Genuine Concern for Environmental Sustainability:
An Antidote to Organizational Simplicity and Failure

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Despite the vast and varied research on individuals, organizations, industries, organizational populations and the broad environment surrounding organizations, the cumulated body of knowledge on the sustainability of organizational success still offers fascinating challenges to both research and practice. Aiming at contributing theoretical insights into the sustainable success of organizations, this paper builds on the notions of organizational archetypes of success and failure (Miller & Friesen, 1977; Fleck, 2009) and organizational simplicity (Miller, 1993), a process whereby successful organizations become simpler and more vulnerable to undergo self-destructive processes. Building on the two approaches, this paper develops the argument that sustainable organizational success requires a sustainable environment for organizations to operate, and puts forward a set of propositions regarding sustainable organizational success. Theoretical development advances the notion that including the earth among the organization’s stakeholders helps to neutralize the organization’s propensity to trigger simplicity processes and develop a self-destructive propensity. As a result, environmental turbulence can be seen as more than opportunities for new business activities or threats to existing business; it embodies an important potential antidote to organizational simplicity, a process whereby organizational success turns into failure.

It is a fact of organizational life that some organizations succeed while others fail. It also seems to be a fact of life that successful organizations quite often end up undergoing a declining path that eventually leads the organization to its failure and disappearance from the business landscape. The empirically observed ups and downs in organizational life have inspired a number of research approaches in the fields of strategic management and organizational studies. This notwithstanding, the sustainability of organizational success remains an open issue that presents fascinating challenges to both research and practice.

Aiming at contributing theoretical insights into the sustainable success of organizations, this paper builds on the notions of organizational archetypes of success and failure (Miller & Friesen, 1977; Fleck, 2009) and organizational simplicity (Miller, 1993), a process whereby successful organizations become simpler and more vulnerable to undergo self-destructive processes. A theoretical background on organizational success and failure is presented first. Next, the paper develops the argument that sustainable organizational success requires a sustainable environment, and that the organizational concern for environmental sustainability can potentially help neutralize the organizational tendency for triggering simplicity processes and developing a self-destructive propensity. Finally, the concluding section considers implications for theory and practice.

ORGANIZATIONAL SUCCESS AND FAILURE

Organizational success is a central issue in organizational studies and strategic management. After several decades of research on individuals, organizations, industries,
organizational populations and the broad environment surrounding organizations, the cumulated body of knowledge is vast and varied, and most of the research done seeks to understand organizational performance.

Focusing mostly on the individual as an organizational actor, the theories of motivation and the theories of leadership have contributed knowledge concerning human performance in organizations. The theories of organizational decision have added insights into the singularity of human decision making. Deemed to be rational by economists, organizational actors were found to exhibit bounded rationality, bringing about important consequences for organizational performance. Theoretical developments viewing organizations as systems have identified organization-environment relationships, and the corresponding effect on organizational effectiveness. Studies on organizing have contributed hypotheses about organizational structure parameters and the environment. Theories emphasizing the (inter)dependence of the organization (and) upon its environment have stressed the role of the environment in enabling or precluding organizations from achieving its performance goals. At the broad level of organizational ecology, the theories on the demography and population ecology of organizations have contributed a macro level, longitudinal perspective, of organizational performance by emphasizing matters such as birth and death rates, as well as structural inertia of organizations in the broad context of organizational populations.

The strategic management literature is also performance oriented, and competitive advantage a predominant performance-related construct in this field of studies. According to Teece et al. (1997), ‘How firms achieve and sustain competitive advantage’ has been considered the fundamental question in the strategic management field. Competitive advantage is believed to explain a firm’s outstanding performance, and consequently to enable business growth. Several perspectives have been used to scrutinize the sources of competitive advantage. While industry analysis (Porter, 1980) examines industry structure at a certain point in time, the resource-based view (Barney, 1997) identifies firm-specific resources, and the dynamic capabilities framework (Teece et al., 1997; Eisenhardt and Martin, 2000) explains value creation in high-velocity changing environments. Those complementary perspectives indicate that several things contribute to the development of competitive advantage: the firm’s correct positioning within an industry structure (Porter, 1980), the possession and exploitation of valuable, rare, difficult to imitate resources (Barney, 1997), and the development of managerial and organizational processes shaped by firm specific assets and the paths available to it (Teece et al., 1997; Eisenhardt and Martin, 2000). The strategic management field has also investigated the strategy-structure pair (Chandler, 1962) and how the match between strategy and structure influences performance (Rumelt, 1974). Mostly concerned with the problems of general managers in achieving and sustaining superior organizational performance, this growing field of research includes topics such as strategy formation, formulation and implementation; strategic planning and decision processes; strategic control and reward systems; resource allocation; diversification and portfolio strategies; competitive, cooperative and corporate strategies; selection, behavior, composition and compensation of top management teams.

The colossal amount of work and variety of topics concerned with organizational performance contribute numerous clarifying, though partial, accounts of organizational success and failure. Combining so many contributions is quite a daunting, if not impossible, task. Nevertheless, significant effort has been devoted to using research strategies that add some degree of comprehensiveness, such as longitudinal analyses (time dimension), multilevel studies (multiple levels of analysis), and configurations or archetypes (organizational typologies and taxonomies).
This paper builds on two such approaches. The first combines elements of organizational strategy and structure and of the environment putting forward two empirical sets of success and failure archetypes (Miller & Friesen, 1977, 1978, 1981, 1982, 1984; Miller, 1993), while the other derives two ideal types of success and failure (Fleck, 2009).

**Miller & Friesen’s perspective on organizational success and failure**

Empirical studies by Miller and Friesen (1977; 1978; 1984) have addressed both organizational success and failure. Relating organizational performance to strategy, structure and the environment these authors have put forward ten archetypes, six of success and four of failure. From a longitudinal perspective, they have suggested that those archetypes constitute organizational states and that over time organizations may experience a state change within the set of successful or unsuccessful archetypes, or between those two sets.

Miller (1993) argues that over time successful organizations become simpler, that is, they start focusing on the one goal, strategy, department, capability or whichever feature has been credited for their success. As a result of the success-causing-simplicity syndrome, a previously rich organizational character turns into a “truncated caricature” (Miller, 1993: 118), and the simpler organization subsequently fails to provide timely responses to the changing environment. Eventually, success brings about failure, and firms that once integrated the set of successful archetypes will eventually join the set of failure archetypes.

Miller’s simplicity notion differs from related notions such as inertia (Miller, 1993). Inertia has to do with resistance to change, but not necessarily with simplicity. According to him, while inertia limits only interperiod variety, simplicity implies little variety at a point in time. Miller’s simplicity perspective suggests that successful organizations tend to reduce the variety of goals, values, culture, skills and strategies. Their managerial worldviews will be less heterogeneous, focusing on fewer objectives, issues, and cues from the environment. Simplicity and inertia reinforce each other: for one, simplicity in world views, goals, values, culture, skills and strategies will promote the use of more inertial routines, systems, and processes, which in turn will reinforce simplicity in world views, values, culture, skills and strategies. Simplicity contributes to organizational efficiency producing positive effects on organizational performance. However, over long periods of time, simplicity is likely to jeopardize organizational effectiveness (Pfeffer & Salancik, 1978), in face of competitive and changing environments.

Miller (1993) puts forward a number of conditions that may neutralize the organization’s inclination towards simplicity: significant changes in the environment; lack of slack resources; industries in which the ground rules have yet to be established; generalist organizations; flatter, more decentralized structure; a broader set of values and stakeholders; a respect for dissidents and nay-sayers; promoting outsiders to positions of significant authority. Acknowledging that neutralizing actions “entail short-run collateral costs of confusion, conflict, and inefficiency” (Miller, 1993:132), Miller sums up the circumstances under which simplicity will be less prevalent, even under conditions of success: new top management, especially outsiders, have just risen to power; a generalist strategy is being pursued; cultural and structural heterogeneity and participativeness are cherished; the environment is turbulent; and there are few institutional constraints.
Fleck’s perspective on organizational success and failure

Fleck’s (2009) empirical study on long term success and failure has suggested two organizational archetypes. In her view, organizational success (failure) has to do with the organizational ability (inability) to manage growth-related challenges. The set of responses that are conducive to organizational long-term success provides the main dimensions of the archetype of organizational success, while the set of responses that contribute to organizational failure over the long-run describes the archetype of organizational failure. Fleck calls them self-perpetuating and self-destructive archetypes, respectively.

In Fleck’s view, the self-perpetuating and self-destructive archetypes are organizational ideal types (Doty & Glick, 1994) and constitute extreme poles of a continuum of possible organizational states. On account of local rationality (Cyert & March, 1963), different responses to one given challenge may coexist in the same corporation. As a result, no organization behaves entirely in accordance with either ideal type. Rather, real organizations operate in intermediary states between the two polar states. Vis-à-vis the set of challenges, the more capabilities the organization develops and makes use of, the more it approaches the self-perpetuation pole; and the more debility it develops and relies on, the nearer it gets to the self-destruction pole. Finally, the greater the organizational propensity to nurture self-perpetuating capabilities, the higher the chances the organization will experience success; and the greater the organizational propensity to develop self-destructive capabilities, the higher the chances it will experience decline and face threat of extinction.

From a dynamic viewpoint, Fleck maintains that the organizational success state should be seen as a moving target. Although the nature of the requirements for approaching the self-perpetuating pole keeps constant, the levels at which responses should be given necessarily change over time. For example, what the enterprising challenge encompasses is definitely a function of the firm’s size.

Fleck’s growth-related challenges – Enterprising, Navigating into the environment, Diversity management, Managerial resources provisioning, Complexity management – are described next.

The enterprising challenge. It consists of developing the firm’s willingness to expand on a continuing basis. It comprises the firm’s willingness to take risks, as well as its willingness to search for ways of avoiding risk and still expand (Penrose, 1980). It is therefore associated with general goals concerning gains and profits, risks and losses, and entrepreneurial skills that include ambition, creativity, fund-raising and judgment (Penrose, 1980). In the absence of entrepreneurial services, the firm is hardly likely to grow and renew on a continued basis; it is, however, highly likely to face continued decline and eventual dissolution. Productive motives, i.e. efficiency-enhancing expansion moves, are more likely to produce continuing growth than defensive ones, which merely protect existing business (Chandler, 1977). Hybrid motives, i.e. both productive and defensive, allow a firm to improve its efficiency and protect existing businesses (Fleck, 2009). Nil motives, on the other hand, neither increase efficiency nor protect existing business (Fleck, 2009). In sum, the enterprising challenge is about fostering financially-sound entrepreneurship on a continuous basis.

The navigating into the environment challenge. This is about successfully dealing with the organization’s multiple stakeholders in a changing environment, seeking to neutralize pressures and, as much as possible, to play a relevant role in environmental shaping. Shaping is important
to the extent that it places the firm in a superior position relative to the other players. It requires the development of abilities to actively face and fashion the environment, such as manipulation and defiance strategies (Oliver, 1991). Passive strategies such as avoidance, compromise and acquiescence (Oliver, 1991) should also be included in the firm’s strategic repertory to handle those situations that lie outside of the firm’s reach. Such situations should not be taken for granted, however. One of the greatest challenges in this respect is to convert weak positions vis-à-vis environmental forces into strong ones. Failure to master response strategies puts the firm’s survival at risk.

The diversity management challenge. This challenge has to do with sustaining the firm’s integrity as the firm experiences increasing diversity. In fact, the growing firm faces the problems and opportunities of workforce diversity (Page, 2007), as well as structural and business diversity (DeLuca & McDowell, 1992), that is, differing markets, products, technologies, and human resources proliferate. Heterogeneity among the constituent parts of the organization gives rise to conflicts and rivalry, thereby threatening organizational unity. Successful management of organizational diversity distinguishes heterogeneous from homogeneous organizational elements, and foments suitable bonding relations (Stickland, 1998). It promotes resource sharing for homogeneous aspects and resource exchanging and/or combining otherwise. In both cases, the building of bonding relations calls for coordination capabilities.

The provisioning challenge. This challenge deals with steadily equipping the firm with needed qualified human resources, that is, anticipating needs, forming, retaining, developing and renewing those resources. Human resources formation, retention, development and renewal are vital for the continuing growth (Penrose, 1980) and continued existence (Chandler, 1977) of the firm. Failure to provide the needed managerial talent at the right time may not only preclude expansion, but also weaken the organization’s integrity, such as in the case of massive recruitment of management. Early responding to the challenge through actions that are planned in advance allows equipping the firm with the needed resources, while late responding through after the fact actions weakens the organization’s integrity.

The complexity challenge. It has to do with managing complex issues and solving problems that involve a large number of interdependent variables so as to avoid putting the organization’s existence at risk as a result of faulty assessments of the situation. Complex problem-solving requires systematic procedures of data gathering, analysis, decision-making and implementation. The complexity challenge, therefore, affects the quality of the responses to all other challenges. Systematic problem-solving promotes comprehensive search for solutions and fosters learning, contributing highly needed capabilities to successfully face the enterprising, the navigating, the diversity, and the managerial provisioning challenges. Ad hoc problem-solving, on the other hand, favors the quick search for solutions and precludes learning, contributing substantial organizational liabilities to the organization.

Table 1 reproduces the sets of responses to the growth challenges (Fleck, 2009): the right pole set of responses are conducive to organizational long-term success, while the left pole to organizational failure.
### Table 1 – Growth-related Organizational Challenges  
**Source:** Fleck (2009)

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<th>Challenge Category</th>
<th>Challenge Description</th>
<th>Polar Responses to Challenge</th>
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| Enterprising               | Promoting continued entrepreneurship by fostering the firm’s willingness to carry out reinforcing, value-creating expansion while also preventing the organization’s overexposure to risk | *Satisficing or less* (Low level of ambition, versatility, imagination, vision, fund-raising ingenuity, and judgment, using nil- & defensive-motivated moves)  
*High-reaching* (High level of ambition, versatility, imagination, vision, fund-raising ingenuity, and judgment, using productive- & hybrid-motivated moves) |
| Navigating into the Dynamic Environment | Dealing with the organization’s multiple stakeholders in order to secure value capture and organizational legitimacy | *Drifting* (Poor scanning, untimely or inadequate use of response strategies*)  
*Fashioning* (Regular scanning, timely and adequate use of response strategies*)  
*These are:* manipulation, defiance, avoidance, acquiescence, compromise |
| Diversity Management       | Sustaining the firm’s integrity in face of increasing organizational conflicts and rivalry | *Fragmentation* (Failure to establish bonding relations and coordinating capabilities)  
*Integration* (Successful development of bonding relations and coordinating capabilities) |
| Managerial Resources Provisioning | Steadily equipping the firm with needed qualified human resources | *Late* (Just-in-time or after the fact actions)  
*Early* (Planned in advance actions) |
| Complexity Management     | Managing complex issues and solving problems of increasing complexity, so as to avoid risks to the organization’s existence | *Ad Hoc* (Poor problem solving capabilities upholding quick search for solutions and precluding learning)  
*Systematic* (Strong problem solving capabilities promoting comprehensive search for solutions and fostering learning) |

**Comparing and Contrasting Miller & Friesen’s and Fleck’s perspectives**

In both perspectives organizational characteristics make up configurations. However, while Miller & Friesen’s archetypes reflect empirical occurrences, Fleck puts forward ideal types. In this respect, they may be seen as complementary: while the latter describe extreme states of a continuum or organizational states, Miller & Friesen’s archetypes reflect intermediate organizational states. Interestingly, all unsuccessful archetypes responded poorly to the enterprising, changing, diversity and complexity challenges. Three out of four unsuccessful archetypes also responded poorly to the human resources provisioning challenge, while the fourth one could not be assessed due to insufficient information on this issue.

Miller and Friesen’s successful archetypes, on the other hand, tended to respond in a better way to the diversity and complexity challenges: their coordination mechanisms and information systems were more developed, although they varied among themselves, depending on the size of the firm. Interestingly, most successful archetypes (five out of six) handled poorly at least one other challenge, failing therefore to fulfill the set of necessary conditions for nurturing a self-perpetuation propensity.
In what concerns the sustainability of success, Miller (1993) maintains that success tends to breed failure on account of a number of mechanisms that introduce simplicity in the organization. Fleck’s perspective, on the other hand, views success as a moving target and every organization as partially successful at each point in time. Long-term success, in this view, requires continued efforts to develop and sustain capabilities that nurture the organizational propensity to continue existing. Interestingly, the set of responses comprising Fleck’s self-destructive archetype can be seen as simplifying instances of the responses that characterize the self-perpetuating archetype, in the sense that the former are less sophisticated, less costly, less time-consuming, and they require less interpersonal energy than the latter. As a matter of fact, some organizational responses to the challenges (for example fragmentation, ad hoc problem solving, just-in-time recruitment, or rapid adjustments to environmental change) are simpler and will most likely require less interpersonal energy, less costs and less time than more sophisticated responses (such as developing bonding relations, systematic problem solving, in-house HR development, or well thought-out interaction with the environment) would.

Finally, neither perspective directly addresses issues related to environmental sustainability in the context of organizational long-term success. The next section includes environmental sustainability into the analysis of sustainable organizational success. By developing the argument that sustainable organizational success requires a sustainable environment for the organization to operate and continue existing, the next section puts forward a set of propositions regarding sustainable organizational success. Interestingly, in contrast to the usual view of the hostile, changing environment that threatens the organization, the theoretical development suggests that a concern for environmental sustainability contributes elements that can potentially help neutralize a push towards organizational simplicity.

ORGANIZATIONAL SUCCESS AND ENVIRONMENTAL SUSTAINABILITY

Is pursuing sustainable success a legitimate goal for an organization? Even though a “why not?” might seem quite obvious and simple answer, a number of long-standing successful organizations, like tobacco companies and Enron, for example, have caused significant damage to society. In addition, keeping alive inefficient, poorly-managed organizations through artificial measures, such as governmental protection, is more often than not detrimental to society. On the other hand, the continued existence of healthy organizations not only prevents society from suffering the socio-economic disruption caused by organizational failure, but also helps build and nurture a healthy society.

Successful organizations are not likely to perpetuate in unsustainable environments. After all, organizations depend on the environment for resources (Pfeffer & Salancik, 1978). Therefore, long-term oriented organizations must care for and contribute towards environmental sustainability. The notions above can be summarized by the following proposition:

**Proposition 1a:** Pursuing sustainable success is a legitimate goal of organization.

**Proposition 1b:** Organizations depend on the environment for resources.
**Corollary 1:** A necessary condition for organizations pursuing sustainable success is that they care for and carry out actions that contribute towards environmental sustainability.

According to Miller (1993), organizational simplicity “is an overwhelming organizational preoccupation with a single goal, strategic activity, department, or worldview – one that precludes consideration of any others” (p. 117). Moreover, he maintains that while simplicity may initially contribute to organizational success, it will end up turning the organization into a monolithic entity unable to competently adapt, interact and respond to the environment. As simplicity increases, secondary issues are disregarded, the people implicated in them lose influence and the organization tends to behave in simple, ineffective ways. As a result, in the long run successful organizations turn into failure because they are subject to simplifying processes whereby they become simpler (Miller, 1993) and prone to develop a self-destructive propensity (Fleck, 2009). Therefore, in order to sustain success over the long run, organizations must avoid undergoing simplifying processes, whereby they tend to focus on one single, primary goal. It seems reasonable to conjecture that by setting complex goals the organization increases its chances of fighting and neutralizing the propensity to simplicity. According to corollary 1, the concern for environmental sustainability is a necessary condition for the sustainable success of the organization. Moreover, it can be said that properly addressing such issues increases considerably the complexity the organization will face. In fact, viewing the earth as a stakeholder necessarily provides the organization with diversity and dynamism, i.e. the organization has to face a number of constraints and opportunities, which keep changing over time. Therefore, including the earth in the set of the organization’s stakeholders will introduce a much needed complexity into the organization’s goals, activities and worldview, contributing diversity and dynamism to the organization.

**Proposition 2a:** Fighting and neutralizing the organizational propensity to become simpler and self-destructive is a necessary condition for those organizations which are in the pursuit of sustainable success.

**Proposition 2b:** Viewing the earth as a stakeholder necessarily provides the organization with diversity and dynamism, as the organization has to face a number of constraints and opportunities, which keep changing over time.

**Corollary 2:** By including the earth as member of the set of stakeholders, managerial attention devoted to earth is likely to provide an important counterbalance to the organization’s tendency to simplicity.

Success is often equated with growth. This prompts the following inquiry: is growth an imperative for the long-term success of organizations? From a quantitative standpoint, organizational growth will eventually face limits. No organization can grow indefinitely, just by doing more of the same. That is why long-lived organizations experience growth in directions other than the original one. In other words, organizational growth has both a quantitative and a qualitative dimension (Penrose, 1980). While growing quantitatively favors standardization and efficiency, and as a consequence will likely promote simplicity (Miller, 1993), qualitative growth challenges existing knowledge and procedures and provides opportunities for organizational
renewal (Penrose, 1980; Chandler, 1977). Therefore, even though the quantitative side of growth does not reinforce the long-term success, qualitative growth contributes renewal, a much needed ingredient for the long-term organizational success. As a result, organizational growth is a vital process for the long-term success of the organization.

Growth brings about several consequences: an increase in the number and types of stakeholders to which the organization must create value (Bowman & Ambrosini, 2000; Lepak et al, 2007); greater exposure to the organization’s stakeholders, bringing about new kinds of constraints on the ability of the organization to capture value from its business activities (Bowman & Ambrosini, 2000; Lepak et al, 2007), as well as on attaining and maintaining organizational legitimacy, on account of the likely conflicts of interest among stakeholders; increased organizational diversity (Fleck, 2009) that may give rise to intraorganizational rivalry and threaten organizational unity (Selznick, 1957); persistently higher need for qualified human resources, whose unavailability may preclude organizational growth (Penrose, 1980; Chandler, 1977) or threaten organizational unity, should the organization decide to quickly hire a great number of new talents (Selznick, 1957); and greater complexity, on account of the increased number and types of intra and interorganizational relationships, which poses a threat to organizational unity, whenever solutions fail to consider the organizational whole to the detriment of its parts (Winter, 2003).

Sustainable growth requires the organization to adequately deal not only with the above mentioned consequences of the growth process but also with the sustainability of the environment, as stated in corollary 1. Taking into account the set of growth challenges (Fleck, 2009), the predisposition of the successful organizational to become simpler (Miller, 1993), and a concern for environmental sustainability, a number of requirements for promoting sustainable organizational growth can be suggested. This paper suggests five main requirements: sustainable enterprising, sustainable navigation into the environment, persistent fight to integrate organizational diversity, persistent nurture of qualified human resources, persistent efforts to handle complexity.

**Sustainable enterprising** encompasses both quantitative and qualitative growth. The renewal component of growth according to Fleck (2009) should take the form of related rather than unrelated diversification. Moreover, such related diversification should derive from the organization’s core competencies (Prahalad & Hamel, 1980). As a result, by increasing diversity, qualitative growth introduces important seeds that can be used to neutralize an organizational propensity to simplicity.

Entreprising qualities, such as ambition, versatility, fund raising ingenuity, and judgment (Penrose, 1980) should aim at creating value to the organization’s stakeholders (Bowman & Ambrosini, 2000; Lepak et al, 2007) while preventing the organization from taking unnecessary, avoidable risks. Viewing the organization’s businesses through the stakeholders’ lenses can also help neutralize a push towards organizational simplicity. To secure environmental sustainability, the stakeholders’ set must include the earth, which according to Stead & Stead (2004) is the ultimate stakeholder of business organizations. In addition, business strategies should be concerned with issues like closing the value chain and design for sustainability (Stead & Stead, 2004).

**Proposition 3a**: Sustainable organizational growth requires the undertaking of sustainable enterprising on a continued basis. It comprises: developing and maintaining the firm’s willingness to expand and renew, mostly through related diversification; enlarging the scope of the stakeholders’ set to
include the earth; and putting to service enterprising qualities in order to design and implement business strategies that create value to the stakeholders’ set.

**Proposition 3b**: By enlarging the scope of the stakeholders’ set to include the earth, the organization introduces increased diversity in the set of value creation alternatives, putting in action a mechanism likely to neutralize the organizations’ propensity to become simpler.

**Sustainable navigation into the environment** comprehends securing value capture, for the organization, from the enterprising activities that have created value to a broad base of stakeholders (Lepak et al., 2007). Value capture encompasses tangible issues such as sales, market share, and profits, as well as intangible ones, such as reputation and legitimacy. Successful value capture enhances the pool of organizational slack resources to be used in subsequent enterprising activities. Full-fledged navigation comprises the regular scanning of environmental pressures, and the timely and adequate use of a full range of strategies (Oliver, 1991) to shape the environment (manipulation and defiance strategies), to neutralize pressures (avoidance strategies), and to adjust to situations that lie outside of the firm’s reach (compromise and acquiescence strategies). The more the organization succeeds at fashioning the environment, the more likely it will capture value from its enterprising undertakings, the greater the organization’s tendency to make efforts to keep unchanged both itself and the friendly environment it has helped to build, and the greater the chances of setting in action organizational simplicity processes. However, in line with proposition 1, the actions of organizations in search of long-term success should contribute to environmental sustainability. Because the requirements for a sustainable environment will likely introduce both limitations to organizational inertial expansion and stimuli to renew and undertake qualitative expansion, it can be said that the organizational care for fashioning a sustainable environment carries seeds that help neutralize a push towards organizational simplicity and organizational self-destruction.

**Proposition 4a**: Sustainable organizational growth requires the undertaking of sustainable navigation into the environment on a continued basis. It comprises securing value capture through regular interaction with the changing environment, and whenever possible, engaging in fashioning a sustainable environment.

**Proposition 4b**: By including the earth among the organization’s stakeholders, the organization introduces increased variety in the set of value capture alternatives, putting in action a mechanism likely to neutralize the organization’s propensity to become simple.

**Persistent fight to integrate diversity** comprises organizational efforts to foster organizational unity while preserving variety. This requires competent identification of homogeneous and heterogeneous organizational elements and promoting suitable bonding relations (Fleck, 2009). Less costly, faster approaches will likely weaken the organization, promoting its fragmentation and its simplicity. Successfully fighting to integrate diversity requires keeping in view both efficiency and effectiveness (Pfeffer & Salancik, 1978). The former fosters economies of scale, scope and speed (Chandler, 1977). The latter secures
organizational variety, on account of the broad range of stakeholders for which the organization seeks to create value.

**Proposition 5a**: Sustainable organizational growth requires the organization to engage in a persistent fight to integrate diversity. It involves fostering organizational unity, while preserving organizational variety, by keeping in view both organizational efficiency and effectiveness.

**Proposition 5b**: By including the earth among the organization’s stakeholders, the organization may produce a unifying effect on the organization’s parts to the extent that “preserving the earth” becomes an overarching organizational goal. By so doing, both organizational variety and diversity integration are promoted.

Persistent nurture of qualified human resources concerns the organizational efforts to steadily equip the organization with qualified human resources. These efforts include anticipating needs, forming, retaining, developing and renewing qualified human resources (Fleck, 2009), in line with the requirements to create value to a wide body of stakeholders. To strengthen organizational integrity, actions are required to be planned in advance, rather than on a just-in-time basis. Aligning human resources provisioning with the concern for creating value to stakeholders secures a variety-oriented component that helps neutralize a push towards organizational simplicity.

**Proposition 6a**: Sustainable organizational growth requires the organization to engage in a persistent nurture of qualified human resources. It involves steadily equipping the organization with human resources in advance of its needs, and keeping these actions aligned with the organizational concern for creating value to stakeholders.

**Proposition 6b**: Putting the earth among the organization’s stakeholders is likely to contribute a constant pressure for renewed human resources, increasing the variety of skills and worldviews within the organization and decreasing a push towards organizational simplicity.

**Persistent efforts to handle complexity** comprehend the handling of complex issues and solving problems that involve a large number of interdependent variables and/or actors (internal and/or external). Complex problem-solving requires systematic procedures of data gathering, analysis, decision-making and implementation (Fleck, 2009). In the absence of such procedures, *ad hoc* problem solving takes place, precluding learning. Although systematization may engender standardization and simplicity, the search for creating value to stakeholders in the changing environment is likely to preserve and/or add a much needed organizational variety.

**Proposition 7a**: Sustainable organizational growth requires the organization to engage in persistent efforts to handle complexity. It involves a systematic resolution of problems that derive from the organizational purpose of creating value to stakeholders.
Proposition 7b: By putting the earth among the organization’s stakeholders, the organization will be continuously exposed to new challenges and pressures, increasing organizational variety and decreasing a push towards organizational simplicity.

CONCLUSION

This paper argues that, from a long-term perspective, including the earth among the organization’s stakeholders can help rather than hinder organizational success. A concern for environmental sustainability can have a positive effect on the processes whereby the organization creates value for its stakeholders and captures value for itself. By caring for environmental sustainability, the organization can potentially increase organizational variety, and as a result neutralize the simplifying processes whereby successful organizations become simpler and more efficient, but also less effective and less likely to self-perpetuate.

This notion adds an additional dimension to the role of the environment in what concerns organizational success and failure. The environment is traditionally viewed as a source of opportunities or threats to organizational businesses. This paper suggests an inward perspective that views the environment as a source of opportunities for internal organizational change. Environmental turbulence can therefore be seen as more than opportunities for new activities or threats to existing business; it encompasses an important potential antidote to organizational simplicity, a process whereby organizational success turns into failure.

Practitioners interested in the long-term success of their organizations may benefit from this paper in at least two ways. For one, the ideas discussed in this paper may inspire management to reconsider ongoing business imperatives, such as the ‘growth’, and what is more, the ‘grow fast’ imperative. In fact, pressure for speed and efficiency may trigger simplifying processes that are likely to foment an organizational self-destructive propensity. In addition, by becoming aware that a genuine concern for environmental sustainability can provide the organization with an antidote to organizational simplicity, and subsequent failure, managers may be encouraged to revise and redesign organizational strategies more likely to foment the long-term success of their organizations.

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