



WISCONSIN ELECTRIC POWER COMPANY (WEPCO) CASE (A) *(ABSTRACT)*

INTRODUCTION

For more than a decade, WRI's Sustainable Enterprise Program (SEP) has harnessed the power of business to create profitable solutions to environment and development challenges. BELL, a project of SEP, is focused on working with managers and academics to make companies more competitive by approaching social and environmental challenges as unmet market needs that provide business growth opportunities through entrepreneurship, innovation, and organizational change.

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It was early January 1992, and Ted Blocker, Director of the Environmental Department at Wisconsin Electric Power Company (WEPCO), sat waiting for the consultants to present the findings from their just-compiled benchmarking study of WEPCO's environmental programs. Ted felt good about the company's progress in the past year on the environmental front and began to think about those accomplishments.

Outside the organization, WEPCO had increased its efforts to play a key leadership role in the community on environmental issues. It sponsored Vision 2000, a day-long forum for business, non-profit groups and governmental officials to discuss issues and recognize "unsung heroes" for their creative environmental initiatives. It sponsored numerous community activities, like the Tree Party at the Zoo for Earth Day and Arbor Day. Stuart McAlister, CEO, served on a number of outside environmental boards, as did many WEPCO employees. WEPCO had been recognized nationally for its efforts with prestigious awards, like the Environmental Achievement Award Council, the Edison Award from the Edison Electric Institute, the Friend of the Environment from the Wisconsin Manufacturers and Commerce Association, and the Governor's Award for Hazardous Waste Reduction.

Inside the organization a new *Environmental Commitment* statement was issued by Chairman McAlister in October 1990. The Environmental Working Group, and interdepartmental team, had helped generate the *Environmental Commitment*, along with launching new environmental initiatives throughout the Company.

The newly-recrafted long-range Strategic Plan for the first time included a separate “Environmental Goals” section addressing work to be done to put the *Environmental Commitment* in place.

Despite the Company’s progress, Ted knows the job wasn’t complete. Given rapid growth in environmental regulations, monitoring, and community relations, the workload of his Department was becoming harder to manage. Defining priorities and the role they should play was getting murky, as more operations department took on environmental responsibilities of their own. Ted decided that outside assessment of WEPCO’s environmental performance and the role of the Environmental Department would help future planning. A well-established consulting firm was engaged to benchmark WEPCO’s environmental performance in relation to top environmental performers in other large companies. Ted ended his reflections on the past year as the lead consultant began her presentation. He wanted to listen carefully because he knew he would be called upon to respond with a formal action plan to any issues the consultants raised.