Unintended decoupling: a multi-level perspective of sustainability implementation at business schools with explicit commitments

INTRODUCTION

Business schools have been under pressure to do better by society (Goia, 2002; Pfeffer & Fong, 2004), a situation that has intensified recently where failings of business school-educated managers and their attitudes and approaches have been highlighted as playing a role in the financial crash of 2007-8 (Giacalone & Wargo, 2012). Since then a growing number of business schools have signed up to sustainability-agendas and initiatives like the UN's Principles of Responsible Management Education PRME (Burchall, Kennedy & Murray, 2015; Doherty, Meehan & Richards, 2015) that recognizes an increasing requirement for business schools to integrate sustainability and responsibility related themes into their activities.

Meanwhile the nature of the scrutiny business schools experience has shifted from criticism over their role in society more broadly (for example, Goia, 2002; Pfeffer & Fong, 2004) to demands that relate to them walking-the-talk when it comes to sustainability (Boyle, 2004; Rasche & Gilbert, 2015). In other words, more is called for in terms of a better matching of business school rhetoric, and their aspirations and aims, with the reality of what they actually do , when it comes to taking meaningful steps to integrate sustainability and responsibility into the management programmes they provide (Cornuel & Hommel, 2015).

This criticism of business schools implies the existence of a tactical "greenwashing" strategy and some deliberate attempt by the organization's management to manipulate rhetorical messages to serve their own purposes all while evading corresponding implementation or change to existing activities. Using institutional theory and the concept of decoupling (Meyer & Rowan, 1977) it might be asserted that policies are being adopted for legitimacy purposes where business schools must be seen to do the right thing, but that in practice corresponding activities may not be evident. Here policies and practices are deliberately decoupled from one another and the situation is intentionally manipulated to gain the benefits of legitimacy without bearing the costs of implementation (Scott, 2014).

This paper does not disagree with this traditional view of decoupling, but proposes that there is more to it, where factors beyond strategic intention also influence organizational outcomes when business schools find themselves decoupled in this way. It follows that possible perceptions of greenwashing become a greater organizational risk if the decoupling is unexpected rather than if it decoupling is intended as a beneficial strategy for other reasons. If this kind of decoupling can also, in some instances, be unintended, getting at what drives it requires extending the perspective of decoupling to look at issues beyond the remit of senior managers' directives. Recent work on decoupling indeed suggests that looking *inside* organization for these drivers is required (Bromley & Powell, 2012; Crilly, Zollo & Hansen, 2012), however little has been done to consider what is happening at the lowest organizational level. Individuals inside the organization, expected to enact the policies with relevant practices are, in their actions, consequential in avoiding the risk of a greenwashing situation for the organization.

CONCEPTUAL DEVELOPMENT

From a theoretical basis, decoupling is naturally a multi-level phenomenon, where pressures at the macro-level compel organizations to respond, but in doing so, those who design the organizational response are often not the same people tasked with implementing it. Instead, the creation of new practices may be delegated to individuals lower down the organizational hierarchy. These individuals may or may not be able to deliver on the response intended by the organization, and instead the organization ends up decoupled. However, little work has been done to think about the drivers of decoupling from a multi-level perspective.

This gap has been indicated in general by scholars before (Hitt, Beamish, Jackson & Mathieu, 2007) where the interplay amongst top-down or bottom-up effects has been noted as suffering an under-emphasis in institutional theory to date (Scott, 2014). In addition management scholars highlight a need for work that attempts to incorporate the nested nature and consequences of activities traversing organizational levels (Hitt et al., 2007). A multi-level study of decoupling therefore is not only apt given the multi-level nature of decoupling itself, but also responds to this broader gap to look across organizational levels when it comes to explaining important management phenomena (Hitt et al., 2007).

Certainly the literature on sustainability in management education locates the barriers to implementation of sustainability in the curriculum to involve the interests and motivations of faculty at the 'coal-face', or micro-level, as well as barriers at the managerial, or organizational level, such as resources and structural constraints (Matter & Moon, 2004; Moon & Ortlitzky, 2011). It is clear from the abounding scholarly work in the field that a variety of factors determine the successful implementation of sustainability and that these factors reside at multiple levels (Doherty et al., 2015; Maloni, Smith & Napshin, 2012).

To address the problem of sustainability implementation in business schools, as a complex multi-level issue, this paper therefore proposes a research question that looks at multiple factors across levels at the same time: *What combinations of organizational characteristics and individual level conditions influence whether business schools tightly couple or unintentionally decouple?*

METHODOLOGY

The analysis was performed on data from a sample of 23 UK business schools which were drawn from a telephone survey. All 122 business schools in the UK were approached to participate in the study and 80 agreed to take part. Our studya included only those which intended to tightly couple and implement their sustainability commitments. The sample was comprised of the 23 business schools where *both* the dean and MBA programme directors had participated *and* where schools had an explicit sustainability policy; they claimed adherence to a sustainability emphasis within the mission statement of the school, or they made some form of external sustainability-related commitment such as being a current signatory to PRME, ABIS or prior inclusion in the Aspen Institute's Beyond Grey Pinstripes Ranking index.

The first step of the analysis involved an examination of the dean's accounts to determine the strategic approach to sustainability at an organizational level. Those that provided evidence that they had *already* tightly coupled and fully implemented sustainability across their organization were excluded from the analysis as were the small number of those that had deliberately decided to avoid implementation and decouple their espoused sustainability commitment from their

activities. The 23 business schools included in the sample therefore all had the intention to tightly couple and fulfil the external organizational commitment. What is happening at these organizations, which intend to tightly couple, that facilitates a tightly coupled or decoupled outcome as judged by inclusion in the MBA programme?

Ragin's (2008) Fuzzy Set Qualitative Comparative Analysis (fsQCA) was used to analyze the data provided by the MBA programme directors' accounts. A benefit of using fsQCA in this context is that is designed for medium-size samples, such as this, where samples are typically between 20 and 50 in size (Schneider & Wagemann, 2012). Another advantage of fsQCA is that, rather than isolating a single factor to explain a given outcome, it identifies a combination of factors that are associated with the outcome (Ragin, 2008) using qualitative data. This set-theoretic approach assesses causal patterns by analysing subsets of relationships. In our case, fsQCA analyses the members of the subset "decoupled business schools" to determine the combinations of conditions that result in a decoupled outcome. FsQCA is increasingly adopted in management research where several studies have used this method in leading journals (Fiss, 2011). Furthermore fsQCA is designed for outcome-based work and is thus naturally suited to the study of decoupling (Crilly et al., 2012; Bromley, Hwang & Powell, 2012).

FsQCA has a further advantage when it comes to multi-level studies since it does not require perfect nestedness (Lacey & Fiss, 2006), a requirement which limits the applicability of traditional statistical techniques such as Hierarchical Linear Modelling (HLM). The dearth of previous empirical work that visits multi-level concepts and theories may be explained by these complications where that aligning theory, method and analysis can be difficult when avoiding confounding in multi-level studies (Hitt et al., 2006). QCA helps with this alignment since variables are naturally presented in relation to one another, allowing all conditions to potentially interact in a way which is expected theoretically and empirically (Lacey & Fiss, 2006), but which is not possible with traditional linear methods and the strict assumptions imposed (Ragin, 2000).

The fsQCA analysis performed included variables at both levels of analysis. A two-step version of QCA was adopted (Schneider & Wagemann, 2012) to allow a larger set of variables in the model, while maintaining statistical importance. The two steps considers remote, context-specific factors that are relatively stable, to first isolate 'enabling contexts' before looking at these contexts in relation to proximate variables, for example those factors at the level of individuals.

RESULTS, DISCUSSION & CONCLUSION

The following diagram shows the variables and levels of analysis where multi-level combinations of variables determine successful or unsuccessful attempts and decoupling.
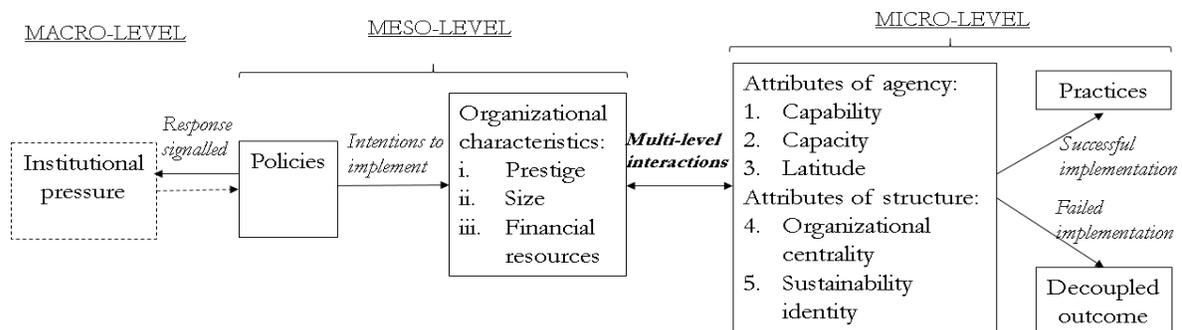
Multi-level scenarios that were important included surprising combinations. For example less prestigious business schools that lacked capacity, were linked to tight coupling. An interpretation might be that a less traditionally successful school may use sustainability implementation as a means to address a market demand (Gardiner & Lacy, 2005) and find competitive differentiation. Conversely highly prestigious business schools who had not set about creating a sustainability identity for their MBA were linked to decoupled outcomes. Regardless of their commitments and intentions to implement sustainability in their organizations, in this situation it remained absent from the MBA.

An interpretation can be constructed where the highly prized (Schlegelmilch & Thomas, 2011) and traditionally structured (Navarro, 2008) MBA programmes at prestigious business schools are shielded from change associated with sustainability integration. This need for protection of core activities (Meyer & Rowan, 1977) for the most prestigious MBAs outweighs the risk of accusations of decoupling which are increasingly expected to deter decoupling (Bromley & Powell, 2012).

Overall, however, the strongest determinants of decoupling related to a combination of capability and sustainability identity, both factors which reside at the micro-level. While multi-level scenarios were important in explaining decoupling, the micro-level scenarios were dominant when looking at the results as a whole suggesting that, relatively, the local context is more relevant in explaining unintended decoupling than the nature of the higher level contexts in which they reside. In other words, the conditions that relate to the MBA programme directly have more of a bearing than the broader environment provided by the parent business school.

This has implications for those leaders of business schools, particularly those who have made explicit organizational commitments, such as becoming signatories of PRME. Business schools who aspire to make good their commitments and wish to avoid the risk of becoming 'green-washers' as a consequence of failed attempts to implement sustainability, may thus be advised to focus attention on two particular features or aspects of the MBA; 1) the sustainability identity of the MBA which relates to the explicit labelling or strategy of the MBA itself to relate to sustainability and/or 2) the sustainability capability, the presence of sustainability-related skills and knowledge, available to the MBA programme.

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