

Framing Environmental Value: Business Narratives of Creation and Prevention

As pressure mounts on firms to do good for the environment, firms have increasingly incorporated environmental goals into their business model, for example, through sustainable business models (Silvia and Truzzi, 2020). Here, environmental benefits are often described using business model terminology, discussing environmental value propositions (Manninen *et al.*, 2018) and creating and appropriating environmental value (Ritala *et al.*, 2021). However, what it means to create environmental value or for the environment to capture value remains ambiguous. Similarly, discussions on whether the environment qualifies as an organisational stakeholder (Haigh and Griffiths, 2009) remain unresolved. This mixed methods research clarifies how firms talk about the environment in the context of proposing and creating environmental value by drawing upon an extensive longitudinal database of descriptions of B Corps, companies that place a strong emphasis on doing good for the planet (Stubbs, 2017). The research explores four terms (environment, planet, nature, and earth) frequently used in company descriptions to describe a broad environmental entity for which B Corps were aiming to benefit. Statements were categorised using thematic analysis (Braun and Clarke, 2006) to reveal a range of different ways in which these environmental entities and their relationship with human activities were discussed. Analysis of these statements revealed that environmental entities were typically viewed as the beneficiaries of business actions that would either reduce environmental value destruction (e.g., reducing carbon emissions) or create value for the environment (e.g., restoring forests), thus assigning a largely passive role to the environment in contrast to the active role undertaken by businesses. Fewer organisations described environmental entities in different ways, for example, as being interconnected with society or being a resource that can generate value for human actors. Additionally, quantitative analysis on the environmental progress of firms based on B Corp's scoring system was conducted to determine which descriptions of the relationship between businesses and environment led to the best outcomes for the environment. Early analysis indicates that firms that describe their business as creating environmental value may receive better B Corp ratings than those discussing preventing environmental value destruction. Further analysis will explore specific industries, regions, or areas of environmental benefits to determine whether how firms perceive creating environmental value influences their ability to successfully achieve intended environmental outcomes. Additionally, the longitudinal element will be explored to determine how discussions of business and environment have changed over time. This research offers more clarity on how businesses propose and create environmental value and the types of approaches that successfully lead to environmental value outcomes as measured by B Corp as benefits to the planet, knowledge that holds value for academics, entrepreneurs, and policymakers alike.

References:

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