

Greening Corporate Dragon's Environmental Management and Reporting in Shanghai

**By
Anna Lee Rowe**

BBus(ECU), PGradDipBus [Distinction], MCom [Distinction] (Curtin), CPA

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ABSTRACT

What was once the preserve of a 'green' social organisational fringe, *Corporate Environmental Management (CEM)* and *Corporate Environmental Reporting (CER)*, have increasingly become a core business strategy. Research studies in this arena have been centred on industrialised nations (e.g., Guthrie and Parker, 1990), and until recently, comparatively sparse focus on developing nations (Belal, 2000), particularly in empirical studies on CER in the People's Republic of China (PRC).

As the most populous nation on earth with one fifth of humanity (1.3 billions), China's astounding economic growth and resource consumption (Economist, 2005), provide 'telescoping' lessons in understanding the embracing of CEM and CER in rapidly developing countries. Motivated by China's unique institutional structure and embryonic stage of environmentalism (Luo and Yuwen, 2001; Chan and Welford, 2005), this field study explored the 'greening' phenomena of CEM and CER as perceived by senior managers in Shanghai.

Utilising a modified grounded research approach (Strauss and Corbin, 1990; 1994; Whiteley, 2004), the constructivist ontology was chosen to penetrate the social context of the companies interviewed. Grounded in the data and applying interpretive epistemology, this qualitative research elucidated our awareness about the normative assumptions underpinning CEM and CER in Shanghai. The emergent model illuminated our understanding of how Chinese institutions and senior individuals within enterprises responded to the greening challenges, and how senior managers matched their personal beliefs with perceived CEM and CER.

The results in this study indicated that CEM and CER were influenced and/or constrained by formal institutional rules (e.g., environmental policies and laws) and informal cultural institutional norms (e.g., *Guanxi*, trust and secrecy). The findings resonate well with institutional theoretical constraints (Powell and DiMaggio, 1991; Fogarty, 1992a) and cognitive dissonance theory (Festinger, 1962). This is attributable to the dilemma of balancing the 'yin and yang' of long term environmental sustainability and short term economic growth.

CERTIFICATION

This thesis is submitted in fulfilment of the requirements of the degree of PhD, in the Graduate School of Management, Macquarie University. This represents the original work and contribution of the author, except as acknowledged by general and specific references.

I hereby certify that this has not been submitted for a higher degree to any other university or institution.

Signed:

A handwritten signature in black ink, appearing to read 'Anna Lee Rowe', with a long horizontal flourish extending to the right.

Student's Name: Anna Lee Rowe

Date: 12 June 2006

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Dedicated to the sweet memories of Mum and Dad:

Teresa and Francis Lee

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