



## Corporate Environmental Responsibility and ENGOs:

Is the Company Door Open, Shut, or Ajar?



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## **About Trident Exploration**

Trident Exploration is a natural gas exploration and development company, principally focused on natural gas from coal ("NGC"), also known as coal bed methane, from resource plays in the Western Canadian Sedimentary Basin ("WCSB"). The company's principal properties are located in Alberta, with additional exploration properties in British Columbia, Canada, the State of Washington and other areas in the northwest United States. More information about Trident Exploration is available at <http://www.tridentexploration.ca> or by contacting [infor@tridentexploration.ca](mailto:infor@tridentexploration.ca)

## **About the Pembina Institute**

The Pembina Institute creates sustainable energy solutions through research, education, consulting and advocacy. It promotes environmental, social and economic sustainability in the public interest by developing practical solutions for communities, individuals, governments and businesses. The Pembina Institute provides policy research leadership and education on climate change, energy issues, green economics, energy efficiency and conservation, renewable energy and environmental governance. More information about the Pembina Institute is available at <http://www.pembina.org> or by contacting [info@pembina.org](mailto:info@pembina.org).

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# Executive Summary

Over the past decade there has emerged an increasing interest in multi-stakeholder approaches to address environmental and social challenges. This move towards multi-stakeholder collaborations is beginning to challenge traditional dichotomies where business and environmental non-governmental organizations (ENGOS) were once viewed in opposition of one another, engaging primarily under circumstances of conflict and confrontation. Today, alliances to improve collaboration for greater societal benefit are increasing in number. To help encourage further dialogue and collaboration, a corporation—Trident Exploration—and an ENGO—The Pembina Institute—teamed up to research and document corporate perspectives on corporate environmental responsibility (CER) and ENGO engagement. This paper was intended to compliment a previous study undertaken by the Pembina Institute and Pollution Probe entitled “Defining Corporate Environmental Responsibility: Canadian ENGO Perspectives.” Combined, we anticipate that the papers present a comprehensive picture of CER in Canada, from the perspectives of both stakeholders, and provides assistance in designing mutually agreeable frameworks for environmental responsibility.

## CER Explored

The definition of CER provided by industry representatives in this study, lacked the detail and specifics provided by that of the ENGO participants in the previous study. The two definitions did share thematic similarities however. On a broad level, both industry and ENGO representatives viewed CER as initiatives undertaken to: a) leave a positive environmental legacy for future generations; b) pursue a degree of responsible development; and c) engage in dialogue with stakeholders.

There was a strong consensus that environmental responsibility does contribute directly to the economic viability of the firm. As well as a strong belief that stakeholders had different levels of influence depending on their proximity and overall influence on a proposed project development. From the corporate perspective, landowners and regulatory officials were seen to have the greatest priority of time and resources as stakeholders.

Companies believed that while they were making advancements towards CER that they were not yet leaders in sustainability and that more progression on making CER economically profitable in both short and long term would be required for further advancement towards further sustainability.

## Perceived Challenges with CER

Company representatives saw the following actions as demonstration of CER leadership:

- established and proven company policies and strategies related to environmental management,
- support for environmental responsibility at senior and executive levels,
- engagement in extensive community engagement practices,

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- application of innovative practices for reducing environmental impact, and
  - cultivation and maintenance of a public perception of responsible management.

They noted, however, that consistent action on the CER actions noted above came with its challenges. Corporate representatives felt there was often a disconnect between a company's branded image and its actual level of environmental stewardship. Just as easily, however, one stakeholder group or a well designed media campaign could strip a company of a well deserved reputation. Integration was another challenge for corporate representatives. Industry participants identified that the integration of CER commitments throughout the company was necessary for CER leadership to take root, and yet, it was a difficult process to implement.

## Exploring the Role & Responsibilities of ENGO

Corporations believed that ENGOs play a valuable role in ensuring CER at a broad societal level. They saw ENGOs as taking on three unique roles which could be interchangeable as required:

1. *The Watchdog* monitors government and industry performance.
2. *The Advocate* emphasizes education and awareness and a means to promote responsible development, and
3. *The Advisor* focuses on collaborative interactions to support and encourage responsible development.

Respondents saw the strength in each of these approaches towards promoting the larger goals of CER; they believed that the different approaches required engagement within different contexts.

As a sector at-large, ENGOs were seen as semi-professional organizations. Perceptions influencing this view included the perspective that ENGOs were not required to report on their activities or dialogue with stakeholders and funders. They were thus perceived as less accountable and open with their stakeholders. While exceptions were frequently cited, as a sector the ENGO community was not perceived as cooperative and frequently viewed as highly emotional, preferring to ignore facts in order to emphasize emotional appeal and their own perspective.

Despite these perceptions, corporate participants felt that collaboration was necessary and beneficial to ensure effective CER. Corporate respondents saw three main avenues for ENGOs to engage in collaborative approaches.

1. **Regulatory Consultation**—Industry respondents were in favour of ENGOs having a voice in the creation of government regulations for the oil and gas industry. They felt that it was necessary to have ENGOs involved in the process to ensure that one sector did not gain more influence into the process. This was by-far the greatest preference for engagement cited by corporate respondents.

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2. Corporate Consultation—Respondents expressed a belief that ENGOs should be part of the existing consultation process. As with other stakeholders, corporate participants felt that ENGOs could contribute valuable experience and advice in the pre-planning stage of a project.
  3. Training and Awareness Building—Corporations expressed interest in receiving training from ENGOs if the training had direct value. Programs that addressed specific needs or provided assistance with broad sustainability concepts or practices were considered valuable.

Finally, corporate participants suggested four recommendations to ensure effective collaboration:

- 1) Establishing guidelines upfront
- 2) Maintaining open communication
- 3) Being clear about intent, and
- 4) Following through on commitment.

All four were identified by participants as necessary for both parties to pursue in order to establish credibility, and build and maintain trust.

It was generally accepted that the pursuit of CER required a multi-pronged approach that demanded internal practices and policies, regulatory frameworks and external innovations. Most of the participants were convinced that ENGOs bring value to advancing CER and felt that ENGO/Corporate collaboration would provide substantial resources to the process of improving and maintaining CER.

## **Recommendations**

Based on our findings, Trident and Pembina believe there are many more similarities between corporations and ENGOs than are currently recognized. In Appendix A, readers will find a series of tools designed to assist corporations and ENGOs overcome identified barriers to collaboration. It is our hope that through the application of these tools that the dialogue process can begin to identify and further uncover congruencies and ensure collaborative efforts towards CER.

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# 1. Introduction

In 1992, for the first time in the history of the United Nations (UN), the Rio Summit led to the establishment of a multi-stakeholder working group. Farmers, environmental organizations, indigenous peoples, corporations, governments and many others worked together to produce Agenda 21—a comprehensive plan of action for reducing human impact on the environment. Agenda 21 called for the collective action of all peoples to work towards sustainable development. Recognizing the value of multiple voices to this process, the UN since then has provided increasing opportunities for multi-stakeholder engagement on emerging policy issues. Following from the UN initiative there has developed an increasing interest in multi-stakeholder approaches to address environmental and social challenges. This move towards multi-stakeholder collaborations is beginning to challenge traditional dichotomies where business and Environmental Non Governmental Organizations (ENGOS) were once viewed in opposition of one another, engaging primarily under circumstances of conflict and confrontation. The shift towards multi-stakeholder engagement is slowly eliminating this dichotomy. Today, alliances to improve collaboration for greater societal benefit are increasing.

An emerging framework through which this cross-sector collaboration is gaining ground is in the area of corporate social responsibility (CSR). As defined by the World Bank, CSR is the “collection of [corporate] policies and practices linked to relationships with key stakeholders, values, compliance and respect for people, communities and the environment.”<sup>i</sup> Corporate Environmental Responsibility (CER) is a subset of CSR, and can be seen both in its own context and as part of a broader framework for social responsibility. Like CSR, there is no universal definition for CER but it is generally “demonstrated by continuing commitment by industry to act in [an] environmentally-friendly manner and contribute to overall environmental improvement while carrying out its business.”<sup>ii</sup> Both CSR and CER focus on corporate action towards resolving some of society’s most pressing issues and thus, demand a collaborative approach amongst stakeholders.

In 2005, after attending Globe 2004, (a multidisciplinary conference on social and environmental issues) two Canadian environmental think-tanks—the Pembina Institute and Pollution Probe—teamed up to write the paper “Defining Corporate Environmental Responsibility: Canadian ENGO Perspectives.”<sup>iii</sup> This paper documented the findings from a series of workshops and surveys that were designed to explore Canadian ENGOS’ perspectives on CER and provided a toolkit for further corporate engagement. In 2006, Pembina presented the toolkit to Trident Exploration. While supportive of the initiative, the company expressed reservations that the findings provided the ENGO vision of CER without an exploration of corporate perspectives on the same issue. The two organizations agreed that while the initial study provided valuable resources on ENGO expectations, a complimentary study would include an exploration of corporate perspectives on CER and ENGO engagement. Further exploration of the two perspectives could provide collective understanding that would help both sectors achieve mutually agreeable frameworks for environmental responsibility.

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The intent was a comparative examination that would result in the identification of the areas where ENGOs and corporations have the greatest congruence. Trident and Pembina believe that the identification of complimentary visions could enable joint action and, through the process of collaborative work, increase levels of familiarity and trust. Subsequently, areas of lesser congruence could be explored while building on the foundation of trust established by earlier efforts.

While Trident and Pembina recognize that multi-stakeholder collaboration requires the input of more than just corporate and ENGO partners, we hope to use this paper as a starting point towards further dialogue on what environmental responsibility means for others. We also recognize that corporate perspectives are broad and may be industry dependent. What the petroleum sector identifies as CER may differ from elements identified within other sectors. For the purposes of this paper we focus on corporate views within the Canadian unconventional gas industry. Unconventional gas producers, like Trident, focus on developing “difficult to produce” gas<sup>iv</sup>. This is often natural gas from geological formations such as tight sands, shale or coal beds. As conventional gas reservoirs decline and the economics of production increase in value, the production of unconventional gas, although an emerging industry, is expected to increase over the next decade.

In identifying the vision of CER held by unconventional gas companies, as well as their preferences and expectations for engagement, this paper seeks to serve as a companion to the original Pembina/Pollution Probe CER paper. Together, the papers should be seen as a starting point for further dialogue on a framework for corporate environmental responsibility within Canada.

## **Research Methods**

### **Interviews**

The extraction of unconventional gas is a rapidly emerging industry within Canada and provides a unique opportunity to set new precedents with respect to environmental performance. The Canadian Society for Unconventional Gas (CSUG) is an industry association that represents a variety of companies involved in unconventional gas operations. Members range from major multinational corporations to regional private companies, academics, government bureaucrats, and service providers. CSUG members served as the interview pool for the research project.

To conduct the primary research portion of the project, during the summer of 2006 Trident hosted an MBA candidate-level researcher from the Haskaye School of Business at the University of Calgary. The researcher, Erin Bishop, sent a request for participation to all CSUG members for one-on-one interviews.

Interview participants were voluntary and self-identified. They represented a variety of roles and responsibilities within participating companies, including:

- Executives
- Senior Management
- Geologists



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- Engineers
  - Marketing & Communications
  - Community & Public Engagement
  - Health, Safety & Environment

The participants were asked a total of 16 questions to explore 1) their definition and perceptions of corporate environmental responsibility, 2) their perception and understanding of the role of ENGOs, and 3) their views and experiences on collaboration with the ENGO community. Interviews were conducted throughout the summer of 2006.

In order to best interpret primary research findings, the authors have applied academic theories and models to help provide frameworks to explore the viewpoints between the two parties. The final result is the creation of a toolkit that helps interested parties work towards a mutually acceptable framework for CER and establishes a common language and framework through which to engage.

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## 2. Industry Perspectives on CER

Throughout the interviews, corporate participants interchangeably used the terms CER, CSR, corporate citizenship and sustainable development. While many of these terms have become synonymous there are subtle distinctions between them that emphasise a difference in their origin and intent. Although there is not a universally accepted definition for any of the terms, Figure 1 presents four commonly accepted definitions.

**Figure 1: Defining Terms for CER**

**Sustainable Development:** “Development that meets the needs of current generations without compromising the ability of future generations to meet their needs and aspirations” (Brundtland Commission, 1987).

**Corporate Citizenship:** “Understanding and managing an organization’s influence on and relationships with the rest of society in a way that minimizes the negative and maximizes the positive” (Marsden & Andrioff, 1998).

**Corporate Social Responsibility:** “A collection of [corporate] policies and practices linked to relationships with key stakeholders, values, compliance and respect for people, communities and the environment”. (WB, 2001)

**Corporate Environmental Responsibility** “Continuing commitment by industry to act in [an] environmentally friendly manner and contribute to overall environmental improvement while carrying out its business” (APO, 2007)

While it is not our purpose here to explore the nuances behind these definitions, we seek to identify the challenges and opportunities that semantics pose and how the process of defining terminology may be much more a normative than descriptive process. For now, it is important to note that from the authors’ experience, understanding a company’s, an ENGO’s or an individual’s definition for one or all of these terms is helpful when promoting cross sector collaboration on CER initiatives. As different stakeholders seek to identify what these terms mean to them, they should view this exercise as a dynamic process continuously requiring revisitation by all parties. Appendix A presents a tool (“Defining CER”) designed to help parties initiate dialogue through the definition of key terms.

For the purposes of this study, we asked corporate participants to identify how they defined CER, how they saw the business case for CER, and who their stakeholders were. While there were variations between individual perspectives, common themes across the industry did emerge. These thematic responses will be the focus of the remainder of this paper.

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## CER Explored

*What is corporate environmental responsibility to you and your company?*

In order to establish a common framework for ENGOs and corporations alike, an understanding of how CER is viewed by both sectors is necessary. Without referencing the earlier Pembina study, corporate participants were asked to define CER as they viewed it exercised within their company. Three principals emerged:

### **1. The Grandparent Principle**

A broad perspective of CER was the notion of operating in such a way that industry leaves the environment in good condition for future generations. Many corporate participants took pride in their jobs and did not separate what they did professionally from their own personal values related to the environment. As a result, the majority felt CER was about striking a balance between development and non-development to provide a preserved environment for their children and grandchildren.

### **2. The Minimal Impact Principle & Practice**

CER was frequently described as striving to operate in a way that minimizes the company's environmental footprint. As employees in the petroleum industry, participants recognized that the nature of their industry prevented their companies from having zero impact on the environment and therefore saw CER as finding the best ways to minimize and mitigate impact.

*“There’s not enough sharing of ideas. We need a platform to try and get together and understand where everyone’s coming from and come up with solutions...I struggle with the big picture, and the definition of sustainability. People need to know what it is. It doesn’t mean you have to stop doing something in order for it to be sustainable. People need to come to a common ground regarding what it is and how to achieve it.”*

- Participant

### **3. The Good Neighbour Principle**

A dominant theme was the importance of the company's responsibility to the communities within their areas of operations. Because these communities are most directly impacted by a company's development activities, and are seen as those most influential in potentially delaying development, they are viewed as a priority stakeholder<sup>v</sup>. Within this context CER was defined as providing a forum for discussing project concerns and incorporating community feedback into project planning and development.

At a cursory glance, the views of CER between corporations and ENGOs appear diverse but closer analysis points to common motivations. While the industry definition of CER lacked the detail and specifics provided by the ENGO participants in the previous study<sup>vi</sup> they shared thematic similarities. On a broad level, both industry and ENGO representatives viewed CER as initiatives undertaken to: a) leave a positive environmental legacy for future generations; b) pursue a degree of responsible development; and c) engage in dialogue with stakeholders. While the motivations appear aligned, the articulation and practice of CER differs between the two parties and the definitions they provided. To help

ENGOs and corporations dialogue in the future, a matrix has been designed to initiate dialogue through defining and discussing the key terms associated with CER. The matrix can be found in *Appendix A—Tool 1 “Defining CER.”*

***What do you perceive as the business value in applying environmentally responsible policies and practices?***

There was a consensus from corporate participants that environmental responsibility does contribute directly to the economic viability of the firm. Generally, by contributing both to a company’s reputation and operational efficiencies, they believed that environmental responsibility ultimately saves a company time and money (Figure 2).

Specifically, some companies pointed to direct business practices that were designed with environmental sustainability in mind. Designing in this manner led to the creation of new market and service opportunities, which provided them with a competitive advantage over their peers.

*“The goal should be to bring industry together towards a greater execution of business to allow for the reduction of environmental impacts. The goal should be to bring industry together to coalesce to improve performance...all the while not negatively impacting on industry’s main functions.”*

- Participant

**Figure 2 – Business Value of CER**

<p><b>Good Environmental Performance</b></p> <p>Daily practices that minimize and mitigate the operational impacts on the environment.</p>
<p><b>Positive Corporate Reputation</b></p> <p>Implementation of environmentally responsible practices was seen as helping to build a positive reputation.</p>
<p><b>Social License to Operate</b></p> <p>A reputation for responsible practices is seen as a vital factor in gaining social license to operate (the support of the community in allowing a project to proceed) among key stakeholders. It is easier and faster to work with landowners when there is already a trust level established, based on the company’s track record.</p>
<p><b>Faster/Increased Production</b></p> <p>Gaining social license to operate sooner means less time and money spent in hearings, extended meetings and landowner negotiations. Fewer delays with stakeholders results in more streamlined drilling and extraction processes.</p>
<p><b>Company &amp; Shareholder Value</b></p> <p>Faster production results in getting product to market sooner and greater returns in a given period. If companies can demonstrate economic feasibility while addressing environmental issues, this becomes a point of value for attracting investors and professional personnel.</p>

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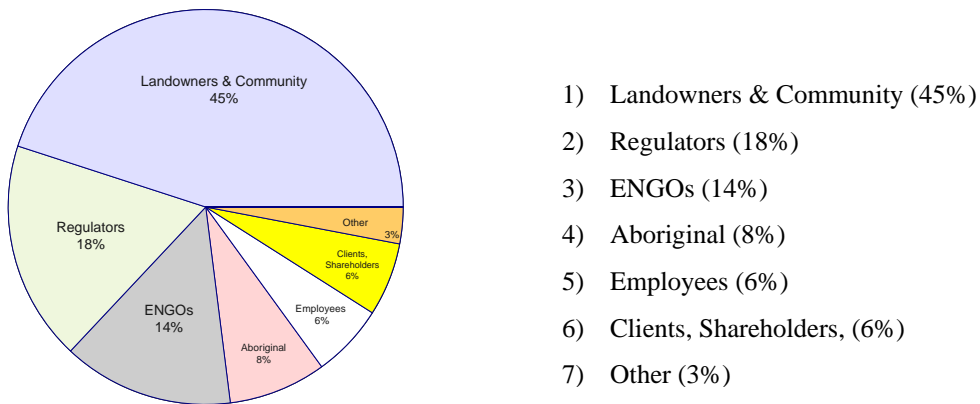
*Which group(s) of stakeholders has the most direct influence on your license to operate?*

A popular definition of a stakeholder is “any individual or group who can affect or is affected by the actions, decisions, policies, practices or goals of the organization.”<sup>vii</sup> With such a broad definition of stakeholders, corporations find themselves restricted with time and resources and are often faced with the task of prioritizing with whom to consult. Companies participating in the study had identified a strong sense of stakeholder priority. While they recognized that each project area would include different stakeholders as reflected by the dynamics of the project and geographic area, in general, the participants named the following stakeholder groups as the most influential

“Our number one stakeholder is the landowner. We’re sharing the land with the surface owner—thrown together by happenstance so we need to make it work. They are by far the most influential because if you can’t get them to agree you’re pretty much out of there.”

- Participant

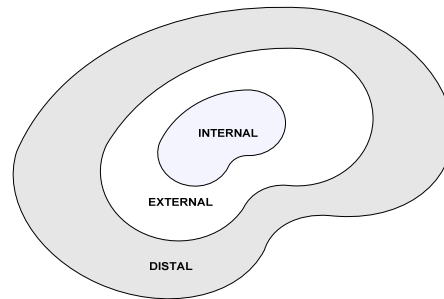
**Figure 3: Stakeholder Priorities**



Within academic circles much attention has been given to how organizations choose whom to engage with, how and why. Two main theories are explored here. Sirgy (2002) suggests that stakeholders are grouped into three clusters based on their proximity to, and influence over, corporate decision making: External, Internal and Distal stakeholders<sup>viii</sup>. External stakeholders are those upon whom the survival and growth of a business depends on their exchange. These could include communities where companies operate and/or suppliers. Internal stakeholders are the corporation’s own employees and the organizational and management systems under which the corporation operates. The third cluster of stakeholder is the Distal stakeholder—those who indirectly influence the business through “influence exerted on the firm’s external groups”<sup>ix</sup>. These may include advocacy groups.

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**Figure 4. Sirgy's Theory of Stakeholder Relationships**



Sirgy's model seeks to demonstrate the relative proximity of various stakeholder groups to decision making processes. Thus he does not prioritize between the three clusters of stakeholders but rather argues that under given circumstances each cluster of stakeholder will have a different degree of influence and priority to the corporation.

In comparison, Driscoll and Starik's (2004) theory suggests that as organizations face competing stakeholder interests, they will begin to prioritize stakeholders based on the impact they can have on the company's operations<sup>x</sup>. Priorities for engagement will be made based upon the degree of power, legitimacy and urgency. The three elements are viewed as follows:

**1) Power**

Those groups or individuals who are in an existing dependent or exchange relationship. These stakeholders often have a direct influence on the organization's overall operations. Within the petroleum industry, landowners have power as a stakeholder, since access to their land is required in order for companies to drill and access their mineral rights. Companies must negotiate with surface landholders in order to commence drilling operations.

**2) Legitimacy**

Closely linked with power but not necessarily aligned, stakeholders granted status based on legitimacy are seen by the organization as having referent rather than hierarchical power. In other words, they are naturally granted respect but do not have the additional leveraging opportunities that stakeholders with power have. For example, in an ecologically sensitive area, ENGO groups may take on a stakeholder role based on legitimacy. Although the Alberta regulatory mandate does not require consultation with ENGO groups, corporations may desire their input and support with a proposed project in order to help understand the nature of the environmental sensitivities and options to mitigate any impact on the region.

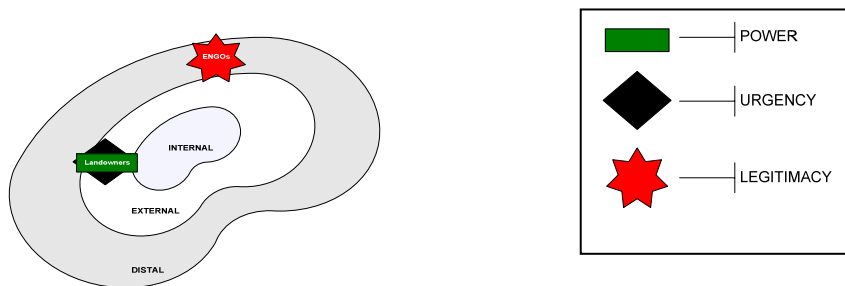
### 3) Urgency

These stakeholders often have a claim for immediate attention based on time sensitivities. Their influence will be context specific as dictated by the demands of the project. The First Nations blockade in Caledonia, Ontario during the summer of 2006 is an example. In this case, First Nations were recognized as holding urgency stakeholder status considering that the longer the blockade remained, the greater the economic cost to the developer in question. Negotiators were brought in to resolve the dispute where otherwise First Nations may not have been viewed as a stakeholder in an urban housing development project.

While neither Sirgy's nor Driscoll & Starik's theories provide for a prioritization of stakeholders per se, they each define motivations for engaging with stakeholders. Ultimately, based on project specific dynamics, the corporations themselves will decide how stakeholders will rank.

Although participants identified that each project area would have different dynamics, all things being equal, they suggested a generalized prioritization for stakeholders within their area of influence. As related to Sirgy's, and Driscoll & Starik's theories, corporate participants suggested that community and landowner groups would take priority as external stakeholders influencing through power and potentially urgency. ENGOs in contrast were, for the most part, viewed as distal stakeholders with possible legitimate influence.

**Figure 5: Stakeholder Theories Combined**

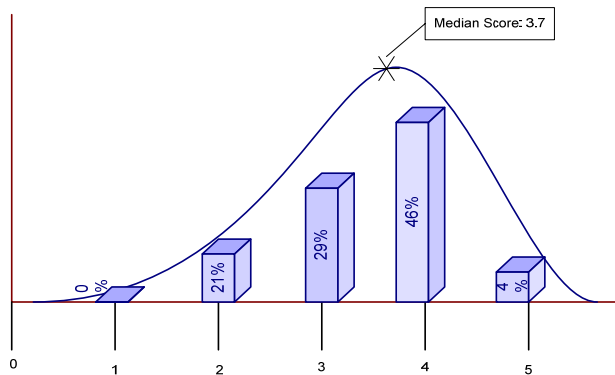


As prioritizing stakeholders becomes increasingly necessary to the economies of business, corporations will prioritize based on regulatory, project and corporate demands. Understanding prioritization can help ENGOs and businesses alike to better understand their relationships with one another. Prior to collaboration each party should identify how they view the other as a stakeholder and how they may be perceived. This exercise could help establish early on the amount of time and effort each party will invest into the engagement process. *Tool 2—Appendix A “Stakeholder Prioritization”* has been designed to elicit further evaluation and discussion on this topic.

## Using Willard's Scale of Sustainability, where would you rank your company?

In his book “The Next Sustainability Wave: Building Boardroom Buy In,” Bob Willard argues that sustainability is a continuum for many companies and their stakeholders. Considering that sustainability and CSR have only become part of the corporate lexicon over the past two decades, there is still a gap in practice and understanding as related to these two concepts. Willard’s scale helps to explore the motivations and actions which separate the corporate leaders from the laggards. Using Willard’s scale of sustainability, participants were asked to rank where they believed their company currently ranked.

**Figure 6. Self Assessed Ranking per Willard’s Scale of Sustainability**



The median score between the respondents was 3.7 —not quite a sustainability leader by Willard’s definition, but definitely progressing towards the integration and recognition of the business value for sustainability. The median score is conceptually where Willard sees the majority of businesses today. He notes:

1. Pre-Compliance
  - Punitive: no obligation beyond profits
  - Ignores sustainability, actively fights regulation
2. Compliance
  - Reactive: manages liabilities by obeying all regulations
  - Required environmental actions treated as costs
3. Beyond Compliance
  - Proactive: Recognizes cost savings through CER
  - Sustainability initiatives are in specialized departments
4. Integrated Strategy
  - Transformative: re-branded as a company committed to sustainability
  - Integrates sustainability with key business strategies and operations to reduce negative impact
5. Purpose/Passion
  - Passionate: value based commitment to improving wellbeing of all
  - Creates a net positive impact

Stage 3 is about incremental, continuous improvements in eco-efficiency. Stage 4 is about discontinuous, leapfrogging breakthroughs. It is about creative destruction of existing manufacturing process and product design, and breakthroughs in new products, services, markets, and processes. ....Moving from Stage 3 to Stage 4 requires internalizing sustainability notions in profound ways, both personally and organizationally. Environmental considerations move from the Environmental Affairs or Environment, Health, and Safety (EHS) department into the boardroom.



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Social considerations move from the Community Relations or Corporate Donations department into the strategy function. Sustainability-based thinking, perspectives, and behaviours are integrated into everyday operating procedures and the culture of the organization. When these migrations happen, the metamorphosis is underway. The payoff is tapping into the revenue, innovation, and productivity side of the sustainability business case rather than just the risk mitigation and cost-savings side.<sup>xi</sup>

Building on the language presented in the ENGO vision of CER contained within the Pembina study, we can reasonably assess that ENGOs would like to see corporations at stages four to five for sustainability. But, based on Willard’s arguments, in order to do so businesses would need to conceptually re-frame and re-envisage their existing structures and parameters. In order to pursue stage four or five, sustainable development must be demonstrated as a business advantage beyond the values expressed in *Figure 2—Business Value of CER*. During the course of the interviews conducted for this study there were a few businesses that identified the transition towards stage four by demonstrating breakthroughs in technologies and service provision, but the majority were not there yet.

Understanding where corporations may lie on the sustainability scale, where ENGOs would like to see them, and what changes and services might be established to support growth, provides an interesting avenue for further dialogue and collaboration. *Tool 3—Appendix A “Ranking based on Willard’s Sustainability Scale”* provides an opportunity for all parties to use Willard’s sustainability scale as a discussion point.

Willard’s assessment of the corporate motivations and organizational dynamics of companies transforming from stage three to stage four support the next series of responses the study received from respondents, as we sought to explore what some of the challenges were facing corporations in achieving CER.

### **3. Perceived Challenges with CER**

*Who would you consider to be leaders within your industry when it comes to CER? What makes them leaders?*

When asked to discuss the leading companies in the petroleum industry with respect to CER the participants in this study identified several indicators of leadership. Leaders demonstrated:

- established and proven company policies and strategies related to environmental management,
- supported environmental responsibility at senior and executive levels,
- engaged in extensive community engagement practices,
- applied innovative practices for reducing environmental impact, and
- cultivated and maintained a public perception of responsible management.

*“I stay in the industry because they have the capital to make a difference, and then I know the problems within the industry. It’s hard when someone who has never worked in industry has a perception and says ‘you shall do this or that’ without knowing what the challenges are. That’s where sharing of ideas has to take place. We can’t make these kinds of judgements without knowing the other’s perspective”*

- Participant

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As participants identified the elements of leadership in the industry, they also noted the challenges inherent in becoming a leader and/or maintaining that status. Specific challenges included distinguishing perceptions from action, and integrating CER values and expectations across an organization.

### ***Walking the Talk***

Corporate representatives felt that there was often a disconnect between a company's branded image, and its actual level of environmental stewardship in its activities. There was a sentiment that a corporate image, which could be purchased through marketing, public relations and sustainability reports, was fundamentally different from a company's reputation, which was said to be earned through a proven track record of responsible development and community engagement. Just as easily, however, one stakeholder group or well designed media campaign could strip a company of a well deserved reputation. Discerning fact from fiction was a common challenge identified by corporate participants—a similar finding was echoed by ENGOs in the aforementioned Pembina paper.

### ***Integration***

Industry participants identified that the integration of CER commitments throughout the company was necessary for CER leadership to take root, and yet, it was a difficult process to implement. Making sure that employees at all levels of the corporation understood the company's environmental management systems and policies and could articulate them as they applied to their daily responsibilities was an ongoing struggle for many corporate participants. Another challenge was maintaining consistency and positive reputation as the corporation operated under varying environments and amongst diverse stakeholder groups, all with different needs and expectations.

There were several reasons given for the perceived lack of integration of CER philosophies throughout a company. Participants noted that while some companies have established strong reputations for responsible development in some geographical areas, they face challenges for their practices in others. This can be a result of different personnel on projects but also different geological, social, and environmental constraints. Other times, regulatory expectations were cited as inadvertently hindering a corporation's attempts to integrate CER. For example, what landowners and ENGOs may wish to see cannot be achieved due to safety or other reasons. Concerns with integration across departments, or along the value chain to subcontractors were additional challenges identified in achieving CER integration. To a lesser degree a few companies identified that a lack of integration was because CER was the domain of the environmental department and did not need to be integrated across the company. In the latter case, referring back to Willard's scale, we can see that these respondents view CER as the domain of specific corporate identities and therefore will be challenged in moving beyond stage three. This is in sharp contrast with respondents identifying some of the

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aforementioned challenges who are seeking tools and techniques to assist in moving past stage three towards four and five.

To help explore CER leadership and challenges, the application of Willard's sustainability scale combined with some key questions may serve as a beneficial tool to encourage parties to dialogue. By identifying first where each party sees the corporation currently, then how they would like to see it in the future, a frank discussion on what would be required and is reasonable by all parties can begin. The questions provided in *Tool 4—Appendix A “Dialoguing on the Sustainability Scale”* should be explored after an assessment of Willard's scale is undertaken.

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# 3. Exploring the Role and Responsibilities of ENGOS

The balance of this paper seeks to explore the relationship between corporations and ENGOS. The following questions were designed to explore the corporate perception of ENGOS, avenues for collaboration on CER, and the existing barriers to overcome towards achieving this collaboration.

## Perceptions of ENGOS

*What do corporate participants think of ENGOS as a sector?*

Participants were asked to rate ENGOS as a sector on four descriptive characteristics. All four are summarized below. Ranking was based upon a five point scale, with one as the lowest and five the highest.

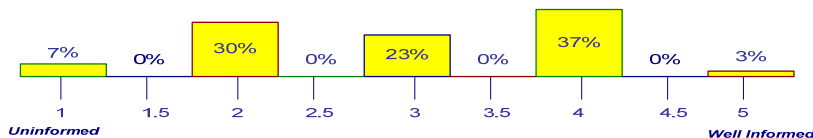
*“Ask landowners who they would trust to go talk to about development concerns. They say not government, not EUB, not industry. ENGOS aren’t even on their radar.”*

- Participant

### Informed

**Figure 7: Informed Perception Graph**

**Average: 3.0**



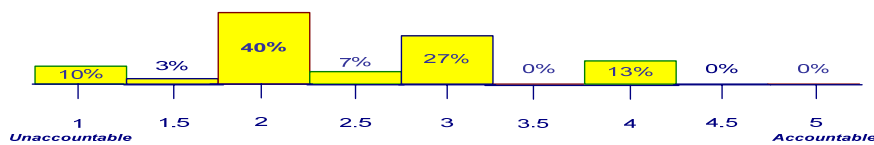
While the majority of respondents said that ENGOS were well informed, a significant number (30%) also thought that they were not. There was a common perception that ENGOS did not always explore the counter-arguments to their positions and thus were weak at presenting the full picture of the issues. Many participants expressed a desire to see more exploration of societal consumption of fossil fuels and the nuances behind the industry rather than campaigns that emphasise the negative motivations behind industry actions. Some said that it would be more effective for ENGOS to influence consumer behaviour rather than corporate.

A campaign such as Chevron’s “Will You Join Us”<sup>xii</sup> campaign is an example of the type of ENGO activity corporations wanted to see more often. Corporate respondents felt that this type of nuanced campaign demonstrates a more balanced perspective that would contribute to a higher level of informed dialogue.

## Accountability

**Figure 8: Accountability Perception Graph**

**Average: 3.6**



The majority of participants rated ENGOs in general as unaccountable. It was noted that ENGOs do not have to publish financial or social reports nor report on funds received—all actions expected of corporations. There was a frustration that ENGOs held companies accountable to standards they themselves did not keep and in some circumstances some ENGOs were using inaccurate information in their campaigns which could unduly tarnish corporate reputations. All participants expressed a desire to see ENGOs held to the same standards of accountability that corporations are. It was generally perceived that there was substantial latitude for biased communication, thus creating concern and mistrust amongst corporate participants. Specific concerns identified included:

- **Release of inaccurate information** affecting corporate reputation and the progress of developments
- **Misquotes** or comments taken out of context
- **Confidentiality** notions were misunderstood or not respected<sup>xiii</sup>
- **Turnabouts** inconsistency between discussions held with the company, and messages later delivered to the public and constituents

*“I recall one ENGO resisting collaboration because it was thought to be biasing their side of things. It was the mentality that if ‘you’re on side with the villain, you are the villain’. I don’t understand that.”*

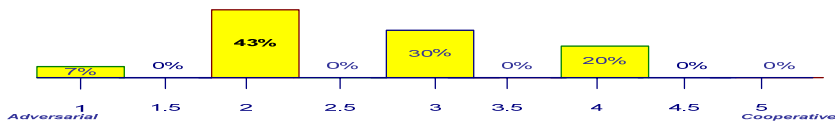
- Participant

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## Cooperation

**Figure 9: Cooperation Perception Graph**

**Average: 3.4**

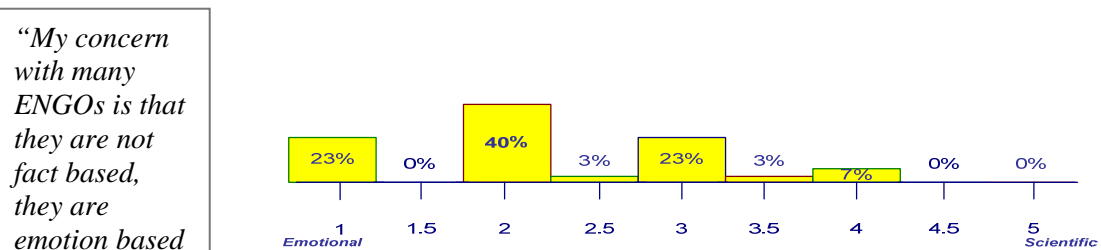


Most respondents placed ENGOS towards the adversarial end of the scale. While recognizing that different ENGOS had different motivations and goals, corporate participants expressed a strong desire to engage with more moderate ENGOS who were seen as more likely to understand the needs of companies to include economic considerations in their approaches to environmental issues. They noted, however, that more radical and confrontational ENGOS received more public attention than their peers and that this biased public perception of the sector's cooperative approaches. Interestingly, a few participants expressed concern that those ENGOS who did succeed in collaborating with corporations would risk losing credibility amongst their peers.<sup>xiv</sup>

## Emotive

**Figure 10: Emotive Perception Graph**

**Average: 2.2**



*“My concern with many ENGOS is that they are not fact based, they are emotion based and it’s difficult to interact with many of those groups.”*

- Participant

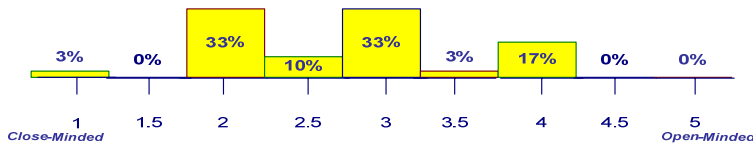
There was a common perception that many ENGOS appealed to emotive rather than scientific rationales within their campaigns. This approach made it difficult to discuss business objectives and challenges related to CER and thus in many cases information related to corporate action and decisions were lacking and/or mis-communicated amongst ENGOS. Participants identified the emphasis on emotive appeals for action often led to inaccurate allegations and assumptions that were difficult for a company to counter. There was a strong desire to see a more scientific and nuanced approach by ENGOS in their actions.

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## Openness

**Figure 11: Openness Perception Graph**

**Average: 2.7**

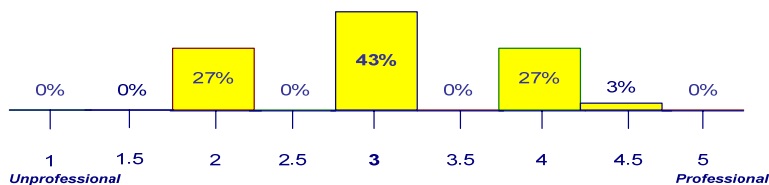


Many corporate participants, while open to the idea themselves, did not feel that ENGOs were open to dialogue or exploring the challenges they as corporations faced. They cited specific examples of biased reporting, insistence on views without an exploration of alternative perspectives and a wilful oversight of financial restrictions as rationales on why they did not perceive ENGOs as open to collaboration.

## Professional

**Figure 12: Professionalism Perception Graph**

**Average: 3.0**



Most corporate participants placed ENGOs in the middle of the professionalism scale. In many cases this was because participants could identify some ENGOs that they would consider very professional, and some not at all, therefore choosing the middle of the scale as an 'average' between the two extremes. Several people referred to the mutual stereotyping that occurs between the corporate and ENGO sectors. It was perceived that this stereotyping resulted in confrontation and thus demonstrated less professional behaviour. This approach was believed to stem from, and reinforce, an inherent lack of trust in one another. Other examples cited on why corporations viewed ENGOs as generally unprofessional, included a lack of accountability, an overemphasis on emotive appeals, and a general unwillingness to listen, dialogue and explore other viewpoints.

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## *How are the roles and responsibilities of ENGOs perceived?*

Many corporate representatives recognized the role ENGOs play in helping to shape the petroleum industry's environmental performance. They recognized the diversity of approaches amongst ENGOs and saw different benefits and challenges to each. Briefly summarized, corporate participants identified three approaches commonly taken by the ENGO sector:

### **1) The 'Watchdog'**

Monitors government and industry performance on key environmental issues. *Watchdogs* seek the opportunity of public forums to cause those laggards to live up to their expectations of accountability. It is perceived that *Watchdogs* often take a more confrontational, less collaborative approach, and prefer to use media and social campaigns to communicate their messages and expectations. *Watchdogs* are perceived to be more emotive than rational and therefore are seen as the least likely partners to lead change or responsible behaviour.

### **2) The 'Advocate'**

*Advocates* emphasize education as a means to promote responsible development. Their approach is often more general than specific, addressing the larger issues rather than the specific actions of an organization. *Advocates* are perceived to conduct research and to emphasise this research and scientific data to communicate their message and appeal to other constituencies. Depending on the issues they promote, corporations may or may not be willing to collaborate. Collaboration with *Advocates* would more likely occur at a multi-stakeholder level versus intimate partnerships.

*"ENGOs have a valuable role in a devil's advocate position to present a contrary opinion [to industry] that needs to be addressed"*

-Participant

### **3) The 'Advisor'**

*Advisors* focus on collaborative interactions with corporations to support responsible development. They seek to identify improvements and alternatives to existing practices. *Advisors* are perceived as striking a balance between reason and emotion. They recognize the balance between society, environment and economy and seek to find a middle ground. *Advisors* are therefore perceived as the most likely partner for collaborative action.

Respondents saw the strength in each of these approaches towards promoting the larger goals of CER; they believed that the different approaches required engagement within different contexts. Those ENGOs seeking *watchdog* status, for example, would pursue an



image of being highly unlikely to collaborate with corporations. *Advocates* were perceived as better to collaborate with on broader industry environmental challenges and would be seen to engage more at a multi-sector level. *Advisors* were best received by corporate participants as those they would be most inclined to work closely with corporations.

**Figure 13: Corporate Perceptions on ENGO Approaches**

ENGO Approach	Corporate Perception
<b>Watchdog</b>	<ul style="list-style-type: none"> <li>• Perceived as more extreme in views</li> <li>• Seen as least trustworthy</li> <li>• Believed to be most emotive in making appeals</li> <li>• Corporations are least likely to collaborate with them</li> </ul>
<b>Advocate</b>	<ul style="list-style-type: none"> <li>• Perceived as more moderate and balanced</li> <li>• Seen as addressing more broad versus specific social issues</li> <li>• Believed to use scientific and fact based rationale to educate</li> <li>• Corporations willing to collaborate on broad issues</li> </ul>
<b>Advisor</b>	<ul style="list-style-type: none"> <li>• Perceived as most moderate and balanced</li> <li>• Seen as scientific and professional</li> <li>• Believed to be effective and professional</li> <li>• Corporations most likely to discuss operational specifics with them</li> </ul>

Corporate participants expressed frustration with ENGOs that alternated between approaches. They implied that this fluctuation made it difficult to decipher intent and establish trust. It was suggested that inconsistent behaviour from an ENGO was reflective of a lack of clarity of its purpose and creates an impression of unreliability for the corporation. This decreases the probability that a corporation will seek out an ENGO as a future partner on collaboration.

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# 4. Corporate/ENGO Engagement

*What are industry's expectations for ENGOs' involvement in CER?*

When reflecting on the advancement of CER corporate respondents identified three main avenues they saw as opportunities for ENGOs to engage on advancing CER.

## 1) Regulatory Consultation

*“Working with ENGOs is not a goal unto itself per se, its just part of being open and working together with your stakeholders. We have to look at working with ENGOs on a piecemeal basis as a band aid approach. Rather, we have to look at dialogue and collaboration on a larger project or regional basis. We have at the end of the day a business need, if we can do those business goals in a broader, more inclusive way with the people who have an interest in the area, so much the better. ENGOs can be one part of that”*

- Participant

Industry respondents were in favour of ENGOs having a voice in the creation of government regulations for the oil and gas industry. They felt that it was necessary to have ENGOs involved in the process to ensure that one sector did not gain more influence into the process. There was strong agreement that ENGOs should have a seat at the table when industry does. However, when sitting at the table, half of those respondents expressed expectations under which participation should occur. Inclusion was framed on four considerations:

- inviting the appropriately impacted ENGOs to participate rather than an open invite to the sector as a whole
- the proven credibility of the ENGO to address the issues at hand
- demonstrated respect for the process of engagement
- ability to understand divergent perspectives in order to make progress towards mutual objectives

## 2) Corporate Consultation

Respondents expressed a belief that ENGOs should be part of the existing consultation process. As with other stakeholders, corporate participants felt that ENGOs could contribute valuable experience and advice in the pre-planning stage of a project. Contribution in identifying environmentally sensitive areas, sharing technologies or exploring alternatives at the initial planning stage would be well received, as this is the most appropriate time within the project timeline for amending and finalizing operational plans. In contrast, engagement at the operations stage provided little opportunity for input and change without large economic implications. It was commonly felt that existing

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consultation practices and regulatory frameworks provided ENGOs an opportunity to participate which was not necessarily being utilized. Very few corporations had identified the attendance of ENGOs at their consultation events.

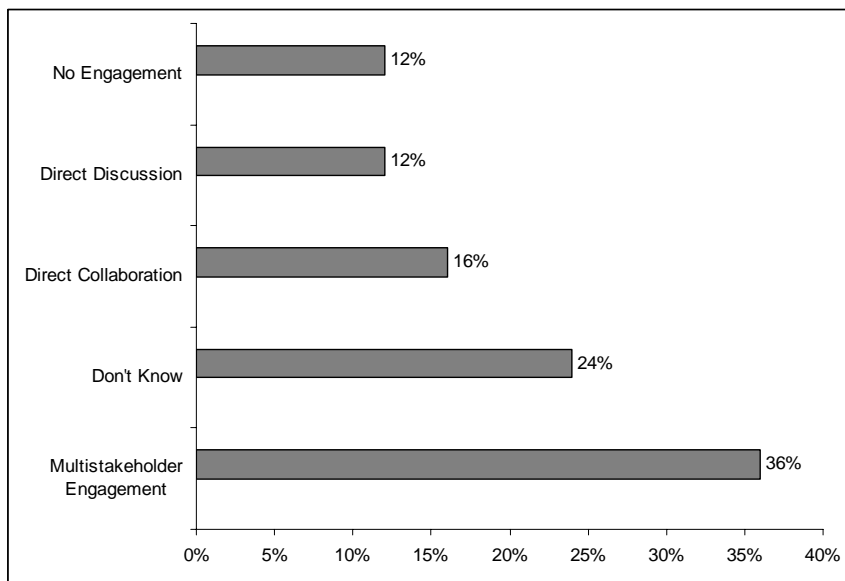
### 3) Training and Awareness Building

Corporations expressed interest in receiving training from ENGOs if the training had direct value to their operations. Programs that addressed specific needs or provided assistance with broad sustainability concepts or practices were considered valuable. ENGOs seeking to pursue this opportunity were encouraged, however, to recognize the tight time restrictions and highly competitive economy facing petroleum corporations in a growing economy. Training would need to be innovative, unique and practical in addressing the company's needs.

#### *How are companies engaging with ENGOs?*

While corporations identified three possible avenues for further dialogue and collaboration, by and large they expressed a preference for multi-stakeholder engagement on broad policy development rather than intimate one-on-one partnerships. The findings identified that multi-sector collaboration is perceived as providing a safe environment under which engagement may occur. In bringing in more than one party, corporations and ENGOs reduce the risk of mistrust and miscommunication arising. As more parties are privy to discussions, there is more emphasis placed on understanding all perspectives.

**Figure 14 – Forms of Industry Engagement with ENGOs**



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*What recommendations could be provided for collaboration between corporations and ENGOS?*

Four recommendations emerged for effective collaboration between businesses and ENGOS:

- 1) establishing guidelines upfront
- 2) maintaining open communication
- 3) being clear about intent, and
- 4) following through on commitment.

All four were identified by participants as necessary for both ENGOS and corporations to pursue in order to establish credibility, and build and maintain trust. Corporate participants identified ENGOS they felt succeeded in balancing these objectives while still maintaining their mission; they did however perceive that the majority of the ENGO sector did struggle to do so. There was strong agreement that the negative actions of a few ENGOS left a lasting legacy on the sector as whole.

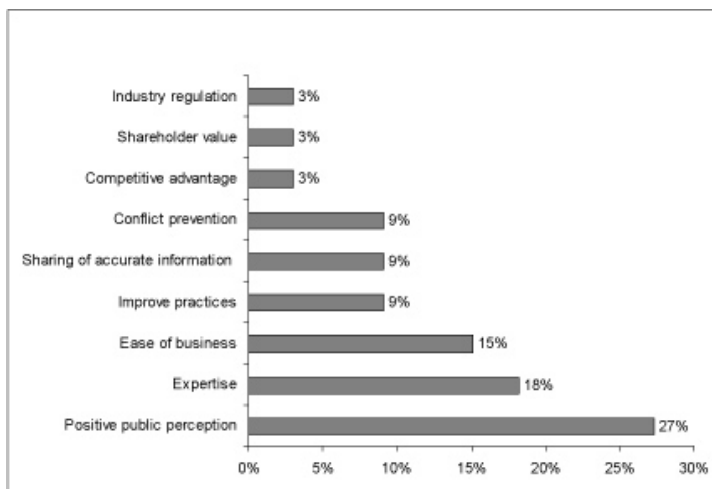
*“I think that at the end of the day we have to create a level playing field of knowledge. And there’s only one way of doing that—by engaging folks from all stakeholder groups through dialogue.”*

- Participant

*What is the business value available through collaboration with ENGOS?*

All of the participants in this study identified value associated in collaborating with ENGOS, and described several different advantages to engagement with ENGOS. Participants were not restricted in identifying the number of benefits to collaboration and many cited multiple advantages. (Figure 15).

**Figure 15—Business Value of Collaboration with ENGOS**



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Whilst positive perception was the most cited value behind the collaboration with ENGOS, cumulatively, corporate respondents identified values such as expertise, improved practices and accurate information as the greater value. In other words the sharing of information between ENGOS and corporations demonstrates its value through better practices and increased reputations for both sectors.

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# 5. Discussion and Conclusions

The findings of this study illustrate the general interest on the part of the unconventional gas industry to promote CER and continue to innovate new practices for CER.

It was generally accepted that the pursuit of CER required a multi-pronged approach that demanded internal practices and policies, regulatory frameworks and external innovations. Most of the participants were confident that ENGOs bring value to advancing CER and felt that ENGO/Corporate collaboration would provide substantial resources to the process of improving and maintaining CER. Creating more opportunity for this dialogue and collaboration should be encouraged. While there was recognition of the value in collaboration, many corporate participants expressed hesitation with engagement due to a collectively held negative perception of ENGOs. Currently, ENGOs as a sector are viewed as less collaborative and more confrontational; less rational and more emotive and less accountable to their stakeholders than other sectors.

That being said, both Trident and the Pembina Institute think that there is a demonstrated need for both parties to work through their differences and begin to explore their congruencies. Based on our findings we believe there are many more similarities than are currently recognized. It is our hope, with the tools provided, that the dialogue process can begin to identify and further uncover these congruencies. In the meantime, what we are left with is a picture of an emerging industry that depicts the views of a small percentage of corporate respondents. Further examination of perceptions should be explored to see if there is a difference between approaches and needs amongst industrial sectors.

*“The goal is to build relationships. To try and figure out how to make decisions better and more acceptable to environmental people. From working collaboratively it builds a model that focuses on the problem and the solutions, not the causal factors, or the blame factor.”*

- Participant

For further information or discussion on these findings please contact:

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Ed Whittingham at the Pembina Institute:  
edw@pembina.org.

## Appendix A –Tools for Collaboration

### Tool 1. Defining CER

To utilize this tool both sectors should respond to these questions. Dialogue between the two parties should explore the areas of convergence and divergence with the intent of establishing common frameworks and language through which to pursue for dialogue and collaboration.

	Questions to Explore	ENGO Perspective	Corporate Perspective	Areas of Divergence	Common Ground
Defining Terms	How do you define Corporate Social Responsibility (CSR)				
	How do you define Corporate Environmental Responsibility (CER)				
Leaving a Legacy	What does sustainability look like to you				
	Can you provide an example (s) of sustainability				
	How far ahead do you plan for in designing your approaches to environmental responsibility				
Responsible Development	How would you define responsible development?				

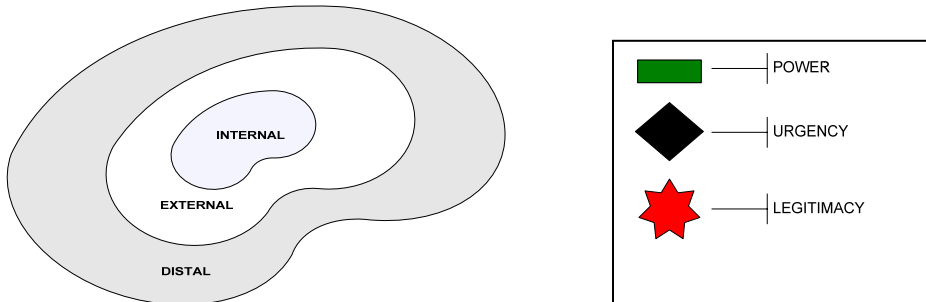
	What are the key drivers behind your decision to ensure responsible development				
	What order or priority would you grant to: environmental, financial and social concerns				
	How do you balance environmental, financial and social concerns?				
<b>Engaging in Stakeholder Collaboration</b>	Who are stakeholders and why?				
	What are the key drivers behind your decision to engage in stakeholder development				
	Do you see a difference in priority between stakeholders? If so, share and explain why?				
	Are there preferred forms on engagement when working with one another? (i.e. one-on-one dialogue, multi-stakeholder committees, partnerships) Please explain the rationale behind your preferences				



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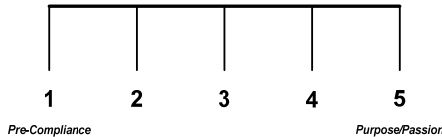
## Tool 2: Stakeholder Prioritization

To utilize this tool, identify first where the stakeholder group would rank as an internal, external or distal stakeholder. Then identify what shapes they would take within these clusters based on their relationship to corporate decisions making. Do they influence through power, urgency and/or legitimacy. Compare and contrast your perceptions amongst one another.

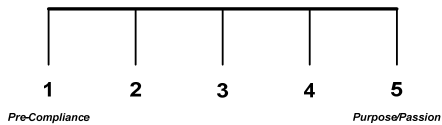


### Tool 3: Ranking Based on Willard’s Sustainability Scale

Using Willard’s descriptions on the stages of sustainability provided below, each party should rank where they currently see the corporation, and where they would like to see it in the future. Comparisons and discussions should explore why the ranking was provided at the stage it was, and what, if any, action would need to be taken to move up the scale. Further questions to explore are provided in tool 4.



#### ENGO Perception of Corporate Sustainability



#### Corporate Perception of Self Sustainability

- |   |  |
|---|--|
| 1 | <p><b>Pre-Compliance</b></p> <ul style="list-style-type: none"> <li>• Punitive: no obligation beyond profits</li> <li>• Ignores sustainability, actively fights regulation</li> </ul>  |
| 2 | <p><b>Compliance</b></p> <ul style="list-style-type: none"> <li>• Reactive: manages liabilities by obeying all regulations</li> <li>• Required environmental actions treated as costs</li> </ul>   |
| 3 | <p><b>Beyond Compliance</b></p> <ul style="list-style-type: none"> <li>• Proactive: recognizes cost savings through CER</li> <li>• Sustainability initiatives are in specialized departments</li> </ul>  |
| 4 | <p><b>Integrated Strategy</b></p> <ul style="list-style-type: none"> <li>• Transformative: re-branded as a company committed to sustainability</li> <li>• Integrates sustainability with key business strategies and operations to reduce negative impact</li> </ul> |
| 5 | <p><b>Purpose/Passion</b></p> <ul style="list-style-type: none"> <li>• Passionate: value based commitment to improving wellbeing of all</li> <li>• Creates a net positive impact</li> </ul>  |

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#### **Tool 4: Dialoguing on the Sustainability Scale**

The matrix below provides some questions to explore while discussing the assessments based on Willard’s Sustainability. Discussion does not need to be limited to the following questions. After dialoguing on the questions provided in the matrix below, both parties should discuss if their initial rankings of corporate sustainability performance have changed, and if so why.

	Question	ENGO Perspective	Corporate Perspective
Current sustainability performance	What specific aspects/actions of the company in question underlie your Willard scale ranking?		
	Does the company’s ranking reflect its values?		
	How do think your stakeholders would have ranked your performance? Explore why these perceptions would differ from yours.		
Future Sustainability Performance	If the company identified a goal to be at a stage higher than that you currently view the corporation, what actions are required to achieve this goal?		

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	What would be the corporate business case behind a higher stage of sustainability		
	What could the company do to help pursue that higher stage? How long would that take and what resources would be required?		

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## **Appendix B - Participating Companies**

Many thanks to the participants of this study, representing the following entities:

**Akita Drilling Ltd.**

**Alberta Research Council**

**ARC Resources Ltd.**

**BJ Services Company Canada**

**CDX Energy Canada**

**ConocoPhillips Inc.**

**Canadian Spirit Resources Inc. (CSRI)**

**Ember Resources**

**enerPLUS Resources Fund**

**Global Energy – Western Pump Solutions Ltd.**

**Husky Oil**

**Nexen Inc.**

**Outrider Energy Ltd.**

**PetroCanada**

**Quicksilver Resources Inc.**

**Rapid Technology Corp.**

**Rockyview Energy**

**Samson Canada Ltd.**

**Shell Canada Ltd.**

**Trican Well Service**

**Trident Exploration Corp.**

**University of Calgary – Faculty of Chemical and Petroleum Engineering**

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- <sup>i</sup> World Bank, (2001) “Learn About CSR” Retrieved October 13, 2003  
[www.worldbank.org/wbi/corpgov/csr/pdf/csr\\_mainconcepts.pdf](http://www.worldbank.org/wbi/corpgov/csr/pdf/csr_mainconcepts.pdf)
- <sup>ii</sup> Asian Productivity Organization (2007). “Corporate Environmental Responsibility” Retrieved October 26, 2007 [www.apo-tokyo.org/cgi/apo\\_p-glossary.pl?record=24](http://www.apo-tokyo.org/cgi/apo_p-glossary.pl?record=24)
- <sup>iii</sup> For brevity’s sake, future reference to this paper will be referred to as the Pembina paper.
- <sup>iv</sup> Canadian Society for Unconventional Gas (2004). “What is Unconventional Gas” Retrieved October 28, 2007 <http://www.csug.ca/faqs.html#Un>
- <sup>v</sup> The perception may also be related to the fact that, in Alberta, ENGOs are frequently denied intervenor status at objection hearings by the regulatory authorities. To be considered an intervenor, regulatory authorities look for evidence that the proponent is “directly impacted” by the operations. In many cases ENGOS are viewed as too far removed from the daily operations to be directly impacted.
- <sup>vi</sup> Jamison et al. (2005) “Defining Corporate Environmental Responsibility: Canadian ENGO Perspectives”. Pembina Institute. Retrieved November 1, 2007 <http://corporate.pembina.org/pub/200>
- <sup>vii</sup> Onkila, Tiina. (2004) “Linking Corporate Environmental Responsibility with Stakeholder Approach Conference Proceedings from the 2004 Corporate Social Responsibility and Environmental Conference. University of Nottingham p. 189.
- <sup>viii</sup> Sirgy, M. Joseph (2002). “Measuring Corporate Performance by Building on the Stakeholders Model of Business Ethics”. *Journal of Business Ethics*, 35(3), 143-162.
- <sup>ix</sup> Sirgy, *ibid*.
- <sup>x</sup> Driscoll, Cathy & Mark Starik (2004). “The Primordial Stakeholder: Advancing the Conceptual Consideration of Stakeholder Status for the Natural Environment” *Journal of Business Ethics* 49: 55-73.
- <sup>xi</sup> Willard, Bob. *The Next Sustainability Wave: Building Boardroom Buy-in* Gabroila Island: New Society Publishers p. 29
- <sup>xii</sup> To view the Chevron “Will You Join Us” Campaign go to <http://www.willyoujoinus.com/>
- <sup>xiii</sup> Corporate participants said that their requests for confidentiality were often interpreted by ENGOs as an attempt to hide information about a company’s environmental performance. Instead, participants said they were most concerned that when ENGOs make reports about a company, they may inadvertently be releasing information that is of great benefit to their competitors, such as areas of future activity, proposed techniques or planned strategies.
- <sup>xiv</sup> The concern of loss of credibility amongst ENGO peers surfaced in two subsequent workshops hosted in the fall of 2006 to present these findings. There appeared to be a unanimous concern both on behalf of ENGOs and corporations that the risk of association with corporations could lead to loss of credibility for ENGOs—an interesting catch 22 for those seeking to work collaboratively.