next time. **em**

References

1. See, for example: Hoppin, P.; Clapp, R. Science and Regulation: Current Impasse and Future Solution; *Am. J. Pub. Health* **2005**, *95* (Suppl. 1); S8-S12.
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