

Mitchell Builders: Mitchell Enviro Industrial Estate

3003EHR Organisational Change Management: Individual Case Study Report

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1. Executive Summary

This case study report is based on Mitchell Builders' Enviro Industrial Estate and the owner, Bruce Mitchell's continual pursuit of wide spread sustainable change in the building, manufacturing and industrial industries. This report aims to outline the sustainable change, identify the change process and analyse and evaluate the change process. The final part of the report aims to provide some recommendations to expand upon current change efforts which may help to spread the message of sustainable change in the industry.

2. Background and Impetus for Change

Bruce Mitchell is the owner and genius behind the self-sustainable industrial estate, based at Stapylton in Queensland, which is home to a number of environmentally conscious businesses. Mitchell Enviro Industrial Estate is the only one of its kind in Australia with the Urban Development Institute of Australia awarding it their 6 leaf EnviroDevelopment certification. The 6 leaves represent ecosystems, waste, energy, materials, water and community (Eco Display Centre, Mitchell Enviro Industrial Estate, 2010, p. 3).

In 2006-07 approximately 43.7 million tonnes of waste was generated by Australians whilst Queensland had the highest increase of 83% in total generated waste (Smith 2007:7). Industrial estates use and dispose of chemicals and materials which are hazardous and extremely harmful to the environment and 33% of our national waste is categorised as industrial waste alone (Smith 2007:8). That is 14.42 million tonnes of hazardous waste and in Mr Mitchell's mind, signalled an urgent need for transformational change by building an industrial estate which is completely self-sustainable and environmentally friendly.

The carbon neutral industrial estate sits on 10 acres, all the sheds are second hand, thermal technology has been used for cooling and heating the sheds naturally, all the timber comes

from sustainable sources whilst natural lighting has been installed in all the buildings to reduce energy consumption (Bruce Mitchell, personal communication, August 31, 2010). The estate produces all of its own solar power and has its own sewerage and water supplies (Bruce Mitchell, personal communication, August 31, 2010). Central to the estate is the dam which holds 4 megalitres of water whilst thousands more is stored in underground tanks around the estate (Bruce Mitchell, personal communication, August 31, 2010). The estate has been full with tenants since its completion.

Bruce Mitchell is a builder by trade and has long held a passion for the environment. Not only has Mr Mitchell developed a self-sustainable industrial estate which required transformational change in building and designing such a development, he has also been working continuously over the past few years to change the attitudes and beliefs within the building, manufacturing and industrial industries. It is this incremental, industry focussed strategic change which will be discussed in this report.

As an eco-conscious businessman and entrepreneur Bruce Mitchell saw a need to make a change in the industry by showing people that sustainable industrial estates can be developed and that they can be profitable (*About Bruce Mitchell*, 2008, paragraph 4). In 2006 Mr Mitchell attended the Eco Asia Trade Fair in Hong Kong and discovered that no-one had really thought about self-sustainable industrial estates (*About Bruce Mitchell*, 2008, paragraph 4). Mr Mitchell quickly realised the impact he could have on the industry and began his journey as a change agent for strategic sustainability by sharing his knowledge and experiences in developing the estate and working with government and council bodies, industrial associations and individual organisations on developing new standards and best practice guidelines.

3. The Change Process

Strategic sustainability is described as “an activity of planning for the future of our own and other species’ survival” and having the ability to recognise the need for an “individual, collective and cultural transformation” (Borland 2009:558). A change agent is often referred to as the facilitator of a change process (Saka 2003:483) and can be internal or external to the organisation. External change agents include politicians, regulators, consultants, bureaucrats, community activists, concerned citizens, subject matter experts and intellectuals (Dunphy et al 2007:309). In this case Mr Mitchell can be identified as an external change agent or facilitator who is leading the transformation process required to achieve strategic sustainability. Characteristics of a change agent include being a risk taker, able to influence others, charismatic, confident, recognised as part of the culture, inspirational, being politically astute and being able to take ownership of the initiative and drive the change (Chrusciel 2008:150). Bruce Mitchell represents all of these characteristics as a concerned citizen and subject matter expert he is truly committed to strategic sustainability and this is shown through the current change initiatives Mr Mitchell is pursuing as outlined below.

Developing the eco estate which is completely self-sustainable in an industry which produces one third of all waste is a transformational change. Mr Mitchell set out to reinvent the organisation, or industrial estate ‘ideal’, in order to give back to society and contribute to maintaining a healthy environment (Dunphy, Griffiths & Benn 2007:266). However, in order to achieve true strategic sustainability, change is required at the industry level so as to facilitate large scale change at the individual organisational level (Borland 2009:565).

As a change agent of strategic sustainability Mr Mitchell has adopted a pull strategy of change in which businesses and the industry as a whole are responsible for adopting the changes required in order to implement these new and sustainable ways of working (Clegg &

Walsh 2004:223). International and national delegates, local and state government officials and prominent university and environmental institution's researchers visit the eco estate in droves to learn more (Bruce Mitchell, personal communication, August 31, 2010). This creates an opportunity for Mr Mitchell to help create valuable partnerships and alliances between government and industrial organisations to achieve sustainable outcomes. Mr Mitchell presents guest lectures at Bond University and has been invited to speak at numerous organisations and industry wide forums, whilst the estate has received acclaim in newspapers and magazines around the country (Bruce Mitchell, personal communication, August 31, 2010). Mr Mitchell consults with developers and often has international and national delegates come to him to receive advice about specific issues or aspects of large scale sustainable developments (Bruce Mitchell, personal communication, August 31, 2010). The estate is also open to the public as there are barbeque and picnic facilities to use whilst enjoying the natural and scenic surroundings by the lake (Bruce Mitchell, personal communication, August 31, 2010).

Mr Mitchell is committed to sharing his knowledge and investing in the future of our society, particularly with the younger generations where there is a willingness to learn. The industry wide change Mr Mitchell is focussed on can be identified as being incremental in nature, with initiatives being well planned and developed over a longer period of time (Dunphy et al 2007:230). Such longer term, industry focused educational undertakings represent a more systemic view in which change is a continuous process that has to be owned and initiated by the end users (Clegg et al 2004:230). According to Dunphy et al (2007:229) incremental change can be a successful method for achieving sustainable outcomes and external change agents have an important role to play in creating sustainable change (2007:316).

4. Change Analysis and Evaluation

Using the Model of ‘Phases in the Development of Corporate Sustainability’ by Dunphy et al (2007:27) Mitchell Enviro Industrial Estate belongs in the phase 6 category of the sustaining corporation. Dunphy et al (2007:203) outline some key factors which help identify whether the company is a ‘sustaining corporation’ including: whether executive decisions reflect the company’s commitment to sustainability; whether it works collaboratively with communities and industry partners to solve social and environmental issues; whether it values its workforce and provides personal development opportunities; whether it has made significant investments in education and health; and finally whether it has helped share its knowledge and experience to assist other companies embarking on a similar mission. The dedication to achieving the philosophy of the ‘sustaining corporation’ is shown through in every endeavour Mr Mitchell pursues and is reflected in the company’s mission statement which is ‘building a sustainable future’ (*Mitchell Builders*, 2008).

Bruce Mitchell is working hard to get the message out about why self-sustainable industrial estates are needed and the benefits that can be realised, with proof they are in demand as the estate has been full with tenants since its opening. According to Walker, Armenakis & Bernerth (2007:763) there are five key components a successful change message should convey including an explanation of the gap between the current and desired state, why the change is needed, confidence in management and the ability to demonstrate management support and finally, what the benefits of the change are.

Building the eco estate was just the first step in conveying the sustainable change message. Mr Mitchell has created a clear vision of corporate beliefs, values and principles of strategic sustainability setting a positive example for organisations it interacts with externally (Borland 2009:564). He is creating positive relationships between government organisations,

businesses and community groups by sharing his knowledge and experiences in developing practical sustainable outcomes (Post & Altman 1994:69). The Mitchell Enviro Industrial Estate also provides a model of best practice for developers which can be applied to commercial and residential developments as well as industrial estates in the future (Post et al 1994:69).

Mr Mitchell has experienced some resistance to change in the industry, commenting that some of the ‘older, more traditional industry leaders aren’t convinced about sustainability or climate change’ (Bruce Mitchell, personal communication, August 31, 2010). This comment is supported by Harris & Crane’s (2002:230) research on how macro-cultures affect the implementation of sustainable changes and the finding that “industrial or institutional paradigms reflect deep-seated, widely accepted beliefs and ways of thinking and behaving which are highly resistant to change”. The authors suggest that any sustainable change initiatives will require a significant change in industry culture, ways of thinking and doing business and that this will only happen as a continuous process over a long period of time (Harris et al 2002:229).

Mr Mitchell has a new project underway in Adelaide and continually has international and national delegates visiting the estate which shows that attitudes are slowly but surely changing in the industry as the estate becomes a benchmark. Whilst current change efforts are effective and the five key components of the change message are out there, the following section provides some recommendations and suggests some improvements to expand upon the mission towards 100% sustainable development.

5. Recommendations

Bruce Mitchell has won many awards from the State Government for his eco-friendly industrial estate and has had the opportunity to meet a number of prominent political and

executive leaders in the industry. As an effective external change agent Mr Mitchell has the ability to use his political astuteness and credibility (Chrusciel 2008:149) to drive sustainable changes in the industry at a strategic level. Grants and incentives need to be created, aimed at encouraging industry leaders to achieve the 6 leaf EnviroDevelopment certification for all new industrial, commercial and residential estates. In the longer term changes need to be made to guidelines and building laws for the industry to ensure all future industrial, commercial and residential developments are as sustainable as the Mitchell Enviro Industrial Estate. Government support and extensive industry level collaboration is essential for the successful implementation of wide scale sustainable change (Borland 2009:566).

Harris and Crane (2002:216) argue that incorporating sustainability issues into the culture of an organisation can result in a significant competitive advantage which is difficult to imitate. Bruce Mitchell's estate is an example of this with 100% occupancy from completion and the ability to charge 120% rent as opposed to many other estates which are losing significant amounts of money on unoccupied estates (Bruce Mitchell, personal communication, August 31, 2010). To help share his knowledge and show developers his ideas Mr Mitchell had come up with an idea to host trade shows at the estate where delegates could collaborate with other industry leaders and form partnerships and alliances for sustainable outcomes (Bruce Mitchell, personal communication, August 31, 2010). Unfortunately this idea has not taken off. One suggestion to overcome this is that instead of having delegates come on special visits one or two at a time as they do, invite them to be a part of a monthly trade show. There could be demonstrations of products, advice from Mr Mitchell and his team about sustainable products and specific issues developers may be facing, networking and collaboration sessions and of course an in depth tour of the estate. The concept of getting delegates on site and providing tours, advice and product information is supported by research from Pastakia

(1998:162) on a number of ‘ecopreneurs’ where this strategy was used effectively to promote their eco-friendly innovations.

As the ‘educators of tomorrow’ universities also have an important role to play in creating sustainable change (Moore 2005:326). It is recommended that guest lectures are extended to other universities, particularly those which offer engineering and design courses with the aim of creating an open learning environment where Bruce’s knowledge and experiences in developing the estate can be shared and valued (Saka 2003:488). Mr Mitchell could also offer advice and assistance to the universities to develop programs, standards and guidelines for teaching and education in sustainable building and design.

The lack of education and skills from a sustainability perspective in trades such as plumbing was a challenge for Mr Mitchell during the development of the estate (Bruce Mitchell, personal communication, August 31, 2010). In addition to working with the universities perhaps there is scope to approach the Queensland Education Department to work towards incorporating sustainability education into trades with a particular focus on how to identify and obtain sustainable resources and how to use them.

The final proposal in this report is to start a mentoring program in conjunction with Bond University to identify students or existing industry professionals who are potential sustainable change agents to be a part of a mentoring program to help spread the change (Walker 2006:18). Extending the guest lectures to other universities as mentioned previously also provides an avenue for identifying potential sustainable change agents to be involved in the mentoring program. Research shows that change agents often want a mentor but do not have access to one and that this would help encourage such people to continue persevering with their goals to promote change (Walker 2006:18). Mr Mitchell would make an excellent

mentor and receive much satisfaction knowing that his knowledge has been passed on and that others are continuing this important work.

6. Conclusion

Bruce Mitchell is working towards a sustainable future where industrial estates no longer make up a third of all waste here in Australia. The industry wide change initiatives Mr Mitchell has put in place are ongoing and focus on educating people about sustainable options and reinforce the sustainable philosophy in the building, manufacturing and industrial industry. The eco estate itself is used to demonstrate the viability of self-sustainable industrial estates and helps Bruce to spread the message of sustainable change. Sharing his knowledge and experience, helping to create sustainable partnerships and working with government and industry organisations are all effective strategies for creating incremental change. In order to continue the shift towards sustainability Mr Mitchell must persist with current change initiatives whilst ensuring there are others who will continue the important journey of sustainable change.

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