

## CONTINUUM OF ECONOMIC & ENVIRONMENTAL PROGRESS

CORPORATE PARADIGM	INACTIVE	REACTIVE	RESPONSIVE	PROACTIVE
<b>CORPORATE ORIENTATION</b>	<i>Short term growth &amp; prosperity</i>	<i>Growth constrained by regulatory restrictions</i>	<i>Growth guided by environmental &amp; economic concerns</i>	<i>Growth geared to sustainable development</i>
<b>DOMINANT THEMES</b>	<i>Belief in infinite supply of natural resources</i>	<i>Meeting regulations, remediation, standards</i>	<i>Focus on efficiency, energy conservation, beyond compliance</i>	<i>Convergence of business &amp; environmental systems</i>
<b>CORPORATE ENVIRONMENTAL POLICY &amp; OPERATIONS</b>	<ul style="list-style-type: none"> <li>- Unregulated waste disposal</li> <li>- Value on tangible goods &amp; services</li> <li>- Environmental costs absorbed by society</li> <li>- High energy input per unit of production</li> <li>- Dependence on quick-fix</li> <li>- Undeveloped communication with employees &amp; public concerning environmental issues</li> <li>- Management indifference to environmental issues</li> </ul>	<ul style="list-style-type: none"> <li>- Forced environmental assessment &amp; compliance</li> <li>- Business as usual plus required treatment &amp; cleanup</li> <li>- Anti-regulatory lobbying</li> <li>- Determination of optimum pollution levels</li> <li>- One-way approach to internal &amp; external communication</li> <li>- Environmental issues isolated within one or two departments</li> </ul>	<ul style="list-style-type: none"> <li>- Proactive risk &amp; impact assessment</li> <li>- Proactive pollution prevention</li> <li>- Energy efficiency programs</li> <li>- Reliance on renewable resources</li> <li>- Beginning to think 'Cradle-to-Grave'</li> <li>- Beginning to dialogue with public &amp; employees</li> <li>- Executives visible &amp; involved with issues</li> <li>- Emphasis on environmental education &amp; training</li> </ul>	<ul style="list-style-type: none"> <li>- Strong internal &amp; external communication</li> <li>- Life-cycle costing</li> <li>- Low energy input per unit of production</li> <li>- Environmental responsibility resides with every employee</li> <li>- Systems approach integrating business &amp; environmental functions</li> </ul>
<b>POTENTIAL ADVANTAGES</b>	<ul style="list-style-type: none"> <li>- Immediate economic gain &amp; profitability</li> <li>- Reduced short term costs of dealing with wastes</li> <li>- Distribution of environmental costs to society</li> </ul>	<ul style="list-style-type: none"> <li>- Reduced penalties &amp; fines</li> <li>- Extended resource availability</li> <li>- Less negative publicity</li> <li>- Awareness of legal requirements</li> </ul>	<ul style="list-style-type: none"> <li>- Prolonged industry life-cycle</li> <li>- Anticipating cost of regulatory compliance</li> <li>- Enhanced public image</li> <li>- Reduced cost of production through greater efficiency</li> </ul>	<ul style="list-style-type: none"> <li>- High employee morale &amp; productivity</li> <li>- Maximum efficiency &amp; utilization</li> <li>- Working relationship with the community</li> </ul>
<b>POTENTIAL DISADVANTAGES</b>	<ul style="list-style-type: none"> <li>- Risks higher for being blind-sided</li> <li>- Poor public image</li> <li>- Poor employee morale</li> <li>- No long-term master plan to deal with shortages</li> <li>- Exposure to financial liabilities &amp; criminal prosecution</li> </ul>	<ul style="list-style-type: none"> <li>- Regulatory constraints to growth</li> <li>- Extra costs of compliance</li> <li>- Costs of crisis management</li> <li>- Competitive disadvantage within industry</li> </ul>	<ul style="list-style-type: none"> <li>- Capital costs of retooling for greater efficiency</li> <li>- Up-front costs of implementing new environmental policies</li> <li>- More public scrutiny &amp; exposure</li> <li>- Alienation of industry peers</li> </ul>	<ul style="list-style-type: none"> <li>- Sacrificing maximum short-term profitability</li> <li>- Restructuring corporate policies &amp; management styles creates disruption</li> <li>- Additional economic burden of internalizing environmental costs</li> </ul>