

Resource Allocation Decisions and Social Responsibility: The 2011 Las Conchas Wildfire

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Under the aegis of ISO 26000 (International Organization for Standardization, 2010), corporate social responsibility loses the first of its three terms and becomes simply social responsibility. As noted and emphasized in the guideline, social responsibility deserves the attention of all organizations, not just corporate or for-profit entities. ISO 26000 stipulates that the purpose of social responsibility is to promote and serve the greater good of global sustainability. In keeping with the meta-goal of sustainability, I ask the following research question—how do inter-organizational operations allow for human cognitive biases in their sustainability decision making?

Generally, one focuses on social responsibility at the organizational level. Theoretically, this single level of analysis makes sense because it provides rigor to our research findings. However, in practice such a unified focus removes us from what is often actually occurring. For example, Miller, Wiek, and Pisani (working paper, 2013) in a case study of Coca-Cola's water usage and stewardship in India describe how the corporation relies extensively on others—governments, CSOs, and colleges—to give it legitimacy in the eyes of Indian society. Thus, social responsibility in pursuit of sustainable development actually happens at the inter-organizational level for many of the challenges facing the sustainability mandate. And, decisions about how to allocate resources to confront these challenges often represent inter-organizational decision making more than they do single organizational decision processes.

In light of the relevance of inter-organizational resource allocation decisions, the research question stated above must address an actual situation(s) where such decisions were being made. Large wildland fires and firefighting efforts to contain/suppress them offer such a setting. Not only do they provide an appropriate research site, but they also allow us to examine a very pressing sustainability problem for many nations due to the drought conditions being generated by global warming-climate change. To focus carefully on human cognitive biases in inter-organizational decision making, I have elected to examine the 2011 Las Conchas wildfire in New Mexico, U.S.A. At the time, it represented the State's largest wildfire encompassing some 62,000 hectares. As significant as its size was its location, in and around the Los Alamos National Laboratory (LANL) where the atomic bomb was developed in the 1940s and where the U.S. military continues to study and refine nuclear weapons. The large compound contains both known and unknown hazards, e.g. low-level plutonium waste. In risk terms for decision making, these hazards compel decision makers to construct mental frames (Kaplan, 2008) with high potential losses. Nevertheless, the sites where the high-risk hazards lie are known and have been well protected/sealed in recent years. Also, within the area encompassed by the fire are cultural-historical sites belonging to Native American tribes (federal law mandates that their lands be especially protected in the event of a wildfire), and finally, a ski area used primarily by the engineers and scientists at LANL. All these sites with their associated risks cause wildland firefighting decision makers to develop cognitive frames that let them assess potential gains-losses as they allocate firefighting resources.

Specific to the Las Conchas wildfire and contained within my research question is the direct query of how does an Incident Commander (the term used in the U.S. for the lead decision maker at a wildfire but who is assisted by personnel from multiple other organizations and influenced by representatives from federal, state, and local governments) allow for cognitive biases in his/her decisions of where to allocate firefighting resources? To operationalize and examine cognitive biases, I rely on the influential work of Kahneman and Tversky (1979) and their development of prospect theory for assessing gains-losses when making risky/uncertain decisions. A thorough review of the wildland firefighting literature presented in this proposed paper reveals almost no allowance for or consideration of such biases; however, a tangential literature base, i.e. wildfire prevention, has begun to recognize and incorporate them in their research efforts. Though speculative, I do conjecture if the actual wildfire outcome—loss of the Native American sites but the saving of the LANL ski area—would have resulted had the Incident Commander been exposed to prospect theory and its emphasis on cognitive biases?

References

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