Leadership Forum on Organizations and Sustainability: Taking Stock, Looking Forward

Tobias Hahn, Jennifer Howard-Grenville, Thomas Lyon, Michael V. Russo, and Judith L. Walls

In mid-2020, leaders in the field of organizations and the natural environment convened for a conference call to assess the field as it stands and consider reorientations that might elevate its scholarship and amplify its impact. On the call were:

- Tobias Hahn (ESADE), President of GRONEN, the Group for Research on Organizations and the Natural Environment
- Jennifer Howard-Grenville (Cambridge Judge Business School, University of Cambridge), Deputy Editor of *Academy of Management Journal*.
- Tom Lyon (University of Michigan), President of ARCS, the Alliance for Research on Corporate Sustainability
- Mike Russo (University of Oregon), Editor-in-Chief of *Organization & Environment*
- Judith L. Walls (Institute for Economy and the Environment, University of St. Gallen), Chair of the Organizations and the Natural Environment Division of the Academy of Management

What follows is a lightly edited transcript of our free-flowing conversation, with references that came up in the discussion added.

**Mike Russo:** Let’s begin by talking about what people have sometimes derided as a field-wide fetish with theory. Why do you think we have this absolute necessity to develop theory and dwell on it so heavily?

**Tom Lyon:** Because we’re about 40 years behind economics (laughter). I’m not totally joking here, either. In 1982, economics Nobel Laureate Wassily Leontief wrote a paper called “Academic Economics” in the journal *Science* (Leontief, 1982), which bemoaned the fact that articles on “the finer points of economic theory occupy a more and more prominent place than ever before” and that over 2/3 of the articles in the flagship economics journal, the *American Economic Review*, were purely theoretical in nature. A decade earlier, Leontief worried, in his Presidential address to the American Economic Association, that “The weak and all too slowly growing empirical foundation clearly cannot support the proliferating superstructure of pure, or should I say, speculative economic theory” (Leontief, 1971).

Since that time, of course, the pendulum has swung in the other direction, and by 2011 only 19% of the articles in the top three economics journals were purely theoretical (Hamermesh, 2013).

In management, we currently have so much theory and so little empirical evidence to back all of it up that I think it’s necessary to go through a period of empirical testing. Then, as you start to find anomalies, and realize you have a need for new theory, the pendulum will swing back.
Mike Russo: Do you think the issue is that we use too many different theories to develop the requisite depth in a narrower set of the most promising ones, or have we stuck with those that are less promising and need to jettison those in favor of more promising ones?

Tobias Hahn: Do we really use so many different theories? I remember a piece by Martina Linnenluecke and Andrew Griffiths (2013). They did a review on sustainability and found that there are two or three dominant theories, basically the resource-based view and institutional theory, and maybe some psychological theories. But that’s basically it.

I would think we are obsessed with a handful of theories, and sometimes it’s theory for the sake of doing theory, and that is the problem. Looking at Jen’s talk at EGOS and the subsequent essay (Howard-Grenville, in press) she published in *Organization Theory*, it’s very clear that probably we look at the wrong theories. We should look at systems theory and ecological theories. Then again, not as doing theory for the sake of theory and for bringing in yet another new theory but as an inspiration for asking the right questions and then going to the field and doing the empirical work.

Jen Howard-Grenville: I agree with all that’s been said, and I find it fascinating that economists are ahead of us with this, because our field was basically derived from people moving into new things called business schools, but coming from diverse disciplines, like economics, sociology, and psychology. And as a result of needing to legitimize business schools as credible academic entities as they arose in the 1950s and 1960s, there was an effort to create journals and do “real science” with an emphasis on developing theory.

Jerry Davis (2010) has this wonderful phrase where he talks about the 1950s and 1960s as being the “Cambrian explosion of creativity” for organizational scholars during which the theories we all still use were developed. As Tobias says, we still use dependency theory, institutional theory, and the beauty of some of these theories is that they continually reinvent themselves. I would say actually, honestly, when you look at our field, most of the theory that we have is theory that we started with.

The newly relevant theory, like that on paradox and systems is more nuanced and is, I think, being imported from and inspired by other fields. The good news is we were multidisciplinary and hence we can adapt and adopt new theories that are useful to explaining contemporary phenomenon. The bad news is, we’ve been trained and socialized to develop theory and so have sort of created the conditions we are now struggling with. But like economists, we’ve also had leading voices calling for a shift away from theory for theory’s sake for a long time (Ghoshal, 2005; Rynes, 2007).

The fact remains that, frankly, for a lot of the topics we study, it’s unclear that there could be a definitive empirical contribution, and this is probably the case in economics, too. We don’t study things that are subject to universal laws. We’re studying humans; we’re studying how they make sense of things; we’re studying the decisions that they take under uncertainty. So, our empirical findings—and our theorizing—will always reflect the conditions under which they arose and have boundaries on their applicability.

I was just revisiting Jerry Davis’ (2010) paper this morning on why theories don’t progress. As he points out, part of it is due to a complete lack of experimental control in the world of organizations. So, we need to give up even thinking about empirical and theoretical contributions on the model of other fields where experimental control and a cumulative evidence base are the gold standards. Davis also says humans and the organizations they are a part of are continuously responding to and seeking novelty. So even if we describe really, really well what they have been doing, that doesn’t mean it predicts what they will do.

I think we, as journal editors or leaders in the field, need to be really bold about moving away from perpetuating the sense that the only contribution anyone can make is through theory, because increasingly this is giving us less bold and less relevant ideas to share with the world of business.
Judith Walls: I agree, and I would maybe even push it a bit further in that, at least in my opinion, the need or the reason to theorize has always been to explain in somewhat simple terms the complex world. I actually feel that within the subfield of sustainability, we haven’t really developed significantly new theory beyond what business or management has already done with pulling the three disciplines together. We’ve perhaps extended theories, as can be seen in Stu Hart’s (1995) natural resource-based view which builds on the resource-based view but contains new concepts like shared vision and not just competitive advantage. Or similarly, Pete Tashman’s (2020) recent work on the natural resource dependence perspective that builds on resource dependence theory to bring in firms’ reliance on natural systems.

On the one hand, there could be an opportunity here in terms of the connecting to the natural environment which is quite complex, and we need to look at things like systems theory such as socio-ecological systems or multilevel theories. On the other hand, I wonder if having more theory really helps us on a pragmatic level. To some extent, the (over-)emphasis on theory is a bit of a luxury perhaps because we view theory building as a status symbol against which scholars can measure themselves. Scholarly work is set apart from practitioner work in that we take the time to study something deeply, and in order to understand our insights, we theorize. This, of course, is valuable in and of itself (Van de Ven, 1989). But if that theory is disconnected from practice, then what are we really contributing?

That’s not to say that theory isn’t useful, but I think this is all something we should ask ourselves. Sometimes, when I talk about atheoretical work or phenomenon-driven work, the response that comes back is, “Well, nothing is better than a good theory.” And yes, we may want to be able to theorize and generalize in order to gain insight.

However, I’m agnostic as to whether we have theory or not. For me, theorizing is trying to explain upfront and then testing after the fact, whereas phenomenon-driven work does the opposite. In phenomenon-drive work, we look at the factual patterns, and then we try to explain something for which we typically don’t have a (good) theory (Hambrick, 2007). Either way, we are trying to explain how the world works because the goal for us is to have practical insight so that we can intervene. But the missing link for me is often precisely this connection to practice to actually have something to say about what can we now advise companies to do?

Tom Lyon: Your comment about “nothing is better than a good theory” makes me think of the growing prevalence of conspiracy theories. I think that’s a kind term for them, but people clearly have their own personal motivations to generate a theory.

I don’t think we and the Academy are anywhere near as bad as what goes on in the political world, but people do seem to have incentives to reinvent the same theory over and over again with different terms. It took me the longest time to realize that the “decoupling” literature was addressing the same issues as the “symbolic management” literature, which is addressing the same issues as the “greenwashing” literature, the “hypocrisy” literature and the “impression management” literature.

I am afraid editors often don’t demand that people engage with prior work, and they let people get away with spinning out a bunch of new terms that mean pretty much the same thing as the existing terms. Another example comes in the space of “hybrid organizations,” which create “shared value” and which are essentially the same thing as “social enterprises,” and which have as a special case “Benefit Corporations.” Everybody wants to copyright their own word that allows them to establish a reputation and a personal brand.

Mike Russo: We’ve actually tried to push back a little bit at Organization & Environment, Tom. For example, we’ll ask people, “Okay. What is the difference between green creativity and creativity in a green context?” or “Why do we need “purpose-driven organizations” as a new term, when we already have hybrid organizations? What does that bring to us that’s new?”
As scholars, those of us with full-time work experience sometimes get frustrated because our field too frequently doesn’t really look at outcomes that matter to managers.

We’re just finishing up a long piece on social entrepreneurship and environmental entrepreneurship and how the two fields went in different directions (Vedula et al., 2020). One of the huge takeaways—and it’s true to both fields—is how few of the articles actually look at environmental and social outcomes. In my work on alternative energy producers, we look at entry. We don’t look at the extent to which those projects reduce carbon emissions. People that look at microloans measure the extent of microloans without looking at how they impact empowerment or inclusion or actual social outcomes. I worry that sometimes theory is driven by the data that we have on hand. Overall, I just think we’re way out on a limb with respect to how much we theorize.

Judith Walls: Mike, your point really speaks to a question that came up in my mind that if people are not being asked to make a theoretical contribution, then what kind of contribution are we looking for in the journals? I think this question of impact is actually really important, especially for our field.

Tobias Hahn: I would like to follow-up on what Mike just said and develop it a little further. Mike, you said we should look into what managers care about. I think we need to push things a bit further here. We need to think about and talk about what systems and nature and sustainability care about because I’m not so sure if managers actually care about biodiversity and things like that.

We probably need to go beyond managerial impact. It is organizations within their broader context that we should be concerned about. This question about theory and impact, it’s not an either-or. I see theory as a source of inspiration to ask the right questions, but not in terms of a fetish of saying, as Tom put it, I need to come up with yet another fancy term just to create my little space where I am the expert. That’s, of course, absurd in the end.

Tom Lyon: Mike, I want to go back to what you were saying about your recent manuscript. Do you have a theory for why things operate the way they do – why people pick these dependent variables that aren’t really terribly important?

Mike Russo: I think it’s because they can measure it.

Tom Lyon: Because the data’s there.

Mike Russo: Exactly. The data are there, and if you think about the empirical contexts we work in, many of these are in the developing world. So, to tap in and download information from Kiva about all the loans that they’ve made is straightforward. But to actually get out into the field—then we’re talking about hard and possibly risky work. What this in turn suggests is the pivotal importance of interdisciplinary work. Researchers write about this all the time, but it seems particularly pressing in our field.

Tom Lyon: I feel like this goes back to the question—or maybe goes ahead to the question—of systems thinking, because outcomes are driven by a lot of different factors in this sustainability space. To actually be able to trace out the full set of causal factors and authoritatively say, “This caused that,” is really, really hard. I worry and sort of despair sometimes that maybe we’re just not able to do that. We, as humans, are just not quite up to that task.

When we think about sustainability transitions, for example, how do we get ourselves to a world where we’re dealing with climate change adequately, or many other things? I think people have gotten to the point where we realize we’re not going to do it in one fell swoop; we’re not going to go directly to what economists call the “first best” solution. We’re going to have to lump along for a very long time with second-best and even Nth-best solutions. A lot of the time, it’s hard to tell if a given action is even moving us in the right direction or not. Self-regulation by a trade association may sound good, but it may also give us an excuse not to put in place the comprehensive climate policy we need because “the free
market is already solving the problem.” In that sort of world, how do we ever know what impact something ultimately had on the desired outcome?

**Mike Russo:** It would seem there’s some potential working with policy experts, and also the economists and other people in the disciplines, but as opposed to, say, most of the science disciplines, policy is something that a lot of us can connect with, with some degree of confidence. Yet, we don’t do very much work in the policy domain.

**Jen Howard-Grenville:** We’re getting into impact, but I’ll go back to what Judith said, too. Theory is an explanation for why and how something happened. There are two problems. One is that if our explanations are directed only at each other, in the pages of journals, for other academics, we are simply hiding away and talking in fancy language amongst ourselves, so we have to ask, “For whom are we offering these explanations?”

This gets into the question of whether our work is meant to be useful to policy, to practitioners, and hence why should we be arguing over details that won’t matter to them? I think, actually, journal reviewers are getting much, much better at asking authors to step outside the narrow confines of their theories and labels and ask, for example, “You’ve just delivered me a wonderfully crafted paper all about stigma management. Why is this stigma? Why is this not reputation?” “Why is this not legitimacy?” I think we are starting to police our own boundaries and that’s a good thing.

The question about explanation for whom, I think, is really critical. Consider Tom’s point that maybe these things aren’t explainable. Honestly, the world isn’t explainable. We cannot draw the perfect boxes and arrows diagram. Even if you’re good at fancy computational systems dynamic models with all the feedback loops and dynamics, you’re not going to pick up on a whole bunch of other stuff that matters. So, I think one of the things that we actually do have is, we kind of have too many theories but also, as we’ve observed, not enough theories we are willing to use, or we’re not novel enough in our approach to them. We often keep using the same theories and approaches.

You could take any given phenomenon, and people would come at it from completely different angles in our broad field because of the way they see the problem. Actually, I think that’s something we should not be too apologetic about because by definition these questions are incredibly complex, and there is no single way to see them. I think our goal might be to better appreciate the complexity and ask better questions that deserve more study.

If we’re precise and thoughtful about approaching the complexity of sustainability, like Judith said, and helping others see its complexity, this can make aspects of it approachable and actionable. So, we have added value in the debate or discussion. Rather than say we need to toss out theory altogether, we should use it courageously and wisely because theory forces us to think precisely and robustly. That is what we as academics have that, say, journalism might not.

But the question remains, why are we doing it? And we shouldn’t be doing theory so we can get a publication. Ideally, we’re doing it so that we can actually understand something that we might bring to the conversation and its a conversation that we’re having with others—not just our academic peers. I think that’s the real impact, at least for me.

**Mike Russo:** Let’s see if, based on Jen’s great bridge, we might transition over from our problems creating impact to “Okay, as a field, what are we going to do?”

**Tom Lyon:** It is very sobering when we recognize that we may not have the ability to prove anything for certain or nail down a theory that explains everything we want it to. This makes me think of the phrase: “What’s your theory of change?” On one hand, I hate it because it’s another one of those little nuggets of business speak, akin to how we need to “socialize” an idea so we can adopt a new meeting “cadence” before we “stand up” a new division that will help “grow the economy.” But, on the other hand, it has some value in a world of radical uncertainty because you’re sticking your neck out and saying, “I’m going
to do something now, and I think it’s going to have a larger systemic impact, and here’s why.” If it does work the way I think it will, things are going to proceed along this set of predicted steps, and I should be able to trace out, did we hit the intermediate targets along the way? And along that path, people can start to hold me accountable for whether my theory of change is legitimate or not.

It may be that’s about the best we can do. It’s similar to when you create an empirical research design, and you say, “This is how I’m going to do it. Now, I don’t get to come back later and slice and dice all the data every which way to do some P-hacking.” It forces us to be more honest in our theorizing.

**Mike Russo:** Someone mentioned this when we first got together. I thought it was really provocative. What do we want to legitimate as research? We are all fairly close to the peak organizations. All of us are in that area. What do we want to legitimate as research? What would address these issues that we’ve been talking about?

**Judith Walls:** This discussion about theory always reminds me of Sherlock Holmes’ character by Sir Arthur Conan Doyle who said: “It is a capital mistake to theorize before one has data. Insensibly one begins to twist facts to suit theories, instead of theories to suit facts.” But I agree with Tom’s view that we also are not doing anyone a favor by slicing and dicing the data every which way to find some kind of significant p-value. We do have to step back and think “What does this really mean? Am I looking at something that is relevant here? Does it pass face validity?” To me, this is especially important in sustainability research. We are facing a series of urgent environmental crises like climate change and biodiversity loss, as well as social crises. In order to tackle these grand challenges, our research has to have impact and be relevant. And not only relevant, but scholars also need to take on a different role in society by becoming much more engaged with business and politics (Hoffman, 2021).

**Tobias Hahn:** What sets us apart as a field from other fields and other disciplines within business and organization studies, is that we have this very strong normative aspiration of contributing to a sustainable world. I suppose it’s not the same across all disciplines, which is obviously a good thing on the one hand, because it keeps us going and keeps us motivated and keeps us challenging the boundaries and so on. On the other hand, it puts this burden on us to have high expectations regarding the impact of our work.

I’m not saying that’s a bad thing, but I think our field is particularly reflective on its purpose, on its motivation, on its legitimacy, as you put it. And I think that’s a very good practice. I attended quite a few doctoral seminars during the last couple of weeks. Doctoral students ask themselves these questions all the time. They are like, “What am I doing here? I’m number-crunching, and the world is going downhill. I’m supposed to be a sustainability scholar, and my number-crunching is not doing anything to these downward spirals.”

So, what I think in terms of what legitimizes us is this aspiration on the one hand. But, on the other hand, it is our efforts toward workable solutions. I actually agree with Tom that there is no perfect path, and we might even never know the perfect path. A perspective that I’ve particularly connected with in recent times is this notion of robust action and small wins, and this notion of experimenting and probing different ways in parallel and even if it’s contradictory and trying and failing and trying again (Etzion, 2018; Etzion et al., 2017).

From a systemic point of view and also taking into account the complexity of the task ahead, this is maybe the gold standard for how to go about sustainability. So, it is asking questions like, “How can you create affordances for people and for organizations at all scales and for organizations to act a little bit more sustainably?” Because we know we need to become carbon-free in about 30 to 40 years. People know it, but still, people don’t act like that.

**Judith Walls:** Addressing the question of “how” is helpful because it is pragmatic. Theorizing is typically about “why,” but “how” gives practical advice to companies.
Tobias Hahn: Fine with me. There is this obvious gap, and everybody’s been touching upon it; it’s not new at all—it is this knowledge-practice gap. The challenge is to find perspectives that actually help people along the way, practitioners, consumers, policy makers, to experiment into the right direction.

Jen Howard-Grenville: I would add that what we have to add is the normative piece. We’re not alone. Conservation biologists—can you think of a more normative science from the get-go?—Cancer research . . .

Tobias Hahn: I thought within business.

Jen Howard-Grenville: Yeah. We’re not alone, but I do think actually we are rather curiously unique in our dedication to theory. When Tom mentioned theory of change, conservation biologists are always talking about their theories of change. But when you get into a conversation with them, you may realize they are naive in the most wonderful way about organizations and organizing. They know there’s something important there, but they don’t have the language.

I don’t say that in a way that’s meant to talk down to them because they know a great deal of biology that I don’t. But they have a strong sense that there are organizational things that matter, and that’s not their domain. So, I think we tend to forget because it’s so obvious to us. We study organizations and how things happen through and within them, and actually, this is a domain of knowledge that is useful to people. We need to connect with these other domains of knowledge to start to address the kinds of questions they may have, that we have expertise in.

We’re all in our little niches. When it comes to sustainability issues, we need to own the fact that we actually do know something that’s probably useful, but we need to be able to speak with others in a way that it connects and has some resonance, and it’s probably not going to happen through a deep foray into resource dependence theory!

Tom Lyon: I want to go back to this question of being normatively oriented because I think it’s really important. It also has a really dangerous side effect, which is wishful thinking. I feel like this whole field has been permeated with wishful thinking for the last 20 years. In some ways, I feel as if those of us working on corporate sustainability all fell for a ruse, namely that “If we can just teach managers what to do to be more sustainable, then everything will be okay, because they will go out and do it and the business world will automatically move in that direction.” It’s just not true. It goes back to Mike’s comment that we don’t think enough about policy. There are an awful lot of situations where we need policy to level the playing field and raise it for everybody in order for society to get anywhere.

As far as I can tell, most of the research on what has really made a difference for the environment shows that the Clean Air Act is the single biggest source of environmental benefits in U.S. history. It was not some company voluntarily reducing waste in its supply chain by 3% or switching to compostable K-cups.

Jen Howard-Grenville: Or finding new purpose.

Tom Lyon: Or finding new purpose. The other thing this connects to is, and I’m putting my grouchy hat on here, is this notion of “small wins” because I feel like small wins often lull us into complacency and people think, “Now, I have moral license to just not do anything.” Or “If we all recycle a little bit more, then we don’t need a policy that requires companies to take back their electronics or their cars or whatnot.”

So, I very much agree that we need a normative orientation, but I also believe rigor is really important. When we sketched out ideas for our discussion, we spoke about the lack of impact and the lack of relevance, but we didn’t go back to the notion that we actually have to get things right. We can’t just go around fooling ourselves.

The theory fetish indulges us in this notion that if we advocate shared value or the Fortune at the Bottom of the Pyramid or whatever the latest shiny intellectual object is, that will be an adequate solution.
Judith Walls: I agree, and the whole discussion around normative and impact also has me thinking about what our own responsibility is in this whole process, and about being the change. Not resting our laurels and not saying, “Okay. I’ve written this paper, and that’s enough, and everyone else can figure out now what to do with it.” Whether that’s connecting with conservation biologists or systems-thinking people like Jen was saying, or whether that’s connecting with policymakers. For me, there’s also this aspect of being the change and not just writing about it or thinking about it.

What I think makes us unique as scholars, is that we have the training, and we, to some degree, have the time. That puts us in the luxurious position of being able to think these things through, in detail, and seeking to understand the larger consequences. Although when it comes to sustainability, we’re also rapidly running out of time.

But I feel like with that also comes a responsibility and a duty to use that training and time in the right way. That’s where, for me, the normative angle comes in. I don’t necessarily see that we have to ask businesses to be altruistic because I don’t think that works, but I think the normative angle is needed both in research and in guiding practice.

Jen Howard-Grenville: I love your grumpy hat, Tom. I’ve been around this field long enough to be able to look back and go, we have recycled the same “win-win,” “it pays to be green” fundamental arguments over and over again with new labels, and they’re getting more attention, and there are shriller voices, and there are new people entering that area. People are reading and consuming this. Business organizations are reading and consuming this and saying, “Right. Okay. That’s what we have to do.” And we know that it’s not enough, so I think we do need to be much bolder about saying, “fine, but we have some evidence base over the years that shows that there are many more things that need to happen.”

If I am a CEO, and I suddenly wake up, and I say, “Oh! I’ve just read this book. I realize I’ve got to get my company a purpose.” That’s inspiring and might compel long term thinking. But let’s not forget also about small wins that are small wins, but, over time and in a bottom-up diffuse way, small wins can also be the basis upon which massive generational change occurs.

I’d like to offer a small anecdote. Yesterday my daughter went to physical school for the first time in months. Of course, I’m still working from home. I was getting hungry, and so when she came home from school, I pulled out my vegan app and started making chocolate chip peanut butter cookie dough balls—all vegan, natural sugars, and so on. And I thought, “My gosh. I’m like that 1950s housewife instead of a professor. I’m standing here making cookies for my daughter before she comes home from school.” Then I thought, “Hold on. They’re vegan; they’re healthy; they’re no-bake; they’re small portions.” The 1950s were not about that. The 1980s were not about that.

So, nudges or helping people understand that eating less meat, for example, is a thing that they can do individually. I don’t think we should condemn any of these individual actions because that’s what will become normative to the next generation and the reality 30 years from now. I don’t know whether we’ll be living fossil fuel-free, but I’ve got to believe that unless we cycle right back around, we’re not going to be thinking that Wonder Bread and technological fixes and more preservatives in our cosmetics are better. We’ve been through that. We’ve emerged through that, and we’re moving in another direction, even if only very gradually at first.

I’m just saying we shouldn’t condemn the small-scale changing minds and changing hearts approaches. We should condemn it when it, like you said, makes people not look at the bigger picture. We’re composting our coffee cups, so we don’t need to look at our supply chain. That’s garbage. You need to actually take the energy and attention that people are putting into the composting coffee cups and actually ratchet it up a level or two or maybe 200.
Judith Walls: Jen, your comments remind me of the materiality matrix or materiality thinking that we use a lot in corporate governance research and practice where organizations identify what’s the most important and focus their energies on solving those problems first.

Jen Howard-Grenville: Yes, absolutely, materiality thinking is essential to driving a strategic focus on what companies ought to do and can best influence. But there are good reasons to do a few things that aren’t in the upper right quadrant (of highest priority in terms of materiality) because they engage hearts and minds. But don’t engage hearts and minds and stop there, or don’t engage hearts and minds on the wrong stuff.

Tom Lyon: My concern is that we need to have influence on the really important big decisions, like the policy decisions. What the Trump administration is doing with the environment now has much more impact than any of our individual daily decisions. They’re destroying things left and right. So, having voice in the big decisions is important.

But then, going back to this question of how do we actually know anything, and how do we know it in time to make any difference? There was an interesting recent survey paper in the Academy of Management Annals by Alberto Aragon-Correa et al. (2020). Their starting point is that most of the voluntary programs for environmental improvement that have emerged over the past 20 years have accomplished very little. Their larger message is that we’ve got to think about systems and how all the different voluntary mechanisms that exist either enable or preempt the mandatory programs that are often essential for really solving big problems.

It’s taken us 20 years to figure this out. So how do we, in our very limited little worlds of knowledge, influence things? The thing I come back to is a story that was told to me by a friend who was working on the Council of Economic Advisors, which advises the President. He was representing the environmental brief, if you will, on the Council. What he said was that every day something unexpected comes up. It’s all about putting out brush fires. There’s a need to make a decision in a very short amount of time without anywhere close to enough knowledge to make the right decision.

In his words, “I’m just trying to compare marginal benefit and marginal cost and say, “Wait. In this case, they’re really vastly out of whack with one another, and if I can stop a really bad thing from happening, that’s about as good a job as I’m going to be able to do.” I wonder if there’s an analogy for that with us, as faculty. We know some stuff. We can tell when something smells fishy. We can at least raise a red flag when a company or a politician proposes, “Why don’t we try this.” And we can say, “Well, we can’t prove that it’s bad, but 20 years of research suggests this won’t make any difference.”

Mike Russo: And yet, I’m always struck by how timid we are in terms of criticizing business. You can follow the money. For the most part, we don’t get very much funding from businesses, unlike, say, our colleagues in medical schools that conduct studies that have an array of sponsors with huge financial interests. Why are we so timid?

Tobias Hahn: I think it has to do with the history of the field and the development of the field. There was a need to legitimize this sustainability thing because we were seen as tree huggers. The way to legitimize was, obviously, the business case; by being nice to businesses and telling them, “Look. You don’t have to change completely. You just have to be smart enough to embrace green issues.”

Two generations of PhD students over 20 years or so got trained like this, including myself. My supervisor deeply believed in the business case and was strongly engaging with businesses. “Look. All you have to do is be smarter. You can outsmart the others, and be green, and be profitable.” There was not much space for being critical. There has always been this bunch of critical scholars like Rob Gray (2010) in Accounting. But these have always been marginal voices.
And then businesses didn’t listen to these critical guys because there was this comforting lie of the business case that suggests that businesses can be sustainable without changing course fundamentally. The inconvenient truth could be sidelined because there were enough people who did not speak out the uncomfortable truth even if they knew it.

One thing that we tend to forget, and maybe it’s a self-excuse, but I think the most impact I have is through teaching because there, I have the next generation of managers, and I can tell them, “You are the ones who will have to manage how to get out of fossil fuels.” To confront them with the right questions and the right tools is probably going to be more impactful on actual business practices than my writings on sustainability and paradox theory (Hahn et al., 2014; Hahn et al., 2018).

Judith Walls: True, but it also requires students to be open to this discussion. Andrew Jack from the Financial Times often discusses this topic and the push for more focus on teaching responsible business (Jack, 2020). However, in my experience it is often still missing among the core finance or economics students, for example, or your typical MBA candidate. Some students have a negative knee-jerk reaction when you mention something like climate change or the need to change individual behavior in order to reduce the global carbon footprint.

Tobias Hahn: That still happens, and it happened to me when I was doing a seminar for executives in Portugal. The room was like a perfect setting of a conservative business—only one woman in the room, the rest white, old male, all oak wooden panels with oil paintings of the family inheritance, and so on. Then when I talked about climate change, they’re, “Oh, that’s not a thing.”

One guy ended up suggesting that it is more volcano activity that is causing global warming. At that point, you just can’t argue any longer. That is something that you have to deal with, and we need to take a firm stance. That’s like with conspiracy theory. At some point, when you meet a guy, and he tells stories about COVID-19 being a hoax, there’s no point in arguing. Right?

Jen Howard-Grenville: Although I think it comes back a little bit to why don’t we speak up about this? What can’t our voices be heard? We can perhaps learn from other disciplines. Economists will give straight answers to whether a carbon tax will work or not, whereas organizational scholars might be a bit more, “Well, it depends, on these various factors, etc.” So we might need to simplify and be a bit more direct than we are used to being. There is also a general backlash against experts and expertise. There’s a danger in speaking up and saying, “We have science and social science backing us up” because while in the past that might have been misunderstood or seen as elitist, now it’s actively attacked in some circles.

I take Tom’s point about finding the people who are actually responsible for making these decisions, and who don’t have the information that they want. We need to be able to give them an answer. It can’t just be, “It’s complex. It’s really hard. It depends.”

It’s made me think, do we as management scholars have answers to, for example, a manager who asks “Is it better to put an internal price on my carbon or to require everyone I work with in my supply chain to have ESG disclosure?” The answer is, “Well, it depends on how you do it. But, frankly, ESG disclosure can be pretty bogus.” Are we willing and able to give advice along those lines? Coming back to our earlier conversation about theory, are we able to explain why?

Tobias Hahn: Taking on this point, I think it’s a very important one. But if you go back to this idea of robust action, let’s be open to form unconventional coalitions and alliances. Let’s try to put aside some of the ideological baggage of all of what we’re doing—not forgetting about it, but put it to the background. For instance, if you talk to people living on my street where a lot of kids play, and the cars driving by far too fast, you can focus on a very specific
everyday mundane interest and issue that can set aside all the ideological debate on whether we are doomed in 30 or 40 years, or whether climate change is a hoax.

But if this means to get the cars off that street to just protect the kids, then you change the focus of the conversation. This can be explained theoretically, but at the same time, it can provide quite practical advice, not only for citizens but also for decision-makers in organizations like a sustainability manager in an organization.

Sustainability managers might feel lost and hitting walls all the time being seen as tree huggers. If you give that person advice on how to build coalitions, even without almost mentioning sustainability, I think that would be good advice. I think we are able to do that with all the wealth of research that we have done.

Sometimes, I feel like we don’t dare speaking up because we are just this tiny little green niche in management. We feel we’re not mainstream still, with all these big consulting companies out there and big-name professors from old strategy. Maybe it’s time to grow out of our niche, and to be more bold, and to be more robust, and also be more self-conscious. This includes admitting that sometimes we will be wrong. Of course, we will.

Mike Russo: I think generationally, what’s happening out in the world is happening in business schools, too. My colleagues in accounting and finance are so much more, if I can use the term, open-minded than they were previously and so much less defensive about our ideas and the pressing need for change and how it upsets their intellectual applecarts.

There are colleagues looking at all kinds of interesting questions. Tom talked about tradeable permits under the Clean Air Act. Economists have known this for years, how to use simple tools and market mechanisms to promote environmental quality. They’ve known this for years. I don’t understand why, in the past, this provoked so much defensiveness in the accounting and finance and some other fields, even though their primary disciplinary roots are in economics. The new generation, for a number of reasons, appreciates the research opportunity but also the normative imperative.

Judith Walls: I must say, I like this kind of thinking about being the last line of defense, not just from an ideological perspective but also because we are ostensibly the ones who know the answers. And why should we let a famous professor or consulting company who haven’t done the rigorous research and lack the expertise to make the decisions for us?

I agree with what Tobias said: “Be a bit more bold.” Why are we still so timid? We can’t afford to be timid. I feel the younger generation of scholars is a bit more aligned with the fight is for future type of movement where people are being bold. Like, “We don’t have time anymore. We’ve got to do this.” So, maybe those of us that have had 10, 15, 20, 25 years of experience need to jump on that as well, and support it because we have that background, and we’ve looked at it deeply and extensively.

Tom Lyon: It goes back to this question, who is the consumer of our research? Part of the reason this is hard—it’s what Tobias was saying just before that managers want to hear a certain kind of thing. They don’t want to hear, “We’re going to need to shut down your industry because we’ve got to protect the interests of the next generation.” Their answer is, “Well, that’s too bad. I’m saving my ass right now.”

So, if we’re speaking out boldly to people that care, it’s a diffuse set of stakeholders. This is the problem with the environment and sustainability. It involves collective action. So, the individual manager who is thinking, “How do I save my fracking jobs today?” just may not be willing to hear and willing to act.

Judith Walls: This comes back to Tobias’ point about, “who are the outcomes for?” Do the outcomes matter to managers or to nature?

Tom Lyon: The outcomes often matter to everyday people, citizens who need to go to policymakers and demand sensible policy to protect the future. Now, we get back on the issue of
what’s wrong with the political system? So much of the time, it’s captured by large, powerful interests. So, the average citizen doesn’t have any say.

**Jen Howard-Grenville:** This is reminding me, though, that I think we are doing our field a bit of disservice by just saying we’ve had nothing to say, and we need to be bolder, and just . . . get over ourselves. Because, actually, there are ways in which the findings that people have put out there are helpful or could potentially be helpful to managers who want to understand why these things are so difficult.

What comes to mind for example is Natalie Slawinski and Tima Bansal’s (2015) work around time and how important one’s temporal orientation and temporal perspective can be to even thinking about these issues and whether people see inevitable tradeoffs or can think about them in another way?

Collaboration is another one—all the work that various of you have done on systems. So, it might be a translation issue, obviously, moving these findings from our journals into forums that are going to be used by managers. But I think there are things that we’re discussing now, even theorizing about now that weren’t there in the “Cambrian explosion” of early organization theory and that are useful in at least describing why things are the way they are and how we might have to transform those things in order to actually start to get past the win-win, or tradeoffs, kind of mentalities.

**Mike Russo:** And that mentality often takes hold in the courses we teach. When my courses bring together environmental studies students and MBAs, one of the key differences between the two groups is that environmental studies students thoroughly understand moral absolutes but really don’t grasp tradeoffs. And for the MBAs, it’s exactly the opposite!

**Mike Russo:** Let’s see if might try to wrap up with a quick turn about our virtual tabletop, asking, “If I was the king tomorrow, here’s what I would do.” Mandate whatever you want to come up with that is clear and straightforward. Sure, we’ve got a long way to go. In the hour we were talking, I wonder what oil and gas lobbyists did in Washington, DC to overturn whatever good we could have done in our collective scholarship for the entire year. But it won’t always be this way. Let’s dream a little.

**Jen Howard-Grenville:** I’ll give it a shot. For *Organization & Environment*, how about more review articles that are evidence-based. What do we know about topic “X”? An example is the Annals article that Tom noted by Alberto Aragon-Correa et al. (2020). We had research on this topic for 10, 20, or more years. So, lets take stock and lay out what we know. Here’s what works; here’s what doesn’t; here’s what we still need to know more about.

Make it useful in a way that scholars say, “Oh. Okay. They *have* been studying this topic, maybe just called it something different.” I don’t need to reinvent the wheel; I don’t need to repackage it as a new theory. More importantly, also try to make the core messages something that you could then write a thousand words on and send out to another source that business people, policy makers, or the public might read and say, “All things being equal, this works better than this.” That would be pretty cool.

**Judith Walls:** I was thinking, actually, quite similarly along Jen’s line, and I had a recent conversation with Jeff York, current Chair of the Organizations and Natural Environment (ONE) division at the Academy of Management. One idea we had was to collate some literature, each in our own areas of expertise, and create a type of “policy brief” for managers.

We can say, “Here’s what we know about this specific subfield.” Maybe in my case, it would be what do I know about CEOs and sustainability and write it in such a way that it’s clear to managers, but also leaving space for what we don’t know. So it’s maybe too similar to Jen’s, but I want to actually springboard off Tobias’ earlier statement about focusing on issues because then we can think about how we solve a particular issue.
And what about having a debate between several academics who know something about the issue that are coming from different angles and saying, how would they solve that issue? But as a conversation, using everyday language, so that managers can also follow it and not make it so research-heavy, with all the jargon. Instead framing it as, “Here’s where I come from.” Tom clearly comes from an economics policy angle on things, so he could have something to say about that on a particular issue. That would maybe be contrasted against Tobias’ as coming from a more paradoxical, scholarly discipline, and so on.

**Tobias Hahn:** What came to mind following up on what Jen said earlier when you highlighted that we know something that conservation biologists might want to know and vice versa. Maybe we should create a specific section in the journal where we only invite or accept papers that have core authors from very distinct different fields? Like, make it mandatory to have an organization scholar, plus someone else—a physicist, a chemist, psychologist, whatever it is, to create such a section that serves as a protected space where we only publish truly interdisciplinary stuff. And to get it going, obviously, it would be nice to have two or three invited pieces, but then, maybe that could be unique for the field to create that space. Sometimes, these pieces are really hard to publish because they have no obvious home.

When I organized the GRONEN Conference back in 2012 in Marseille, I had invited a biologist who had done research on frugality and sufficiency strategies. I loved his talk. One participant connected with the guy and talked to him on the coffee break, and they wrote a piece together, an organization scholar and a biologist. So for instance, if you do research on sufficiency strategies as opposed to efficiency strategies, and there are other fields who have looked into sufficiency, it would be quite fruitful to bridge disciplines. To establish a space for something like this in our journal and to invite people to think across disciplines would be great. Ideally, this would help us to be more than a tourist in another literature where you get your feet wet a little bit but still scratch the surface. The idea would be to really get an insider and pull that person over to our field and see what that delivers. It’s quite ambitious, but maybe it’s worth trying.

**Mike Russo:** Great thoughts, so far. Any ideas, Tom?

**Tom Lyon:** One thing is to try to break the theory fetish, which means you can’t publish an empirical paper without a new theory contribution. Happily, the Academy of Management Discoveries, a new journal, is trying to do that. I think we could also do some of that in the pages of Organization & Environment.

At the same time, I want to see more space for empirical work that’s not definitive but doesn’t try to be. In economics, we have swung hard away from theory to the point that everything now is about “identification.” If I’ve got a regression discontinuity design or some really cool instrumental variable like a river or changes in wind patterns, then I can identify something with precision. But those are not always available, so our focus on identification really limits the kinds of questions we can ask.

Nowadays, it’s not acceptable to do cross-sectional work because we know it has serious problems with regard to establishing causality. But if you have papers that are very cognizant of the problem and are trying to make progress on a difficult and important question, even if there’s no method to address it correctly—that might help get us out of some of the narrow epistemological boxes that we’re in. I know I said two things. Sorry.

**Mike Russo:** That’s okay! I’ll just round it out by bringing together some of the previous ideas and going back to something I said earlier, which is to actually measure social and environmental outcomes. If you think about that, that may well mandate an interdisciplinary approach because we have to bring in experts that are into measuring the kinds of variables that we’re not. We’re into measuring organizational, strategic, personal kind of variables.
Doing something like that is powerful because you’ve actually gone all the way to the most meaningful variables, because ultimately, it’s not about dollars. It’s about ecosystems, and how are we going to survive the next few decades and come out the other end with a restorative economy?

**Judith Walls:** By the way, Mike, I really think several of the journals are now about collaborating with so-called “outsiders” of our field. I actually think this can be really formative and forward-looking because if we don’t do it, other journals will start to go down that path.

The conservation biologists are already doing research on organizations and social science, for example. But because they don’t have the same kind of training, they may go in a direction that perhaps doesn’t inform our own field of study. Making that explicit connection and creating that space could be really fruitful for everybody. Not just for us, but also those other readers from different fields who can view this journal as a gold standard if you like for such work.

**Mike Russo:** Thank you, Judith and everyone for a generative, thought-provoking discussion. And also for some great ideas for the journal. With luck, these ideas will turn out to be “action-provoking” as well!

**Notes**

1. At the time of this publication, the President of GRONEN is Valentina De Marchi (University of Padova) and the Chair of ONE is Jeffrey York (University of Colorado).

2. The participants thank Susan Nichols for transcribing services.

**References**


