

## Environmental Awards and their Contribution to the Environmental Commitment of Organizations

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## Environmental Awards and their Contribution to the Environmental Commitment of Organizations

### ABSTRACT

**Purpose.** Identify the characteristics of environmental awards and analyze their relevance to the environmental commitment of organizations.

**Approach.** Extensive desk research, using secondary data and multiple documental sources on the environmental awards offered in Brazil.

**Findings.** Concerning their characteristics, awards are voluntary, do not have a standard set of guiding principles or regulations, can be offered by any desiring entity (accredited or not) and usually have qualitative evaluation methods. Regarding the contributions to social responsibility efforts, organizations have been using awards to increase the visibility of their environmental efforts, to reinforce their environmental image and to disseminate environmental values and behaviors, specially within specific groups or communities. Consequently, it is argued why awards' promotion or winning can be considered additional evidence of environmental commitment, but should not be taken as a definite measure of environmental performance.

**Originality.** The paper provides a new perspective about awards, understanding them as types of recognition, and therefore comparable to certification and labelling. Another contribution is the gathering of awards' characteristics, which can help analyze awards across several other fields, such as social responsibility, quality, innovation, public services etc.

**Keywords:** Environmental Awards; Environmental Prizes; Green Awards; Certification; Labelling.

### 1. INTRODUCTION

Awards or prizes are honors that create an expectation that the winner has a unique characteristic or has behaved differently from the other contestants. Individuals and organizations seek awards to highlight an achievement that they believe is distinguishable and valuable enough to be noticed and recognized by the others. Although we might not be constantly winning awards, we are aware that they are common in several areas, rewarding scientific discoveries (e.g. Nobel Prize), educational initiatives (e.g. The Global Teacher Prize), journalistic coverages (e.g. Pulitzer Prize)

etc., and they represent an empirical phenomenon that deserves proper investigation (Hartley and Downe, 2007).

Previous research has presented two different understandings of awards: first, as forms of compensation to monetary benefits, serving as motivational instruments of Human Resources' strategy and offered exclusively to individuals who are normally part of the organization (Bruni *et al.*, 2020; Sugden, 2019; Gallus and Frey, 2016, 2017; Frey and Gallus, 2016; Neckermann and Frey, 2013; Rosenblatt, 2011; Frey and Neckermann, 2008a, 2008b; Frey, 2006; Gavrilă *et al.*, 2005; Leverage, 2005). Second, the award as a type of honor, also called a prize and granted by organizations and institutions to individuals and/or organizations (Beer *et al.*, 2021; Frey and Gallus, 2015; Vaessen and Raimondo, 2012; Entwistle and Downe, 2005; Hansen and Weisbrod, 1972). These past contributions have been more concentrated on awards at the individual level, used as motivational tools, than on awards at the organizational level, which deserve further exploration. We believe that the presence of two or more organizations in an award process – as givers and receivers – provides substantial changes in the relationships between participants as well as in the purposes and consequences of awards.

Studies about awards at the organizational level have been more prolific on areas such as quality (Bovaird and Löffler, 2009; Eriksson, 2004; Löffler, 2001; Wilkes and Dale, 1998; Hendricks and Singhal, 1996), innovation (Callagher and Smith, 2017; Rosenblatt, 2011), business ethics (La Rosa and Bernini, 2021; Norman *et al.*, 2009) and public services (Hartley and Downe, 2007; Borins, 2000). One of the areas in which organizational awards have been increasing is the environmental. The relevance of environmental issues has led organizations to intensify the search for instruments that attest, communicate and, particularly, recognize their environmental achievements, such as the European Business Awards for the Environment and the Green Apple Environment Awards. Nevertheless, on the opportunities that environmental awards were researched, they were understood as synonyms to environmental certifications or labels (Lee *et al.*, 2019; Jacobs *et al.*, 2010; Font and Tribe, 2001; Mihalič, 2000; Klassen and Mclaughlin, 1996), a perception we believe that could be improved. Also, environmental awards were usually analyzed in a supporting role to another variable; for instance, after the award has been granted, what is its impact in the market value of the firm (Lyon *et al.*, 2013; Jacobs *et al.*, 2010; Klassen and Mclaughlin, 1996), on consumer perception (Lee *et al.*, 2019) and on corporate information disclosure (Hassan and Ibrahim, 2012). We believe that awards' own characteristics and their contribution to the social responsibility efforts of organizations are issues that could profit from additional investigation. Therefore, the purposes with this study are to identify the characteristics of

environmental awards and to analyze their relevance to the environmental commitment of organizations.

In order to provide evidence and ground the discussion, the method chosen was the desk research, using secondary data and multiple documental sources on the environmental awards offered in Brazil. First, there was a preliminary search for environmental awards, when combinations of the words “environmental, green, sustainable and ecology” and “awards, prizes and recognition” were used. This exploratory search resulted in a list of 215 awards. From those, 45 were disregarded for being offered just to natural persons or municipalities, 41 for not being exclusively environmental, 21 for not having enough proof of occurrence, 15 for having the characteristics of certification or labelling and 4 for depending on monetary transactions. Hence, the 89 environmental awards that met the criteria of being given *by* organizations and *to* organizations, and of being exclusively environmental were considered for the following stage. This consisted, first, in an outline of awards’ promoting and eligible organizations, environmental issues covered, contest categories, evaluation criteria, frequency and rewards offered (Table I). The description is followed by a detailed content and comparative analysis, focusing on the awards’ features, their main differences from certification and labelling and their role in the environmental commitment of organizations.

**[Table I about here]**

## **2. AWARDS’ CHARACTERISTICS**

Data analysis helped identify the main characteristics of awards. They are presented in Table II, with reference to certification and labelling. The first distinction concerns definition: certification is a “procedure by which a third party gives written assurance that a product, process or service conforms to specified requirements” (ISO, 2009); labelling is a program in which a third party provides a license authorizing the use of labels on products, based on life cycle considerations (ISO, 2009). We understand awards (or prizes) as external and rewarded acknowledgments of specific practices. Although they have different concepts, based on overall characteristics, it was

possible to include awards in the same category as certification and labelling, considering these three instruments as types of recognition. The idea of recognition implies that something – in this case an environmental initiative – has been acknowledged by an external actor or by those not directly involved in the initiative. With respect to their peculiarities, the main feature of being an external and rewarded endorsement of an initiative, consequent of some type of assessment, seems adequate to describe the general functioning of certification, labelling and awards.

**[Table II about here]**

The three types of recognition involve environmental initiatives, but they are different in their scope: while certification attests the adequacy of processes and management systems and labelling reveals information about products and services, awards concern practices, either past ones or future ones (projects). Although the term “practice” is too generic, the distinctive aspect is that it refers to an activity that has a higher degree of flexibility on its type or regularity. These practices do not need to be related to the main activities of organizations, which can be awarded for compensating carbon emissions, implementing new energy sources, adopting a biodegradable package, supporting environmental education etc.

Concerning regularity, in certification and labelling, continuity is one of the requirements, which does not happen in awards: few contests demand practices’ continuance and once such practices are awarded, they will not be reevaluated or reconsidered for that same award. Another difference is that labels and certifications are valid for a fixed period of time, they have periodical reviews of conformity to requirements (ISO, 2015, 2018) and it is possible to have their symbol withdrawn, if criteria are no longer met (Mihalič, 2000); awards do not have a validity and can be held indefinitely by the winners.

Regarding nominations, our results indicate that most awards ask for spontaneous application (84%) and, in the remaining 16%, participation depends on indication, but the applicants have the option to accept it or not. These findings reveal that, similar to certification and to certain labels, awards are voluntary, which means that organizations deliberately search for this type of recognition. One of the reasons for awards being voluntary is that it presupposes broader access to information, as participants will spontaneously provide the necessary data about the practice to be evaluated (Norman *et al.*, 2009). Another reason is to avoid the risk for the giver’s image of having an awardee refusing the honor (Frey and Gallus, 2016). One of the problems in self-inscription is

that applicants want to receive the award, which makes them more likely to register practices destined to please the selection committee instead of focusing in those more appropriate to solve an environmental issue (Sugden, 2019).

The costs associated to each environmental recognition depend on its type and on the role of the participant, if it is an applicant or a promoter. As applying demands time and effort, managers usually compare the expected costs with the expected benefits of participation, in order to carefully choose the most adequate recognition program (Jacobs *et al.*, 2010). In certification and labelling, applicants have higher costs, due to verification procedures, annual fees to maintain permissions and the adaptation of the production process (Wells, 2006). This makes certification and labelling less appealing to those small companies that do not have the time, knowledge or resources to fulfill the requirements (Wilkes and Dale, 1998). In awards, applicants have minimal or nonexistent costs; most contests do not have registration fees and organizations register activities which are already performed and that will not represent any extra cost or investment (Font and Tribe, 2001). Data found reinforces this idea, as 94% of the awards are free of any application charges. By its turn, an organization that wishes to promote an award will have costs of administering (developing rules, mobilizing staff, publicizing), judging (forming a committee, verifying information etc.) and presenting (ceremony, reception, trophies) (Borins, 2000; English, 2009; Norman *et al.*, 2009).

### *2.1. Independent & Credible Verification*

In order to have credibility, the appreciation of any initiative needs verification, i.e. the confirmation of the validity of a claim using specific predetermined criteria and procedures with assurance of data reliability and objective evidence (ISO, 2009). This verification should be independent, by judging committees without any conflict of interest with participants (ISO, 2006; English, 2009; Borins, 2000). Certification and labelling type III suggest independent verification (ISO, 2015, 2006) and labelling type I requires third-party verification (ISO, 2018). Awards are also evaluated by third parties, but in certification and labelling, third parties need to be accredited institutions with previous habilitation, which does not happen in awards. The opposite of independent verification is self-declaration, where the organization is entirely responsible for the authenticity of its allegations (Wells, 2006). This is the case for most awards studied. Self-declarations are more prone to public contestation, as only the organization that is making the claim will respond for it (Wells, 2006); third-party assessments are less likely to be questioned, as claims are endorsed by a verifier, which will jointly respond for their accuracy and authenticity. Another



problem with self-declaration is that it may deceive consumers with erroneous or incomplete information (Kohlrausch, 2003), preventing them from identifying the source of the declaration.

Besides the relationship of independency between promoters and applicants, another element of reliability to recognition programs is the evaluation criteria used to verify claims. These parameters are different in the types of recognition: certification and labelling are regulated by ISO standards (ISO, 2015, 2018, 2006) and have stricter, measurable and more frequent processes of verification; in awards, each contest has its own set of rules, developed according to the promoter's interests. In the sample studied, it is noticeable that 24% of the active awards do not have any available regulation, and from those which do have regulations, only 38% use numerical scores to objectively evaluate practices. This preliminary evidence suggests that awards' criteria could be improved, as existent regulations seem enough to provide a minimal degree of coordination to the award, guiding applications and preventing legal complaints, but do not automatically guarantee a trustworthy evaluation process.

Norman *et al.* (2009) have found that most sources used by awards' promoters to assess practices provide incomplete or inconsistent information, and they have to rely on juries of experts to intuitively balance evaluation. Our results support this conclusion: "quality of information presented" is only the 8<sup>th</sup> most mentioned criterion, appearing in 22% of the awards analyzed. This finding is relevant because one of the ways to assure that awards will work properly is to base them on comprehensive rules (Rosenblatt, 2011; Vaessen and Raimondo, 2012). Participants seem to prefer awards which are organized, serious and have more rigorous assessment procedures, such as visits and inspections (Tait and Walker, 2000); those which are poorly managed leads to frustration and lose their meaning (Rosenblatt, 2011). The lack of criteria makes awards not transparent and the presence of criteria considered too generic and without measurable parameters may over-emphasize minor achievements, reward undeserving recipients and impede the interested audience to correctly compare awarded practices and organizations (Frey and Gallus, 2015; Bovaird and Löffler, 2009; Hartley and Downe, 2007; Frey, 2006; Font and Tribe, 2001; Mihalič, 2000).

It is understood that awards are a type of recognition in which rules and criteria could profit from some degree of flexibility and one single standard would not suit the singularities of different types of awards. On the one hand, this absence of requirements or the flexibility in rules allows competitive models to better reflect the current interests of their target populations and to have more opportunities for innovation in practices and ideas. On the other hand, the lack of reliable standards can make categories' definition more susceptible to the whims of awards' organizers, without focusing on the most needed environmental issue. Also, the diversity of evaluation criteria

reduces the possibility of comparing organizations that won awards, as it is less possible to know which award better represents environmental commitment; such comparisons are more viable with ISO standards, for example. Thus, the development of a set of definitions and principles – a guiding standard – could be helpful for award promoters, applicants and interested audiences. It could improve methods of verifying claims, reduce overestimation of achievements, avoid questionable competitions and enhance the reliability of awards.

## *2.2. Type of Contest*

The type of contest is a noteworthy difference between awards and the other types of recognition: certification and labelling are threshold recognition programs, in which criteria and standards are defined before, and any applicant, at any time, can obtain the recognition by meeting the standards; awards are competitive, in which after outlining categories, themes or areas, judges select the best applicants, based on comparisons (Hartley and Downe, 2007).

The contest model adopted has a number of consequences on the recognition process: first, there is accessibility. Access to participation is higher in threshold formats, which do not have a limit to the number of organizations that can be recognized (Borins, 2000). Competitive, awards are not available to all organizations: 85% of the awards analyzed here have at least one restriction to participation and 28% have two or more restrictions. Awards' accessibility influences awards' attractiveness which depends on having low barriers to apply, on a representative number of participants from the intended population, on an increasing number of applicants over the years and on not discouraging rejected applicants to try again in the following editions (Hartley and Downe, 2007).

The second consequence is related to performance evaluation. In the threshold model, performance is based on standards and an organization competes "against itself" to meet the requirements (Borins, 2000). In this model, the outcomes are rather expected, as most processes and products' changes can be anticipated by the standards. Competitive schemes are based on relative performance, which means that an organization needs to be better than the others, even if none of them demonstrates high or good performance. Although the word "award" usually refers to extraordinary, superior or virtuous performance, competitive schemes allow for the possibility of not rewarding exceptional behavior, but instead, practices considered better, "less bad" or, at most, only different than the ones presented by the other candidates. Also, as most awards are voluntary, they are limited to the evaluation of the applicants, i.e., to those interested in participating, which do



not always represent the best available initiatives in an industrial sector or region. This is one of the reasons why, in our definition of awards, we did not describe them as signs of excellence or outstanding behavior, but simply as plain acknowledgments of practices.

The third consequence of the type of contest is on feedback. In those models in which applicants are asked to meet certain standards, such as certification and labelling, receiving feedback and an extensive list of improvement areas is an intrinsic part of the process; in most competitive awards, apart from winners, applicants and nominees do not receive any feedback (Borins, 2000; Eriksson, 2004). Previous research has shown that this is one of the main complaints made by participants (Tait and Walker, 2000). Not offering feedback may actually represent a motivation for awards' promoters, as it is easier to provide a short list of winners than to present the performance and rank of all participants (Bovaird and Löffler, 2009; Font and Tribe, 2001). It is interesting to observe that when not providing feedback, promoting organizations are reducing the possibilities of disseminating practices and values, which is one of the main purposes of awards. Still, public feedback is more appropriated for winners or awardees than for other contestants: when feedback is rather negative or includes areas in which organizations should improve, if publicized, it could have the adverse effect of exposing contestants.

### **3. AWARDS AND ENVIRONMENTAL COMMITMENT**

#### *3.1. Organizational Image & Visibility*

Maybe the main expectation of those organizations who promote and apply for awards is to increase their visibility and improve their public image. The existence of audiences that value awards and the fact that they are celebrated in public ceremonies with intensive media coverage is one of the reasons to invest in awards (Gallus and Frey, 2016; Bovaird and Löffler, 2009). Actually, the value of a prize is higher when it is awarded publicly (Bruni *et al.*, 2020) and very few of the awards' goals can be met if there is no adequate publicity of the winners (Norman *et al.*, 2009). The exposition benefit offered may even encourage other organizations to compete, improving award attendance (Leverence, 2005). Borins (2000) reminds that it is even possible to measure media attention (number of views, comments, shares etc.).

For promoting organizations, it is consensual that awards have the potential to enhance their prestige, visibility and reputation (Vaessen and Raimondo, 2012; Frey and Neckermann, 2010; Bovaird and Löffler, 2009; Best, 2008). Some of our findings reinforce this perception: most awards (67%) are offered regularly (annually), which help them to become known;

94% of the organizers do not charge for applications, bearing the costs of awards, which indicates that publicity is one of the major returns; and 44% of awards studied are named after their promoting organization, an attempt of strengthening organizational image.

For applicants, the opportunity to gain visibility and esteem is more valuable than trophies, medals, plaques or other material rewards (Best, 2008; Gallus and Frey, 2017). This perception is accurate, as it was found that in all of the awards analyzed, one of the rewards is the announcement of awardees and their practices in different means of communication, especially digital media. Although 82% of the awards recompense participants with two or more symbolic objects, the most granted is a trophy (84%) and the second most is a diploma (62%). In 28% of the cases, organizers offer special publications, such as photos, videos, interviews or articles in magazines and newspapers etc. Only 11% of the awards grant pecuniary rewards, and when they do, payments have to be used exclusively to finance the implementation of the awarded project. One of the reasons to invest in symbolic rather than monetary rewards is that the intrinsic value of prizes is higher than the extrinsic value (Bruni *et al.*, 2020) and symbolic prizes are usually cheaper and have greater effect on performance than monetary ones (Kube *et al.*, 2012).

Visibility gains can be affected by some moderators. First, there is the geographical coverage: local and restricted awards may not have the same publicity impact as certifications, which are widely accepted and span for different locations (Jacobs *et al.*, 2010). Second, there is the type of relationship between awarders and possible awardees, especially commercial ones: for instance, Beer *et al.* (2021) found out that in a buyer-supplier relation, a symbolic award (e.g. “supplier of the year”), if given out publicly, may have the adverse effect of increasing the costs of the relationship, as it signalizes to the market that such supplier has better performance (Beer *et al.*, 2021). Additionally, a firm nominated for an award can be labeled the “greener company” or “the most environmental-friendly business” and, after that, become target of NGOs, activists, the media etc., which could start following its actions more closely (Norman *et al.*, 2009). Third, there is the reputation of participating organizations: startups or new companies may have problems in offering awards because they do not have a symbolic capital to attract applicants (English, 2009). However, if they succeed, they can enhance their own reputation by connecting with more prestigious organizations (Best, 2008; Frey and Gallus, 2016). For participating organizations, the risk is if the award is not offered by a trustworthy promoter (Mihalič, 2000) and, therefore, not become interesting to large companies which have more status than the giver. In fact, it seems that both the reputation of participating organizations influences the prestige of the award and the reputation of the award influences the prestige of its participants.

One last obstacle to the goal of attaining visibility is prize proliferation: data shows that the number of awards increased in the last decade (45% of the sample was created between 2010 and 2019) and that active awards grew from 13 in 1999 to 49 in 2019. At the same time that award proliferation increases the importance of this type of recognition, it may reduce its own status. In other words, the creation of new awards indicates that there is an opportunity and even a desire to recognize a greater number of environmental practices; nevertheless, it is widely accepted that the value of an award depends on the number and frequency that it is handed out and its significance is lower when it seems easy to have one or when it is not scarce (Jacobs *et al.*, 2010; Gavrilă *et al.*, 2005; Löffler, 2001; Frey and Gallus, 2016; Hansen and Weisbrod, 1972).

### 3.2. *Values & Behaviors' Dissemination*

Organizations use awards as a way of spreading information and values, which helps engage applicants and the general audience in some kind of program or ideal (Gallus and Frey, 2017; Best, 2008; La Rosa and Bernini, 2021). Organizations also promote awards to inspire others to behave similarly (Frey and Neckermann, 2008a; Rosenblatt, 2011; Borins, 2000; Norman *et al.*, 2009), or to directly influence recipients in order to act accordingly to organizational interests (Frey and Gallus, 2015; Frey, 2006). The purpose of disseminating values and practices seem related to visibility improvement: the greater the publicity, the higher the opportunity for organizations to reach its target audience. Yet, dissemination efforts are not automatically effective and the goal of transferring good practices is not easily attained (Entwistle and Downe, 2005). When successful, awards and other types of recognition may serve as a positive reinforcement of desirable practices, acting as a complement of legislation, which, by its turn, is aimed to prevent and punish prejudicial or exploitative behavior.

In the awards studied, the attempt to disseminate values and behaviors is revealed by some of the evaluation criteria: effectiveness or impacts, either financial, economic or social (48%), replication potential (34%), community involvement (25%) and practice regularity (22%). Another approach used to encourage environmental behaviors is the definition of the awards' themes, by which promoters can draw attention to an environmental issue that needs to be emphasized. For instance, 12% of the awards are single-issued and 42% have competition categories based on specific issues ("best water project", "best waste management project" etc.).

This flexibility to (re)define the focus of an award serves to motivate practices on specific and deliberately chosen subjects.

Different types of promoting organizations use awards to send different messages to their stakeholders or to the community they belong to (Frey and Neckermann, 2008a; Leverage, 2005). Their intention is to guarantee that the audience does notice that the award is reaffirming the group's values and beliefs (Best, 2008). For humanitarian or public institutions, giving awards is a symbolic activity which serves to show that resources derived from sponsors, donators or tax-payers are being well spent, improving the service they provide; for NGOs, it is a way of attracting funds, donations or other means of support (Frey and Gallus, 2015). For instance, our results indicate that 56% of the awards have civil society organizations as eligible audiences and that most of the awards (38%) are offered by public institutions.

For trade associations, awards are more likely to reflect the needs of that particular industry and strengthening sector standards (Tait and Walker, 2000; Bovaird and Löffler, 2009). The fact that trade associations offer 25% of awards and are eligible for only 4% is representative. In Tait and Walker's (2000) research, some participants reported preferring concentrated rather than widespread awards, which could help them improve practices within that industry. It may be actually more relevant to increase recognition within the group than with the public at large (Vaessen and Raimondo, 2012). That may explain some of the restrictions to participation imposed by the awards studied: 60% demand the applicant's presence in some geographical area, 18% require participation in a certain economic segment and 15% request previous association to the promoting organization. Norman *et al.* (2009) have observed that most restrictions to award participation concern organizations' characteristics, such as location, size, industry etc., and not their behavior. It seems correct the perception that a restriction based on behavior could be more efficient in disseminating values and promote beneficial or innovative practices; nonetheless, constraints based on organizational characteristics, as those reported here, have the primary purpose of strengthening relationships within the industry or community and, instead of an excluding rule, they represent a concentration of efforts in the group of greater interest.

### *3.3. Awards & Environmental Performance*

Although some organizations use awards to communicate their environmental responsibility, award-winning may not accurately reflect environmental commitment. Practices registered for awards are usually not new ones, and yet those regular actions already performed by

the organization but never publicized. Another problem is that the same practice may be used for different awards, which causes the award collection exhibited by many organizations to be based in one or a few practices. Different from certification and labelling, that submit environmental programs to periodical reassessments, awards are one-time evaluations, which does not encourage practices to be maintained or improved, as they will not be appreciated again. For Norman *et al.* (2009), awards are concerned with single practices and projects because it is more difficult to evaluate overall performance and because specific achievements are more newsworthy than a list of good companies with nothing in particular. When isolated practices are chosen to be evaluated, promoting organizations do not verify if they are part of a greater set of environmental actions, or do not take into account the entire combination of practices. For instance, environmental-unfriendly practices are overlooked, resulting in a biased analysis of the organization's environmental commitment. Ideally, practices or projects presented in awards should be a part of overall environmental strategy (Tait and Walker, 2000; Vaessen and Raimondo, 2012). This does not seem to happen, as only 17% of awards studied have, as one of the evaluation criteria, the practice's planning and alignment with strategy.

The accumulation of awards based on practices that are not part of environmental strategy may give the interested audience the wrong impression that an entire company is green while, in fact, only one or a few initiatives are (Epelbaum, 2006). Font and Tribe (2001) explain that there are more direct benefits on being seen as an environmentally responsible company than actually being one, which makes more tempting investing in a green image than bearing the costs of turning green. This can induce some organizations to be interested in obtaining symbolic gains rather than developing important behavioral change or even acting correctly (Löffler, 2001; Rosenblatt, 2011). Previous researches have shown the existence of organizations that became specialized in this type of behavior, called badge collection (Tait and Walker, 2000; Hartley and Downe, 2007). The problem with badge collection is that winning the prize becomes the only purpose, and the award will not represent a natural consequence of environmental improvement or beneficial performance. Although it is possible that badge collection misleads some consumers, it may not have the same effect on the market: Klassen and McLaughlin (1996) found positive market valuation of first-time award announcements, but not from recurrent announcements, as first-time awards do provide new and relevant information to the market, which does not happen with



consequent awards. This may be explained by the decrease in awards' relevance that is observed when there are too many existing awards, when an organization has too many awards or when it has won too many times the same award. Another problem in badge collection is that an award collection can be the result of financial rather than environmental efforts: Gallo (2010) reported that, in some awards, the result of the contest is directly related to a monetary investment and any participant who pays is graced with the award, in an operation similar to buying the award.

A few promoting organizations try to reduce badge collection by restraining award participation to continued practices and by prohibiting registration of practices already awarded, either in previous editions or in other awards. These actions demand that new practices are developed; if they are not better, at least they are different, which helps broadening the scope of environmental actions. Regularity in award promotion also contributes to the encouragement of new practices, as applicants, knowing that the award will be offered in the following years, have the opportunity to improve not-awarded practices or to develop new ones.

Available evidence also suggests an insignificant relationship between awards and organizational performance. Darnall and Sides (2008) found out that organizations participating in voluntary environmental programs, such as awards, did not improve their performance over nonparticipants. Similarly, Boivard and Löffler (2009) found little direct and convincing evidence that winning a quality award has an impact on service quality, performance or innovation. Lyon *et al.* (2013) verified that firms that won green awards had insignificant or non-positive effects on shareholder value, but Hendricks and Singhal (1996) found out a positive reaction of the stock market to the winning of a quality award. Environmental awards seem to promote green technology innovation (Lai *et al.*, 2021) and to positively affect consumers' perceived value (Lee *et al.*, 2019).

Even in those studies that reported positive impacts on performance, the authors found indirect relationships in the results. The positive stock market reaction found by Hendricks and Singhal (1996) occurred because quality awards represented good news about the organization, and the market responded to the good news and not to the award. Lai *et al.* (2021) explained that awards improved the green image of organizations, which allowed them to obtain more loans and government subsidies, and it was that increase in resources that financed and improved green technology development, and not the award itself. Additionally, it has been suggested that

investors and the market as a whole may not take awards – even those with credibility – as a sign of good environmental performance, thinking that the organization is spending money in things that are not relevant (Lyon *et al.*, 2013). The market may perceive that the efforts to win such awards is greater than the returns they provide and it may already be aware of the organization's environmental performance, making the winning of the award not a source of new or better information (Jacobs *et al.*, 2010).

#### 4. CONCLUDING REMARKS

The most intended contributions with this study were to identify the main characteristics of environmental awards and to analyze their relevance to the environmental commitment of organizations. To the best of the author's knowledge, there had not been such extensive and systematic research on existing environmental awards, including their features, participants, criteria, rewards, conditions for application etc. The focus was on awards offered to organizations in environmental issues, but the characteristics listed, the elements assessed, and the findings on how they are used to improve image, visibility and to disseminate values and behaviors seem appropriated to analyze awards offered in other countries and in other areas such as social responsibility, quality, innovation, compliance etc. At the organizational level, it was found reasonable to associate awards to certification and labelling and to understand all of them as types of environmental recognitions. This expanded idea of environmental recognitions and the comparison between awards, certification and labelling, are also contributions brought by this research, as awards were not previously included as options for organizations who wish to communicate and attest their environmental and social responsibility initiatives.

Concerning the contribution of awards to the environmental commitment of organizations, our findings suggest that they can be effective in increasing the visibility of environmental efforts, in reinforcing environmental image and in disseminating environmental values and behaviors, specially within specific groups or communities. Awards can help consumers and other stakeholders in initial screening, as a first sign that an organization may be environmentally "different" from others. Nevertheless, awards' promotion or winning should not be taken as a definite measure of environmental commitment, especially because awards are limited evaluations of organizational efforts. The first limitation is temporal, as awards are isolated events that usually reward one-time practices instead of continuous and long-term initiatives, being more reactive – recognizing past actions – than proactive – motivating future changes. The second limitation is in

scope, as awards are not able to measure overall environmental strategy and only one or a few practices. The third limitation concerns awards' capability of measuring efforts: the lack of standards and feedback and the presence of questionable evaluation criteria reduces their potential to inform applicants how well they are performing and, consequently, how could they improve environmental commitment.

We believe our research provide some implications. First, in order to increase the credibility of the contests, competent institutions should develop awards' regulations or, at least, a set of principles and definitions, such as those already existent for certifications and labels,. Second, stakeholders, consumers and awards' applicants should always consider the reputation of the award, as it is this reputation that will allow awards to achieve their desired purpose of improving social responsibility efforts. They may be more confident in awards promoted by public institutions: as they do not need image improvement and can maintain an independent relationship with applicants, they are more able to demand verified data and conduct a rigorous evaluation, being more effective in spreading values and behaviors desired by society. By its turn, those organizations that are willing to promote awards should develop clear evaluation criteria and, when possible, alternate awards' themes and areas of interest, encouraging new practices and developments in those issues considered most needed.

Available evidence has not been able to demonstrate awards' specific influence on environmental performance. This relationship could be addressed with future research. It would be equally useful to verify the types of organizations that are interested in awards, the frequency they enter awards and how they value and convey awards won. Further studies about the connection established between award promoters and receivers and the reasons why some awards are discontinued are also suggested.

Finally, we agree with Frey and Neckermann (2008b) when they state that it seems impossible to measure the usage of awards in a country: there are hundreds of institutions bestowing awards, they are easily created and have no central database. Actually, as information was dispersed, the main difficulty on this research was finding evidence of award activity, which also represented a limitation to further analysis. Nevertheless and although not exhaustive, our gathering of Brazilian environmental awards represents a good overview of the existing awards. If we add to those awards found the other awards that are not entirely environmental but have at least one environmental category

estimate that there are more than 100 and include the environmental awards offered elsewhere, we can be sure that there is a great number of awards recognizing environmental efforts. Even though these awards are not perfect, if they succeed in improving current practices and, consequently, increase environmental preservation, at the end, we will only have winners.

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## TABLES

Table I – Overview of Brazilian Environmental Awards

<b>Promoting organizations</b>		<b>Application restraint</b>	
Public institutions	38%	Geographical location	60%
Trade associations	25%	Organizational type	39%
Business organizations	20%	Economic segment / Relationship	33%
Civil society organizations	17%	None	15%
<b>Eligible types</b>		<b>Rewards offered</b>	
Business organizations	98%	Trophy	84%
Civil society organizations	56%	Diploma	62%
Natural persons	55%	Special Publication	28%
Public institutions	44%	Plaque / Medal	20%
Educational institutions	37%	Course / Gifts	12%
Trade associations	4%	Money	11%
		Seal / Logo	8%
<b>Award creation (decade)</b>		<b>Award frequency</b>	
1980-1989	1%	Annual	67%
1990-1999	16%	Single time	13%
2000-2009	38%	Biennial	10%
2010-2019	45%	Irregular	10%
<b>Environmental issue</b>		<b>Evaluation criteria</b>	
Environmental Protection, Conservation, Recuperation	39%	General Impacts, Results (economic, social, financial etc.)	48%
Waste Management, Recycling	33%	Originality, Innovation, Creativity	40%
Water Protection, Use & Management	31%	Replication Potential	34%
Environmental Education & Communication	30%	Environmental Impacts, Benefits	30%
Products, Processes & Services (clean production, bioeconomy etc.)	26%	Relevance, Pertinency of Environmental Issue	25%
Quality of Life (sustainable cities, green building, health, population etc.)	24%	External Community Involvement	25%
Biodiversity, Ecosystemic Services, Fauna & Flora, Extinction	20%	Technical & Financial Viability, Applicability	24%
Energy (efficiency, clean sources etc.)	20%	Quality of Presented Information	22%
Environmental Responsibility & Management	20%	Motivation & Commitment	22%
Generic Issues (“environment”, “sustainability” etc.)	19%	Frequency, Regularity, Extent, Continuance	22%
Technological Innovation for Sustainability & Ecotechnologies	17%	Internal Involvement, Collaboration	20%
Land Use	10%	Planning, Alignment with Strategy	17%
Greenhouse gases Emissions, Climate Change, Carbon Footprint	16%	Other	21%
Air, Pollution, Atmospheric Emissions	13%		
Other	17%		

Table II – Characteristics of Environmental Recognitions

	<b>CERTIFICATION</b>	<b>LABELLING</b>	<b>AWARDING</b>
<b>Scope</b>	Systems / Processes	Products / Services	Practices
<b>Validity</b>	3 years	3 years	Indefinite
<b>Motivation</b>	Voluntary	Voluntary	Voluntary
<b>Contest type</b>	Threshold / Confirmatory	Threshold / Confirmatory	Competitive / Discretionary
<b>Evaluator</b>	Accredited third party organizations	Accredited (Type I) or independent (Type III) third party organizations	Independent, but non- accredited organizations
<b>Evaluation methods</b>	Audits	Life cycle assessments, laboratory testing	Documental analysis and/or observation
<b>Regulations</b>	ISO 14001	ISO 14020, 14024 and 14025	Non-standardized, defined by each award
<b>Rewards</b>	Permissions / Certificates	Labels / Seals	Trophies / Diplomas