ENVIRONMENTAL LEADERSHIP

Watch Out for "Stealth Mandates"

The CEO proudly declares at the annual shareholders' meeting, "We are committed to advancing business practices that improve the environment. Sustainability is a core value!" The shareholders love the message and take the CEO at her word.

The seasoned environmental manager in the audience recognizes that the real business marching orders will amount to another stealth mandate. His assessment of how the CEO's inspiring words will be carried out in actual practice: "We will try to stay in compliance and not create environmental problems that will get us into the headlines. If we identify opportunities to save money through environmentally friendly activities such as recycling and reuse, we will practice them if they promise a good payback."

Companies always try to put the most upbeat messages forward to the outside world. But internally and behind closed doors, it can be a challenge to determine what the top executives really want accomplished. This column describes "stealth mandates" and explains how to identify them.

It's Not Just Environmental

The inspiration for this "Environmental Leadership" column came from a 2007 article by Lau-

Mixed messages—and hidden marching orders—are endemic to the environmental profession

rence J. Stybel and Maryanne Peabody called "Beware the Stealth Mandate," which appeared in the *MIT Sloan Management Review*.[1] In that article, the authors focused specifically on the conflicting mandates given to top executives by boards of directors or CEOs.

But the underlying principles they discussed are similar even further down in the organization. For example, consider the following excerpt from the article (with additions in brackets to reflect conditions in the environmental world):

The executive [new environmental manager] is told that the company or business unit is in good-to-great shape, but once she becomes familiar with the operations, she realizes that she is dealing with a turnaround [extensive compliance and management system deficiencies]. But the situation isn't acknowledged and cannot be explicitly discussed, so she struggles to implement bold changes to save the business while those around her pretend that all is well.

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I personally have run into this situation a number of times over my career. In one really bad case, I came to the conclusion that my boss's main goal was to prevent me from ever telling the truth to the vice president and general manager of the division. The marching orders from the top executive were, "We do not want any environmental problems." But my boss interpreted this to mean, "I do not want to hear about any environmental problems." I sincerely believe that the top executive was true to his word, since every time I was able to directly deliver a message to the top, immediate action was taken to correct even the smallest of issues.

Usually, I was the one who delivered the problem messages after issues had reached the point where they could no longer be concealed by my boss. But sometimes the attempts to isolate me continued even in the face of the most obvious problems. For example, after a headline-grabbing explosion at the research and development (R&D) laboratory, my boss went into "overdrive." He was very worried that I would tell the truth, since I had been harping to him for more than a year about the potential risk for this type of explosion.

Rule one: Pay close attention to what business managers do, and not just what they say.

To seasoned environmental professionals, there is really nothing remarkable about this episode. My colleagues and I have spent hours chuckling over similar "war stories." But the problem is no laughing matter for professionals who are currently facing these issues.

Over the past year, I have talked to several environmental managers whose activities have been relentlessly throttled back—even as enthusiastic communications and marketing managers pressed them for support on public relations and "green product" campaigns. These managers were stressed to the max, knowing full well that if one of their organization's many environmental problems erupted, the company could be branded as a case study in "greenwashing" and environmental hypocrisy. And they knew that if that happened, they would take the blame.

Uncovering the Real Mandates

So how do you get past the "feel-good" chatter and find out what the real mandates are at your organization? Here are some ideas.

What Do Their Actions Tell You?

Rule one: Pay close attention to what business managers do, and not just what they say. If the stated mandate is "excellence in environmental performance," but you struggle to get budgetary approval for even "bare bones" programs, the stealth mandate is "Just try to remain in compliance and keep major problems from erupting."

If the stated marching orders are to achieve "social responsibility and sustainability," yet the underlying resource foundation on which this achievement depends is being cut—while at the same time highly skilled marketing professionals are being hired—the stealth mandate is "Boost the brand. Our core programs are just fine."

What Are the Top Executives Doing?

Rule two: Directly assess the top executives themselves. This is always the best approach, but it is generally the most difficult to carry out—for several reasons.

First, there is the issue of access, as illustrated by my personal case study described above. (I purposely specify "top executives" since if you work with only the middle managers, they may have an inaccurate or distorted picture of the organization's actual mandates).

Second, it is difficult to create a safe, trusting environment where executives can express their

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true feelings and beliefs. Environmental, health, and safety (EHS) professionals work in a very sensitive area and executives are conditioned to speak within politically correct boundaries. These constraints are especially reflected in the tone of environmental vision statements, policies, and mission and commitment statements. Almost universally, these documents read like value statements, offering little clear direction to management.

Finally, top executives may not fully understand the environmental dynamics in play as they relate to business issues. Thus, environmental professionals may be faced with the burden of first educating management before drawing any firm conclusions on what executives may really want to accomplish.

Ask Questions and Employ Tested Tools

Rule three: In their article, Stybel and Peabody recommend asking "three crucial questions":

- "What needs to be changed within the next 12 months?"
- "What needs to be honored or kept the same over the next 12 months?"
- "What must be avoided at all costs?"

These questions may work well at flushing out your true marching orders, assuming that the executives have a good understanding of the issues.

In addition, a number of other tools and techniques (beyond the scope of this article) are available for educating management and uncovering stealth mandates while working within a company. I have written about such techniques in prior articles (some of which are listed in the notes at the end of this column; they are also available on my Web site).[2]

Find Out Before You Sign On

For those who are not yet on the job, rule four is to fully explore the possibility of stealth mandates associated with your potential new assignment during the interview process.

If you are transferring to another business unit within the same company, you probably have access to a wealth of information and contacts that can allow you to ask the right questions during interviews.

Changing companies can be more problematic—and the sources of information available to you can be misleading. For example, rating entities and nongovernmental organizations may report information that they happen to have access to (such as the company's compliance records, sustainability reports, and policy statements). But these sources can be quite deceptive. Even an excellent compliance track record can reflect nothing more than luck and spotty enforcement.

Once you have accepted a new position, there are techniques available to quickly assess the organization.[3] But while you are still on the outside, this task presents challenges. If you are allowed to do so, you should speak to one or two junior environmental staff members. Typically, these employees will have an excellent understanding of the real issues and will not yet have developed the skills of a polished "master spokesperson" toeing the party line.

In addition, rule one applies here as well: Do not simply ask about the company's policies, visions, and so on. Instead, probe for what has been accomplished over the past few years that required real expenditures of resources and substantial executive commitment.

Searching for stealth mandates is not intended as a way of gathering data to justify turning down a new opportunity. Just the opposite: It allows

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you to openly discuss the real issues and expectations with management both during interviews and early on in the job.

It also allows you to more fully understand the challenges ahead and the strategies you should use when first moving into the position. Typically, you will have a grace period of several months (no more than a year) in which you can leverage your "newness" to uncover issues and address stealth mandates. Once you are past this window of opportunity, the issues created by stealth mandates become "your" problems—and could set you up for failure.

Dealing With Long-Standing Problems

For environmental professionals who are already on the job and trying to deal with bad situations of long standing, the choices are more difficult. In my own case, I was fortunate enough to get a major promotion out of the business division and into corporate. My boss was given early retirement and replaced with another business manager who had better skills and more courage when it came to taking messages up the chain of command.

For those who are not so fortunate, such situations can be very tough. They also appear to be

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Testing for Stealth Mandates

The following checklist can help determine whether your company may be suffering from stealth mandates generated at high levels within the organization:

- The EHS "vision" statement reads more like a "value" statement. There is no clear vision of where the company's EHS effort is headed.

- There is a disconnect between vision and reality. For example, the company is recognized as an industry leader for its business success, but actual environmental efforts are out of sync with claims of a top-tier position on environmental issues.

- Status reports and other communications intended for executives and boards of directors are edited repeatedly as they flow up through the organization. The final versions bear little resemblance to the originals, which typically are more urgent and candid.

- Status reports to the organization's CEO or board of directors are presented by someone other than EHS management. Critical communications are handled by a non-EHS executive in the chain of command.

- There is a perceived "fire wall" surrounding upper management, protecting them from negative news and opinions that are contrary to mainstream thinking.

- Excessive energy is focused on "working" the organization's internal bureaucracy rather than on promoting creativity and more competitive approaches to environmental protection. In deciding what programs to recommend, compatibility with existing business management practices is given disproportionate weight.

- Innovative ideas are eliminated in the earliest stages of development because it is assumed that these new approaches will not be approved by upper management. Such assumptions are rarely given a reality check by direct, face-to-face communication with business executives.

- Final, authoritative decisions are consistently deferred to the organization's legal department, even when issues do not involve compliance or regulatory matters. Progressive approaches are repeatedly held in check by the legal department.

- Options that represent the boldest (and potentially the most rewarding) course of action are consistently rejected in favor of safer alternatives.

- There is reluctance to use experienced independent advisors to review (and possibly challenge) the organization's current visions, goals, policies, programs, and other approaches. The organization selects management consultants who consistently support and reinforce existing approaches.

- Top EHS management is viewed as part of the problem, not part of the solution, in pressing forward with needed changes.

- The organization provides resource levels that allow for nothing more than "fire fighting" and minimal EHS compliance. There is friction among divisions over the distribution of staff and resources.

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fairly common within our profession, at least at the higher EHS levels. Entry-level positions tend to be very task-oriented, which often allows them to avoid office politics and dysfunctional behavior within companies.

I find it fascinating that organizations of environmental professionals typically devote entire meetings to the latest techniques for building a "socially responsible" company, but offer little support to members in resolving the "socially irresponsible" behavior within their own companies that inevitably takes up so much of their energy and time. A phrase quoted above—"the situation isn't acknowledged and cannot be explicitly discussed"—sums up the plight of many environmental professionals.

Concluding Thoughts

If you find yourself frustrated in your current assignment, I urge you to do a detailed assessment of possible stealth mandates that may be contributing to the situation. A checklist of items to look for is included as a sidebar accompanying this column ("Testing for Stealth Mandates"). You may not be in a position to change jobs, but at least you will have the comfort of knowing what is really going on within your company.

Notes

1. Stybel, L. J., & Peabody, M. (2007, Spring). Beware the stealth mandate. MIT Sloan Management Review, 48(3), 11–14. Available online at http://www.stybelpeabody.com/mitstealth.pdf.

2. See, for example:

MacLean, R. (2000, July). Vision alignment: Seeing eye to eye with business management. EM Magazine, pp. 26–28.

MacLean, R. (2007, September). Closing the gap: With the current environmental media blitz, is everyone in your company on the same page? EM Magazine, pp. 36–37.

MacLean, R. (2000, December). Delivering the message. Environmental Protection, pp. 41–43.

3. See MacLean, R. (2008, Summer). Environmental leadership: Fast governance. Environmental Quality Management, 17(4), 105–110.

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