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Introduction to Linking Theory & Practice

EAM White Paper Series: sustainability and innovation for systemic change

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Business, political, and social leaders have accepted the pressing need to make sustainability a central issue in strategic planning for the future. We have even come to understand that the urgent need to plan, facilitate, and deliver systemic change is increasing at an exponential rate. Yet corporate and governmental responses are often an eclectic mix of initiatives that do not represent large-scale systemic change for a sustainable future (Lubin and Esty, 2010). The 2009 Academy of Management meeting theme, “Green Management Matters,” has urged us to internalize a broader paradigm of organizational engagement and performance, while the academic community of management researchers has often focused on the importance of ecosystems and has drawn out some of the implications for the way in which organizations are managed (Starkey and Crane, 2003). However, the debate and critique over the dominance of the “Business Case” school of thought continues, with the ensuing tension between “greening” as a means to an economic end or as an inherently valuable and value-driven end (Marcus and Fremeth, 2009; Siegel, 2009). Pfeffer (2010) has reminded us of the importance of the links between social sustainability and organizational effectiveness. Werbach (2009) goes beyond the sustainability trio of economic, environmental, and social, and adds the cultural dimension. There have been some remarkable demonstrations of organizations, like Patagonia, creating whole new industries based on an entirely new set of relationships among ecosystem, economy, and society (Sathe and Crooke, 2010). At the heart of such dramatic and systemic change, there often lie innovation and sustainability issues that offer numerous opportunities for product, process, and organizational innovation ranging from incremental to radical (Nidumolu *et al.*, 2009).

This iteration of the annual White Paper Series, a collaborative initiative between the Eastern Academy of Management and *Organization Management Journal*, offers several insightful perspectives on sustainability and innovation in varying contexts and at different levels. The goal of thought leadership, in theory and practice, is clearly advanced by the rich descriptions of contexts and exemplars, the theoretical framing of issues in sustainability and innovation, and challenging agendas of future directions for researchers and practitioners. While all four papers address systemic change at some level, they are sequenced from macro to

micro perspectives or contexts. The first two papers present a review and discussion of global sustainability principles and codes, followed by an analysis of major trends and issues with respect to innovation. The third paper provides a thought-provoking review and critique of the issues and challenges of greening strategic human resource management (HRM). The fourth paper is a case-based study of innovation and system change with reference to online learning in higher education.

In the first paper, "Sustainability Principles: A Review and Directions," authors Paul Shrivastava and Stephanie Berger trace the history and evolution of sustainability principles and codes over the last four decades. The proliferation of such broad, high-level principles has resulted in a lengthy list of agreements and protocols that create, and result from, political engagement, but their practical impact remains unclear. Moving from high-level to mid-level principles, a number of industry-specific codes are examined, along with a discussion of good examples that are integrative and effective. The authors offer a framework linking principles, practices, impacts and approaches for the critical examination of the long-term value of such codes. The paper concludes with a reminder that sustainability is an ongoing journey, and asks several specific questions about the role of institutions, stakeholders, influences, impacts, and organizing mechanisms for complex interactions among entities that vary with respect to level of aggregation and goals.

Like the first paper, the second paper adopts a high-level review and critique of innovation, broadly defined. Shanthi Gopalakrishnan, Eric Kessler, and Joanne Scillitoe review the innovation literature in "Navigating the Innovation Landscape: Past Research, Present Practice, and Future Trends." After describing the innovation landscape by addressing five key questions – what, why, where, who, and how – the authors discuss three exemplars of innovation in Google, Walt Disney, and Johnson and Johnson. The challenge of sustaining innovation in the long run is daunting, and yet these organizations are able to sustain innovation by balancing internal organic development and external acquisitions. Even though these firms participate in very different industries, the common thread of innovation is evident. The many aspects and levels of innovations are examined in a way that brings into focus the need to understand the dynamics of systemic change. Looking into the future, the authors outline key

trends with respect to nanotechnology, biotechnology and its interaction with ethical and cultural systems, the diffusion and social adoption of information technologies, and large system changes with respect to globalization and sustainability. Finally, the authors provide clear action guidelines for managers to achieve quantum leaps in innovation capability.

The third paper, titled "The Greening of Strategic HRM Scholarship," by Susan Jackson (President of the Academy of Management) and Janghoon Seo, offers a provocative review and urgent call to action in the area of strategic HRM. This review establishes that the fields of HRM and industrial-organizational psychology have been slow to grasp the salience or urgency of environmental issues. Further, data from the 2009 Academy of Management meeting, which had a green theme, show that management scholars have not embraced environmental sustainability topics. While identified opportunities exist for specific HRM functions with respect to environmental sustainability, a significant gap exists at the intersection of strategic HRM and the greening imperative. The authors bring out three key assumptions of strategic HRM to provide a sound theoretical basis for integrating the field with environmental sustainability. Then, they systematically create a road map to radically reorient strategic HRM by addressing the importance of process-focused scholarship, multiple stakeholders, multinational engagement, the creation of new capabilities, and the promotion of change, as well as employee engagement at a deeper level. As a preface to a bold call for urgent action, Jackson and Seo address the key barriers of apathy, complexity, confusing terminology, and careerism. The authors conclude with a plea to new generations of scholars to take up the challenge and radically alter the landscape of strategic HRM research and practice. As a point of departure for this vitally important and exciting journey, scholars and managers are offered a useful resource: <http://www.greenhrm.org/>.

The final paper, by Kathleen Dechant and Lauren Dechant, is titled "Using Systems Theory to Conceptualize the Implementation of Undergraduate Online Education in a University Setting." While this paper offers a relatively micro perspective that is context specific, it also utilizes a systems perspective to model successful innovation and organizational change. Using a case-based approach, after reviewing the literature on technology-based learning, the authors utilize a systems



perspective and a modified Star Model to examine the components and their congruence. A systematic examination of the environment, strategy, structure, people, processes, rewards, and culture offers a road map for system change, driven by technology adoption, in a higher education setting. The key challenge is that of recognizing levels of congruence within an institutional system and making specific recommendations for implementing successful change. These are valuable outcomes for the constituents of higher education. Construed broadly, the case of technology-based learning has links to sustainability in education and innovation through systems change.

These four papers, taken together, advance our understanding of the many linkages, at different levels, between sustainability and innovation. While the sustainability agenda and the need to innovate rapidly are an inescapable reality for

corporate leaders (Hollender and Breen, 2010), it is equally urgent that management scholars embrace the challenge of addressing the many avenues of inquiry that the authors of these papers have identified. In order to accomplish the greening of management research, we must bring innovation and change to our own institutional configurations and cultures through research at many levels and across levels, and to do this we must work in collaboration with those who lead by their actions. But we cannot assume that the micro- and meso-level research and action agendas will result in the desired large system changes, as we have a poor track record in this regard (Mirchandani and Ikerd, 2008). Time is of the essence, and building a sustainable future will require a multigenerational effort at every level. The four thought-provoking papers that follow represent a step on our long journey.

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