Case Study

to accompany

Management
6th Edition

by Schermerhorn et al.

WILEY

Case Study 3
Coal seam gas: the sustainable business response

Case study questions

1. *Based on this example, how can mining companies respond to the seemingly conflicting needs of exploiting natural resources that are helpful in reducing greenhouse gas emissions while minimising environmental impact?*

   At this point, mining companies have not been able to allay fears of negative health and environmental impacts of coal seam gas extraction. I don't think the community or government is appeased by trading off reducing greenhouse gas emissions with contaminated water or a damaged agricultural sector. If mining companies want to exploit these resources, they need to prove to the community and the government through scientific research that environmental impact will be minimal.

2. *Suggest how a shared value approach to this dilemma may assist companies to produce a win–win solution.*

   A shared-value approach would mean that company's look after not only their employees, its customers and its shareholders but the broader community as well. A win-win solution might be to delay extraction until certain environmental concerns can be addressed. The mining company may be able to assist with the funding of the research.

3. *How might a quadruple bottom line assessment of performance by mining companies change the approach to CSG extraction?*

   A quadruple bottom line assessment, being accountable for financial, environmental and social performance, and staff wellbeing might mean that coal seam gas extraction is halted until the technology is improved so that extraction does not affect the environment. Mining may need to focus on other natural resources as the environmental and social aspects of the quadruple are not satisfied when pursuing coal seam gas at this time. The current research into the long-term damage of CSG is not favourable, and if mining companies want to be responsible, they ought not to persist at this point.