Audience: The British Petroleum (BP) and London Organising Committee of the Olympic Games (LOCOG) case is designed for use at both the undergraduate and graduate level.

Learning objectives: In this case, the specific objectives are for students to:

1. Critically analyze the BP and LOCOG partnership understanding the pros and cons of the relationship, both historically and on a go-forward basis.
2. Weigh the issues associated with sponsor partnerships and sport organizations that may have some controversial aspects to their business.
3. Critically assess the role of the environment in sport business.
4. Understand corporate social responsibility (CSR), and discuss as a strategic mindset how it can be interpreted for healthy sport business partnerships.
5. Discuss the issue of ‘greenwashing’ and assess if the partnership between BP and LOCOG has elements of the practice. If so, consideration should be given to which organization may be more culpable of this.
6. Consider how policies around environmental actions could be integrated into the strategic planning of the IOC and future Olympic Games Organizing Committees.
7. Consider the impact of brand associations with sponsoring organizations and the effect of such associations on the perceptions of one’s own organization.

Guide to discussion questions:

1. What action (if any) should LOCOG take with respect to its partnership with BP given the Gulf Coast oil spill?

   • How is the British Petroleum sponsorship of the 2012 Olympic Games congruent or incongruent with:
     • the operating context established by the IOC Charter that indicates a responsibility for a “reasonable concern for environmental issues”?
     • benchmarks of ‘corporate social responsibility,’ in line with the overarching and holistic values of the Olympic Games and Olympism?
     • LOCOG’s assertion that “sustainability lies at the heart of every stage of the London 2012 programme”?

Congruence can be thought of as the suitability or aptness of fit. In the current case, congruence relates to the appropriateness of a company with a history of environmental issues, partnering with the Olympic Games, an organization that has positioned the environment as one of its main pillars. Specifically, the discussion should focus on key questions such as: 1) Is BP a good partner for LOCOG? 2) Should BP should be the “sustainability partner”? 3) Does the partnership align with the mandates of the IOC and LOCOG surrounding sustainability? 4) Is there an inherent issue with all oil companies given their industry or is there specific concern with BP given their environmental incidents? While the disasters involving BP have been well documented, the positive environmental contributions of the company should be put forth as discussion items in this conversation.

When considering responses, students should consider the role of CSR. CSR is a holistic mindset and understanding, committed to interpreting and directing corporations and society to be ‘good’ in their practices and principles with respect to the communities in which they operate (at the core, to the citizens; at both a local as well as a broader global perspective). This is often best understood from the business perspective (i.e. ‘does Nike have sound CSR principles?’). At the core of the definition, is ethical and accountable business practices; and done well and right, this means – and can be measured – if the organization operates in an ethical (being ‘right’ and transparent) manner, and implements authentic CSR policies and practices (i.e. from top to bottom, is the company truly committed; or, are they ‘greenwashing’ their CSR efforts for financial and organizational gain only). Finally, CSR can be recognized as a
business strategy, which can be confusing to students. This is a fine interpretation, successful business outcomes and ‘stakeholders’ are important to this concept.

- Is the partnership between BP and the LOCOG a case of greenwashing? What are your thoughts on greenwashing?
- Does the BP partnership create any positive/negative brand associations for the IOC and LOCOG? Or, from the BP partnership, are there any implications for the ‘brand associations’ for the IOC or LOCOG?

The concept of greenwashing is an important consideration in any environmental case study. The term “greenwash” has been defined as “the act of misleading consumers about the environmental practices of a company or the environmental benefits of a product” (Fliegelman, 2009, p. 1007). So, greenwashing is the practice of making unsubstantiated claims about one’s commitment to the environment; the claims can be simple exaggerations, or they may be more nefarious fabrications which are completely deceitful. Essentially, greenwashing occurs when companies create and market a false value around their commitment to sustainability. The goal of greenwashing activities is for companies to prosper within the green marketplace by appearing to be “green”, or at least “more green” than the organization actually is. Discussion should focus on key questions such as: 1) Is greenwashing relevant in the current case, and 2) what is the role of greenwashing in business (i.e. is it a moral contradiction or a marketing strategy)?

- Does the BP partnership create any positive/negative brand associations for the IOC and LOCOG?

Brand associations are all of the connections that come to mind when a particular brand is mentioned. The IOC for example may include such brand associations as Jacques Rogge, Michael Phelps, Usain Bolt, London 2012, Vancouver 2010, Sochi 2014, Coca-Cola etc… Brand associations may also be negative such as steroid use, bribery scandals and Games boycotts. Any association, therefore, that adds to or detracts from the perception of an organization will impact a brand’s equity in the marketplace. Discussion should focus on the range of associations (positive and negative) that come to mind regarding the BP and LOCOG partnership. For example, what comes to mind when you think of the Olympic Games? What comes to mind when you think of BP? If BP were a person, who would the company be? If the Olympics were a person, who would the organization be? Is there congruence here?

2. What strategic considerations would you offer the IOC, LOCOG and future Olympic Games Organizing Committees to consider regarding polices related to responsible (in particular, environmental and social) corporate partnerships?

- Should the IOC have policies regarding responsible (environmental and social) sponsor linkages?
- What external and internal operating pressures could be experienced by an Olympic Games Organizing Committee and what are their implications on decision-making concerning accepting questionable industries and companies (including those with negative associations and questionable environmental records) as a corporate partner?
- Considering the above pressures, what are their implications on decision-making concerning accepting a questionable industry or company as a sponsor?

Discussion should focus on what role should the IOC and Olympic Games Organizing Committees have in assessing partners’ environmental performance? What metrics would/could be used to assess environmental actions of partners? What are some challenges with such assessments (i.e. access to information, operating pressures, stakeholders’ interests?). Students could be tasked with writing an environmental policy statement for the IOC with respect to corporate partners.

- In the future, if the IOC and Olympic Games Organizing Committees refused to accept sponsorships from questionable industries and companies, based on environmental or social concerns (perhaps analogous to discontinuing sponsorship from tobacco companies due to health issues) how could this impact the Games’ capacity and management?

First, the focus of this discussion should consider whether eliminating oil companies from Olympic partner programs altogether is justified or even worthy of consideration. The analogy with tobacco companies should be explored and parallels/distinctions highlighted. Second, discussion should focus on potential impacts on the Games’ capacity should oil industry sponsors be refused. Here, consideration should be given to the financial impacts of such a decision, and also the social and strategic implications.

Supplementary readings to guide class discussions:

Class activities and assignments:
The following assignments/activities could be implemented into the course syllabus to enhance the experience of the current case:

• Break into groups of 5 or 6 students; each group should discuss the roles, issues, complexities, challenges and opportunities of each of the key stakeholder groups in the current case: 1) IOC / LOCOG, 2) BP, 3) General public.
• Direct students to BP’s Target Neutral portal (http://www.bptargetneutral.com/); by inputting vehicle, other travel and household information students can ascertain their own environmental impact and the costs to offset this impact. Further, have students develop a sustainability plan to reduce their carbon impact. If they are familiar with a sport organization, have them: 1) produce a report on its carbon impact and 2) suggest sustainability options for the organization to consider.
• Encourage students to learn more about greenwashing by going to the “Greenwashing Index” at www.greenwashingindex.com. At this site students can post ads and rate them for greenwashing and gain feedback on their ratings using the Likert scale of 1-2 = authentic; 3-4 = suspect and 5 = bogus. Also, while on this site, click on the “Leanwashing Index” and view how products are rated.
• Have students conduct a search for ‘green’ partnerships and/or ‘sustainable’ initiatives currently being implemented by sport organizations. For example, the National Football League’s urban tree planting program, or the carbon offsetting program called “Play it Cool” where athletes offset the carbon emissions that result from their travel to competitions.