

# Delivering the message



## Techniques for educating executive management on future environmental issues

By Richard MacLean

**S**enario planning is a powerful tool for peeking into Pandora's Box of future environmental issues. When you discover a major issue looming on the horizon, how do you deliver the message to executive management? This month's Manager's notebook offers suggestions on how to educate management and develop an effective strategy for dealing with future issues and opportunities. The advice is primarily directed at mid to large corporations where access to upper management is at a premium. The underlying principles, however, hold true for small companies and individual manufacturing sites.

Environmental professionals rarely work directly for their CEO. Indeed, interactions with executive managers are usually infrequent, highly structured and narrowly focused. For example, at one time in my career, I reported to a technology department manager who reported only the good news to the chief executive of the business group. Guess who got to talk about impending environmental problems?

The very nature of interactions with executives creates a "green wall" between environmental professionals and business executives.<sup>1</sup> For the environmental professional, this separation is particularly difficult to overcome. Executive staffs and CEOs rarely have backgrounds in environmental management. Conversely, environmental managers generally do not have business backgrounds with profit and loss responsibilities. Senior managers' concepts of environmental issues are most often conceived in general terms, such as the importance of managing external environmental perceptions of the organization, regulatory compliance assurance and employee morale.

An open two-way dialogue is needed both to educate and inform one another of elements critical to a broader understanding of how environmental, health and safety (EHS) adds value to a company. This two-way exchange is essential. In the environmental business, as with any other area involving ethics, just following orders is an

unacceptable justification for carrying out fundamentally flawed orders. It is our responsibility to ensure that informed and candid directions are coming from the top. This can only be achieved if education is a significant portion of every discussion.

Educating management does not mean providing status reports. Education means spending some time carefully explaining the underlying issues and the dynamics at play. Scenario planning can be a powerful tool in this regard. For example, Peter Schwartz, in *The Art of the Long View*, describes how Shell business executives in the 1960s could not grasp the possible impact of an OPEC (Organization of Petroleum Exporting Countries) oil boycott. The traditional charts and standard forecasts looked very positive. "So what is the problem?" they asked. It took the vivid descriptions developed through scenario planning to make management realize that preventative action was required. Because Shell was prepared, they moved from one of the weaker of the Seven Sisters — the seven largest global oil companies — to one of the largest and most profitable.<sup>2</sup>

### Being politically correct

There are other obstacles to establishing open, two-way communications. Many senior managers have learned the hard way that environmental issues can be sensitive public relations issues. Sometimes politically correct rhetoric can cloud what began as clear and explicit corporate communication. Sorting out the rhetoric from the true business objectives is essential.

For example, many companies have talked about their vision for sustainable development. In 1993, Ontario Hydro began a far-reaching program to incorporate this principle — called Sustainable Energy Development (SED) — as a core business objective. This was a program driven largely from above, specifically by Maurice Strong, their CEO. However, this ambitious program began to falter, and by 1997, the com-

mitment to sustainable development was abandoned.

A recent journal article describes the rise and fall of the program and states, "[A] variety of hidden beliefs about SED continuously operated within Hydro and were never aired or resolved. This ambiguity and lack of vision, together with an absence of process, contributed to a vacuum within which SED practice came to be regarded as a sub-strategic component of the corporation's new competitiveness orientation."<sup>3</sup>

Programs fail when there are conflicts or misunderstandings over goals and objectives. If the key players are on different wavelengths, communication suffers. If they have a superficial understanding of the basic dynamics, then they have simplistic ideas of what needs to be accomplished. In the Ontario Hydro example, both the environmental department and the CEO were tuned into each other, but the middle managers, who ultimately were to determine the success or failure, were not.

Challenging orders and raising questions are always hard when the orders are coming from the CEO, but if the directives involve sensitive subjects such as the environment, it can be extremely difficult to find out where management stands on the issues. In the continuum of what can be done, a common vision and understanding of future threats and competitive opportunities is necessary.

### Face to face

A number of times I've sat across from environmental managers who have stated they are receiving mixed signals from various business executives. I respond by asking, "Well, did you ever directly ask them?" "Did you ever give them your opinion?" The reaction to this question is revealing. It's as if something very profound has been said. All too often, environmental managers are so used to the highly structured interface with business executives that the thought never occurs to them to simply ask or deliver mes-

sages outside the normal scripted exchanges.

The reasons that environmental managers don't see eye to eye with executives are both obvious and not so obvious. It's difficult to get on their schedule. The "role model" for interaction (read "comfortable format") is a presentation-oriented exchange. It can be intimidating to interact with someone who can terminate your job instantly. Perhaps it is best to keep a low profile... or is it? Getting past all of the gatekeepers who surround these executives can be a difficult obstacle. This can create a frustrating and delicate challenge.

### Best practices

Successful exchanges with executives are both a probe for information and an educational exercise. Contrary to my previous statement, a frontal attack may not be the best approach. Bluntly asking, "What do you think?" or stating, "This is what I think," may lead to disaster. They may give an answer, but it could be ill informed or misdirected and leave you with the consequences. Equally as dangerous is a candid data dump from a scenario planning exercise without the information to put it into context.

Interfacing with executive management is both a science and an art. The key to success is to establish a neutral, non-judgmental atmosphere in these talks where the individuals feel they can throw away the script and the rhetoric.

### The bottom line

If your face time with executives is limited to providing status reports, you are only doing

half your job. Educating your management on the emerging dynamics and underlying issues is a required function for the environmental professional. Scenario planning provides a good tool to get the raw material for these discussions.

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The best exchanges may come from highly structured or professionally supported meetings that are conducted in an informal style. This is especially useful for an initial assessment of possible disconnects and key business priorities. Experienced interviewers with a carefully thought-out set of questions and a style that does not invoke on-the-spot executive policy or directives are needed. Follow-up action to close gaps or provide critical information would be the next step after these meetings. Carefully creating an open corridor of information-flow based on diplomacy, trust and professionalism will enable you to accomplish your goals and meet business objectives. **EP**

## The flow of communication

### Traditional executive interaction

#### Issue driven

- Crisis du jour
- Current events/ trends

#### Process driven

- Reporting outcomes
- Performance numbers
- Program status
- Compliance status
- Receiving instructions and directions

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### endnotes

<sup>1</sup> Robert Shelton, *Hitting the Green Wall: Why Corporate Programs Get Stalled*, Ch. 2, The Role of Upper Management, *Environmental Management and Business Strategy: Leadership Skills for the 21st Century*, Edited by B. Piasecki, et al., John Wiley & Sons, 1998.

<sup>2</sup> Peter Schwartz, *The Art of the Long View: Planning for the Future in an Uncertain World*, New York: Doubleday, 1996, Pg. 9.

<sup>3</sup> N. Roome and R. Bergin, The Challenges of Sustainable Development — Lessons from Ontario Hydro, *Corporate Environmental Strategy*, Elsevier Science, NY, Vol. 7, No. 1, 2000, Pg. 18.

## Guidelines for exploring difficult issues with upper management

- Obtain at least 30 minutes for each dialogue, but schedule time slots for a full hour. You are unlikely to realize the most essential, open dialogue in anything less than 30 minutes.
- If you are seeking guidance from management, it may be best to bring an experienced colleague. One person cannot take notes, pay careful attention to not only the words spoken, but to the body language and still formulate follow-up questions. A single individual may also read into the response his or her personal biases and opinions. Two people are able to trade-off asking questions, formulating follow-up questions and taking notes.
- At least one of the participants needs to be a senior EHS professional who can explore the environmental nuances and implications with the manager in their language, not EHS jargon.
- Do not force the discussion to cover all of the questions you may have on your mind. The discussion will often become more free flowing as executives begin to cover what is on their mind. Change takes time, and patience is crucial to establish a basis for future open dialogues. This is where skill and experience are essential.
- Past or ongoing business relationships between the executives can either add to or distort the interviews. Executives may be reluctant to bring up some subjects in front of certain associates, may avoid perceived conflicts (e.g., criticize or point out failings), may seek approval and may be influenced by a host of other issues. Outside, neutral facilitators help avoid these problems. Indeed, companies have used a combination of internal and external participants in key management discussions to their best advantage.
- Approach this process from an integrated EHS perspective. Executives often frame these issues together under the broad banner of public and employee social responsibility.
- Balance the delivery of bad news with the offering of possible solution scenarios. This will serve to infuse the discussion with optimism and conclude the session on an upbeat note.

*These steps are particularly useful to determine business management's top priorities, sensitivities and performance metrics. They are also worthwhile to determine if there are any major "disconnects" among executives over the vision, goals, timing and objectives. Another useful purpose is to both deliver key messages about the environmental group (e.g., major successes and goals) and also probe for concerns about how the environmental organization is currently performing (e.g., What it should be doing better? More of? Less of?)*