ABSTRACT

The residential construction industry has been a staple in the United States economic market for decades. The industry provides millions of jobs and homes across the nation. The industry is fragmented and composed mostly of several small-specialized businesses, filling specific niches. When there is perceived environmental and regulatory certainty, builders construct homes strictly based on consumer demands. Unfortunately, a majority of the industry has developed homes in the same manner for generations and while the technology used has changed, the method of construction has not. This has prevented many from voluntarily updating their operating standards.

Increasingly American Society has begun to pay more attention to greenhouse gas emissions released during the creation of goods and services. This increased awareness and subsequent advocacy has led to environmental and regulatory uncertainty in many areas across the country. As a result, stakeholders are better able to exert added pressure on the residential construction industry to adopt green building practices and techniques. While resistance is
ever present, increasingly the residential construction industry are adopting practices that result in more efficient homes.

There are several factors and internal values that have been shown to influence the adoption and institutionalization of firm practices and values. This research will focus specifically on the type of stakeholder that is able to most influence firm behavior and the rate of value institutionalization.

Historically primary external stakeholders, particularly customers, heavily influenced the values and behaviors adopted by firms. This research will evaluate the moderating influence uncertainty on the internal and external stakeholder pressures influencing the institutionalization of green building practices in the residential construction industry. This research will also attempt to determine how invested the industry is to mitigating its environmental impact by using green building techniques.