UK UNIVERSITY SUSTAINABILITY AGENDA: UNDERLYING MOTIVATIONS
O. O Adesina, K. Shevchenko and J. Lowe
Canterbury Christ Church University

Sustainability reporting in the private sector is a mature and well documented research area and there is evidence that it achieves both commercial and social outcomes. In addition, a sustainability paradigm sets off a search process for an overall review and reorientation of business organisations. Less studied is a growing trend in sustainability reporting within the university sector where organisational goals are more likely to focus on social outcomes and where decision making, maybe more decentralised to capture a broad range of stakeholder interests. Sustainability reporting is a voluntary activity used to assess the current economic, environmental and social dimensions of an institution, and then communicate these dimensions and associated progress (or lack of) to stakeholders. While university self-reporting efforts are visible and growing, little is known about the drivers of their sustainability agendas. The study examines the financial reports, voluntary sustainability reports and marketing material of 124 UK universities in the Times Higher Education league tables over a five year period (2008-2012). Using legitimacy theory, the study explores how universities use environmental, social and governance disclosures (ESG analysis) as an innate part of their stewardship role (normative motivations) and compares this to their use as a marketing tool (instrumental motivations).

STAKEHOLDER ENGAGEMENT IN CORPORATE SUSTAINABILITY PROCESSES IN MALAYSIA
Adura Ahmed
Essex University

This study examines stakeholder engagement in corporate sustainability accounting and reporting processes in practice, particularly in the context of a less developed country. Sustainability accounting and reporting is coming from the term sustainable development which emphasized on economically profitable activities that balance up with their contribution to the society and environments; eco-justice and eco-environmental. Sustainability activities call for public participation and support of the communities in making decisions. With these issues, the main objective of this study is to examine the reporting of sustainability activities in practice and to analyse the symbolic participation practices of multi-stakeholders in corporate sustainability reporting. Within the context of methodological framework, the study adopts the stakeholder theory to provide insights into the rationale for the stakeholder engagement in sustainability reporting and accountability to stakeholders. It pays particular attention to how the organization closing the gap of legitimacy as stakeholders expected the organization to fulfil its ‘social contract’. In addition, the interplay role of the State, organization and society that may affect the stakeholder accountability in the engagement process through their ‘power’ are explored. This research explores sustainability activities of extraction industry; palm oil, oil and gas, timber and mining industries which have a direct impact on the environment and society. The research in this industry may reveal how sustainability issues are being carried out in practices. Simultaneously, it is also in hope could reveal how stakeholder engagement is embedded in promoting stakeholder accountability. The study examines how the organizations incorporate the concepts of sustainability in their day-to-day operations and interactions with their key stakeholders such as employees, regulators and NGOs. A qualitative analysis of sustainability reports of the selected organizations, together with interviews with their senior managers, provides insights into internal views on sustainability practices in Malaysia. The study also considers the view of external stakeholder groups such as journalists, NGOs and regulators. This is to discover whether the organizations actually ‘walk’ their ‘talk’.
TOPIC: DETERMINANTS OF QUANTITY OF CSR DISCLOSURE: MULTI-THEORETICAL PERSPECTIVE – A CASE OF PAKISTANI LISTED COMPANIES

Waris Ali
Middlesex University Business School

Prior empirical research on the determinants of the extent and level of corporate social responsibility (CSR hereafter) disclosure has been concerned with the influence of corporate characteristics, ownership structure elements, corporate governance structure elements, and general contextual factors (such as political, social, and economic context). Relatively little prior studies have examined CSR promoting, widely prevalent in the world, relationship with the extent and level of CSR disclosure. However, this study establishes empirical relationship of social visibility (proxied by size, profitability, industry groupings, advertising fee, and multinational subsidiary), ownership structure (includes institutional owners, foreign owners, and government ownership), CSR promoting institutions (proxied by membership of CSR forums and networks, membership of NGOs, and acquisition of ISO standards), and corporate governance structure (includes board composition, multiple directorship of chairman, and non-executives directors in the audit committee) with the extent (proxy of importance given by the firm to CSR issues) and level (proxy of breadth of CSR issues covered) of CSR disclosure in the annual reports, for the years 2008 and 2011, of 120 financial and non-financial firms listed at Karachi Stock Exchange of Pakistan. Using pooled regression analysis, it was observed that social visibility and CSR promoting institutions have significant positive relationship with the extent and level of CSR disclosure, while ownership and corporate governance structure elements were not found to be significantly related to the extent and level of CSR disclosure. This brings some public policy implications that Pakistani government should strengthen CSR promoting institutions to enhance CSR disclosure.

INTEGRATED ACCOUNTING AND ACCOUNTABILITY IN THE ENERGY SECTOR: OIL SANDS IN CANADA VERSUS HYDRO POWER IN THE ITALIAN ALPS

Michele Andreaus
University of Trento

Thomas Schneider
University of Alberta

In practice and in the literature there are a number of integrated accounting and accountability models. The general aim of these models is to measure the economic and social impact of an organization. For example, referring to NGOs, Unerman and O’Dwyer (2006) introduce an “identity report”. The goal of this model is clear in a not-for-profit organization, but also in for-profit organizations we can bring out an institutional dimension, that does not coincide with short-term financial performance.

We are defining a project that involves energy enterprises (so with a relevant environmental issue) operating in different sectors: oil sands in Canada and hydro power in Italy. Both activities need wide investment and have a relevant impact on the environment and on the landscape (imagine a dam and a lake in a valley in the Alps). Our objective is to explore the various integrated accounting and accountability concepts applied in practice by the stakeholders involved (government, ENGOs and the firms), and to apply our own conceptualization of this construct. These measures are often context specific and can mean different things to different stakeholders. This will be a key focus, as will the compatibility of the various stakeholders’ visions of integrated accounting and accountability.

DETERMINANTS OF CORPORATE CARBON REDUCTION TARGETS

John Byrd and Elizabeth Cooperman
University of Colorado

We investigate the attributes that explain why companies choose absolute targets (tons of CO2) versus intensity targets (CO2/Sales, CO2/Employees, etc.). We also examine attributes that determine the magnitude of those changes. We hypothesize that growing companies choose intensity goals because growth makes achieving absolute goals uncertain or difficult, and that the magnitude of reductions depends on initial carbon intensity relative to industry peers (higher initial intensity allows for easier reductions) and the targets of those peers. In addition to the variables implied by the hypotheses, we also explore the effect of variables related to profitability, governance and operating and financial leverage.
ACCOUNTING FOR WHAT COUNTS
Jack Christian
Manchester Metropolitan University

Knowledge of wildlife in the UK is built on the work of thousands of volunteers. These volunteers contribute millions of records to organizations such as the BTO, Butterfly Conservation and The British Mammal Society. These organizations co-ordinate formal programmes such as the Breeding Bird Survey, the UK Butterfly Monitoring Scheme and the National Small Mammal Monitoring Scheme. It is through such schemes that they and similar bodies representing virtually every form of life are able to inform national government about the variety of life, the biodiversity, within the nation. The volunteers also send their records to a network of voluntary county recorders and committees who consolidate these records into specific geographical reports and histories. What motivates them? Why do they do it? The answer lies in a love of nature; a feeling of oneness with the environment, a will to be outdoors, to experience contact with our fellow creatures, or even with plants and trees – in a connectedness with creation. In this paper I will introduce some of the volunteers and look at the work they do. Take Kevin for example, a moth recorder, he gets up every morning to count and identify the sometimes hundreds of moths in his traps. Once he has made his count he then releases the moths and enters all his records onto a county database which he manages and shares with other recorders around Lancashire. I will then suggest how biodiversity recording might assist in building a new discourse. There is a need to create a greater awareness of nature and the goal must be to make the data collected by the thousands of volunteers visible in public places such as libraries, banks and shopping centres. This data suitably presented could surely help re-connect people with their local environment and remind them of its value.

NON-ADHERENCE TO GRI GUIDELINES IN THE DISCLOSURE OF ECONOMIC PERFORMANCE INDICATORS IN THE ENERGY SECTOR IN BRAZIL: A FRAMEWORK FOR ASSESSING THE QUALITY OF DISCLOSURES IN SUSTAINABILITY REPORTS
Yara Cintra
Universidade Federal do Rio de Janeiro

Companies in the energy sector have been disclosing information about their corporate social responsibility in sustainability reports (SR) for many years now in Brazil. Sectoral regulations have influenced their disclosures, which achieved good grades according to the application level criteria defined by the GRI Guidelines. On the other hand, previous studies suggest poor quality of information disclosed in SR. Presumably, the data used to produce the GRI economic performance indicators (EC1 to EC9), which is mostly quantitative in nature, is compiled from financial accounts so it should be verifiable. It is also assumed that the management control system (MCS) is appropriate to support the production of corporate indicators for sustainability reporting. We investigated the adherence to the GRI Guidelines of a sample of 7 companies of the energy sector in Brazil, which disclosed SR in 2011. The research design adopted the content analysis technique to define the set of data to analyses, the categorization of the information and the evaluation criteria. The adherence interpretation comprised ‘accuracy’ and ‘clarity’: quality principles defined for financial information and GRI reports. We proposed a framework for assessment of adherence to the GRI economic protocol. The results suggest that the non-adherence index is high and indicate several flaws in the production of the reports that may be related to the conditions of the MCS of the companies. The framework proposed in this study provides a supplementary guideline for the assessment of quality of sustainability reports.


ACCOUNTABILITY OF MULTINATIONAL OIL CORPORATIONS FOR OIL SPILLS IN THE NIGER DELTA
Osamuyimen Egbon
University of St Andrews

Accountability, according to Gray et al. (1996), derives from a normative framework which assumes that actors have responsibility to undertake certain actions and responsibility to account for those actions. From this framework, the accountable actor has a responsibility to provide information to those stakeholders who have the ‘right to know’ and with whom the actor has a social relationship. Our argument in this study is that oil multinational corporations (MNCs) in the Niger Delta have a social relationship with the communities hosting their operations given that the communities are recognised as major stakeholders by the government, MNCs and other stakeholders. Beyond these communities being recognised as the MNCs’ stakeholders, they also bear the negative environmental impacts arising from the MNCs’ operations, for example, oil spills. From a moral perspective, it can be argued that accountability relationship exists between the MNCs and the environmentally impacted communities and that the interest of the communities should not be treated as a means to an end. Reliance on the normative stakeholder theory also helps us to contend that the interest of the communities has intrinsic value and should be treated as ends rather than means to an end. But the extent to which these MNCs understand and discharge accountability to the communities has yet to be understood in social accounting research as far as I am aware. This study unpicks how the
accountability relationship between the MNCs and communities is understood by the MNCs, communities, etc., and the manner in which such accountability manifest.

EXPLORING CORPORATE SOCIAL RESPONSIBILITY OF ACCOUNTING FIRMS IN CHINA: INTERVIEW EVIDENCE
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University of the West of Scotland
Tongtong Wang
Business College of Beijing Union University

This working paper attempts to: (i) explore current corporate social responsibility (CSR) practice in accounting firms in China; (ii) identify motivations for the firms’ engagement in CSR work; and (iii) discuss the role of the accounting profession in developing and promoting CSR in this developing country. The on-going field research included semi-structured interviews conducted with four partners and senior managers, who were either employed full-time on some CSR activity in the Big Four or undertook the leading role in relation to CSR. The interview questions covered a range of issues concerning CSR practice of accounting firms describing: CSR strategy and activities, staff backgrounds, recruitment, market competition, performance measurement, and/or CSR service provided. Research results indicated that differences existed among accounting firms with regard to their CSR policy, reporting practice, governance structure and CSR service lines, with the Big Four leading the pack and the Chinese domestic firms lagging behind. Three most cited motives for accounting firms’ engagement in CSR were labelled: (i) moral considerations; (ii) staff engagement; and (iii) external expectations. The interviewees also identified that at present CSR service lines were not as profitable as other service lines operated within the Big Four. Two recommendations are made to the accounting profession in promoting and developing CSR work in China: (i) use accounting core skills to broaden the scope of CSR work in China; and (ii) help clients enhance their awareness of CSR and its implications for their business development. Another eight interviews will be conducted to complete this paper.

THE ‘ELEPHANT IN THE ROOM’: LEGITIMACY AND THE ANCILLARY STAKEHOLDER IN GHANA’S OIL AND GAS SECTOR
Abigail Hilson
Aston Business School

The perpetual focus of accounting on financial users has created a lopsided lens for companies when it has come to fulfilling their obligations under the ‘social contract’. The tendency has been for companies to marginalize the non-financial users in their decision-making processes. This crucial oversight has proved particularly problematic for multinational corporations engaged in the extractive industries sector of developing countries, a large share of which, as ‘new frontiers’ with untapped resource wealth, present a host of uncertainties and new challenges to incoming operators. Perhaps nowhere has this been more visible and significant than in the area of Corporate Social Responsibility (CSR). The institutional frameworks commonly found in the developing world, which are characterized by inadequate transparency, monitoring and accountability, often give rise to ‘enclave’-type operating conditions, in which firms in the extractive industries – in particular, oil and gas companies – find themselves carrying out activities, for the most part, in isolation. Some of the distinguishing features of the oil and gas enclaves now found across the developing world include a disconnection from communities surrounding operations; transactions and dialogue which extend to few stakeholders outside of the government; and capital intensive operations, facilitated by tax breaks and policies which do not encourage local procurement. These unique dynamics raise a number of questions concerning CSR, foremost: who are companies really accountable to in these environments and to what extent is this recognized, and secondly, how does this perception of accountability affect how CSR programs are chosen? Corporate sustainability reports do shed some light on why certain stakeholders are prioritized in the CSR programs of oil and gas companies. But there remains considerable uncertainty over the way in which decisions are made in the context of CSR in the extractive industries on the whole in developing countries, particularly how companies go about identifying stakeholders, securing information, ensuring effective communications with groups affected by activities, and responding to demands in a timely fashion from the enclave. Focusing on the case of Ghana, the newest oil and gas producer in the now-booming petroleum economy of Africa’s ‘New Gulf’, this paper broadens understanding of how CSR gestates in the oil and gas enclave of developing countries, and the impact these dynamics have on stakeholder ‘outcomes’.
AN INVESTIGATION OF THE RELATIONSHIP AMONG CSR DISCLOSURE, ATTESTATION, CONTEXT, AND MATERIALITY

Jon D. Perkins and Cynthia Jeffrey
Iowa State University

Disclosure of CSR information is a growing trend, with research examining both the nature of the disclosures, the reporting format, and the potential for assurance. Prior research indicates that individuals believe that socially responsible products, services, and investments are important to them. However, studies have also shown that items’ claims of socially responsibility are not adequate to induce increased buying/investing behaviour. We believe that individuals’ risk assessments may help explain this disconnect. We investigate the relationship between CSR disclosure, assurance, context, and materiality, developing our hypotheses as a function of perceived risks, namely information, financial, performance, psychological, and social risks. We examine how individuals rate the desirability and values of items. We vary disclosure, with an item either presenting information about a CSR attribute or not presenting such information. We vary context, with individuals making judgments about an investment in a fund or stock as well as a retail product. We vary materiality, whereby the relative value of the item is large or small. Finally, we vary assurance, whereby the CSR disclosure is or is not subject to attestation. In addition, we elicit individuals’ attitudes towards environmental disclosure, perceived social norms about environmental performance, and demographic variables.

Keywords: Risk, Disclosure, Attestation, Context, Materiality.

UK RETAIL BANKS UK BANKS & IMPRESSION MANAGEMENT THROUGH CSR REPORTING

Paul Langford
Napier University

This research explores how “Social and Environmental Accounting” — often referred to as CSR or “Sustainability” reporting, affects the reputation of UK Banks. Banking is a key component of modern credit-driven economies (Keen, 2011). Banks are dependent on taxpayer support (Oxera, 2011) and Banks’ reputations could not get much worse (Baker, 2012; Goff and Murphy, 2012; Jenkins and Goff, 2011). The research aim is to suggest ways in which the range of CSR and communication activities, can better meet the requirements of society, including Banks themselves, policymakers, and other stakeholder groups. The research will do this by synthesising publicly available information regarding Banks CSR activity, critically appraising the CSR communication and the media content surrounding these activities, and building an in depth understanding of stakeholder perceptions of Banks CSR communication and Banks reputation(s). For firms, “four kinds of social responsibilities constitute total CSR: economic, legal, ethical and philanthropic” (Carroll, 1999, p. 289). However CSR remains a contested concept (Crane et al., 2008) (and is further obscured by the increasingly common rebranding as “Sustainability” (Gray et al., 2008, Gray, 2010, Burritt and Schaltegger, 2010, Schaltegger and Burritt, 2010). Consideration of the “legitimising” effects of CSR reports or “social and environmental accounts” will draw on, for example, the work of Deegan (2002), Bebington et al. (2008); and for linkages to reputation will draw for instance on Gray and Balmer (1998), Decker and Sale (2009) and Brammer and Millington (2005). This work, with a focus on the reproduction and control of image, meaning and the role of banks in society will draw on Semiotics, Content Analysis, Focus Groups and Surveys, meaning this is a mixed methods approach. Whilst legitimacy theory is a common theoretical approach within a “Political/Sociological” framework (Gray et al., 2010), also Branco and Rodrigues (2006), this appears a good frame for considering Banks’ reporting of social and environmental impacts given the necessity of trust in Banks (Hoepner and Wilson, 2012, Powley, 2010). The current phase of work is the literature review.

THE INVISIBLE COLLEGE IN SOCIAL AND ENVIRONMENTAL ACCOUNTING RESEARCH

Carlos Larrinaga
Universidad de Burgos
Carmen Correa
Universidad Pablo de Olavide de Sevilla

This paper follows the stream of papers that have already examined the state of social and environmental accounting research (Mathews, 1997; Gray et al., 1995a; Gray, 2002; Parker, 2005; Deegan & Soltys, 2007; Owen, 2008; Gray, 2009; Milne et al., 2008; Hopwood, 2009; Crawford et al., 2010), but does so in an innovative way. It focuses on understanding the structure of the SEA research community. Previous research in accounting and in SEA in particular tends to consider research community members atomistically, focusing on their personal attributes. But it has been argued that research communities are more than the mere addition of individual scholars, they are networks of researchers connected by a multiplicity of social and academic ties. Different research communities have been studied from such perspective (Hargens, 2000; Moody, 2004; Newman, 2004; Acedo et al., 2006; Jones et al., 2006; Casanueva and Larrinaga, 2013), with help of network analysis. In particular, they have studied the invisible college hypothesis, i.e. “a core, and inter-institutional, group of highly productive and high profile scientists that interact, formally and informally, with each other in the field and generate a disproportionate volume of new ideas, including its rules and
certain research problems” (Casanueva and Larrinaga, 2013, p. 20). This research project analyses the social and environmental accounting research community and explores the existence of an invisible college by focusing on the citation ties of a total of 443 papers identified in the area.

ACCOUNTING FOR STRUCTURAL CHANGE AND CORPORATE DOWNSIZING

Hannele Mäkelä
University of Tampere

The study analyses accounting and reporting for structural change and corporate downsizing. More precisely it studies CSR reporting in the Finnish forest sector and how the structural change resulting in downsizings in the industry is communicated in the reports. What kind of corporate impacts are identified, measured and reported; how and from what (whose) perspective? Moreover, the study analyses “alternative accounts” from stakeholders and, instead of adopting a unitarist view, acknowledges that there can be multiple accounting that are not necessarily corporate-centric but engage stakeholders. The paper is a work in progress and until now I have used content and discourse analysis to scrutinize the corporate reports of two Finnish forest sector companies during 2000–2008, wherein a major structural change in the industry was experienced. The analysis shows that the disclosures report the structural change from the perspective of shareholders with underlying unitarist assumptions of shared benefits. The wider political implications are excluded from the reporting. The next step will be collecting “alternative accounts” from stakeholder interviews and public documents. From the political economy perspective the study analyses and problematises the limited and partial nature corporate disclosure and makes explicit the [a]political nature of it. Current forms of accounting are usually corporate-centric giving priority to companies in defining their impact on society, and are accused for neglecting social and environmental issues. My study analyses possibilities of “alternative accountings” that acknowledge alternative criteria for evaluating corporate performance and give voice to pluralistic and critical perspectives.

UNDERSTANDING MOTIVATIONS OF SOCIAL AND ENVIRONMENTAL REPORTING IN HIGHER EDUCATION: A MULTIPLE CASE STUDY FROM ITALY

Sara Moggi
University of Verona

This study aims to identify the reasons that have driven the development of social and environmental reporting (SER) in higher education system. After a first analysis carried out on development of the SER in Italian Universities starting from the first report drew, we investigated the motivations that have driven or have hampered the development of SER in a selected sample of Italian universities. To reach this research goal, there were conducted sixteen interviews and one focus group to key-rule people such as the rector of the selected universities, using the multiple case studies methodology and the interpretative approach for the data analysis. The selected cases studies were chosen because they present a polar perspective: 4 universities that implement SER and 4 not. The research underlines the differences in function and development of the tool due to the influence of several factors, such as the university vocation, the governance commitment and the engagement of internal and external stakeholders. The findings give an overview of the motivations that drive this process and the main barriers that hamper this path in the Italian context. This paper also underlined the different meaning gave to the social and the environmental reporting in higher education, starting from communication role up to planning and control function. In addition, this study contributes to fill the literature gap about the motivations that drive the SER in higher education system and also may support universities that have already implemented this process or those decide to undertake it. Key words: social accounting, Italian universities, higher education

BALANCING THE SOCIAL AND THE ECONOMIC IN SOCIAL ENTERPRISES

Laurie Mook
Arizona State University

Furniture Bank is a non-profit operating in Canada which works with over 60 community partner agencies to provide gently used furniture and household goods to women and children from shelters, formerly homeless, and newcomers to Canada. Their social purpose enterprise, Furniture Link, operates a delivery and pick-up service for the donated furniture, while also providing training and jobs for those who have experienced barriers to employment. Furniture Link also provides around seventy percent of the revenues for Furniture Bank, which has a financial budget of almost $1.5 million. In a study that combined concepts from stakeholder theory and crowdfunding, stakeholders of the organization were asked through focus groups and surveys about the impact of the organization, and opportunities to increase impact. Stakeholder groups included paid staff, volunteers (Board, general and corporate), partner agency executive directors and caseworkers, donors (financial and furniture), and clients. The impacts were categorized as economic, social, and environmental, and ranged from individual to societal. A particularly interesting finding arose from the analysis of responses to the question asking about opportunities to increase impact. What emerged was the tension between the social and the economic objectives of the organization, and the prevalence of individuals belonging to multiple stakeholder groups at the same time, sometimes with conflicting roles. The success of ‘stakeholder-
sourcing’ (Lim, Quercia & Finkelstein, 2010) will also be discussed in the presentation. Implications for accounting for stakeholder input will be explored with the audience.

**ASSET CLASSIFICATION, SUBSEQUENT MEASUREMENT AND IMPAIRMENT TESTING FOR CARBON CREDITS: AN AUSTRALIAN PERSPECTIVE**

Tharatee Mooookdee and Sheila Bellamy
RMIT University

This study explores Asset Classification, Subsequent Measurement and Impairment Testing for carbon credits from three leading forest carbon credit provider companies in Australia. The companies concerned traded carbon credits created from lower-emission generation and demand-side abatement under the New South Wales (NSW) Greenhouse Gas Reduction Schemes (GGAS) and in the Australian voluntary emission market during the period 2003 - June 2012. Given the absence of formal accounting/reporting guidelines for carbon emissions trading, Australian market participants are allowed to select accounting and reporting practices based on individual judgment and existing general accounting standards. The study explores the underlying reasons why particular practices are favoured by senior accounting practitioners employed by these companies. Data are gathered using semi-structured interviews. The preferred asset classification of carbon credits is found to vary according to market requirements and economic uncertainty. Applicable values and valuation methods chosen differ from firm to firm due to the nature of each firm’s business, internal operations and economic factors. Impairment testing by each organisation requires reference price indices from various sources but they are primarily determined by the nature of assets and the different accounting practices introduced by professionals. The findings suggest that accounting policy makers and professional accountants in Australia need to address these issues to improve the quality of accounting information in this area.

**Keywords:** financial accounting, carbon emission trading, carbon credits, asset classification, applicable value, asset impairment

**CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY DISCLOSURES IN MULTINATIONAL HOTEL CORPORATIONS: CASES FROM THE EAST AND WEST**

Artie W. Ng
Seneca College of Applied Arts and Technology, Toronto

Pimtong Tavitiyaman
The Hong Kong Polytechnic University

Corporate social responsibility (CSR) and sustainability of hospitality business has gained significant attention around the world. In the West, corporations participating in the capital market have recognized the significance of disclosures about CSR and related issues in their annual reports. Such developments are driven by the external stakeholders and endorsed by the internal ones. Meanwhile, the regional regulators in Asia endorse this international attention to disclosures about CSR and sustainability. Through case studies of major multinational hotel corporations operating in Asia, this study examines the emerging emphases of disclosures on CSR and sustainability matters as a globalization phenomenon. A spectrum of early-adopters is observed among these multinational hotel corporations. Their respective attempts to enhance public relations, risk management and or competitiveness are explored through a framework.

**EXPLORING FACTORS IN MEDIA COVERAGE OF ENVIRONMENTAL CONTROVERSIES THAT AFFECT PERCEPTIONS OF SOCIAL LEGITIMACY**

Jamie O’Neill
University of Bath

According to strategic legitimacy theory, the incidence of news media publicity of a controversial organisational action negatively affects legitimacy by influencing public opinion (Brown and Deegan 1998). However, this reflects an incomplete view of social controversies and their effect on legitimacy. Controversies are characterised by communication from both antagonist and organisational sources, in dispute about an organisation’s purported environmental or social wrongdoing (Lange 1993, Allen and Caillouet 1994). They move public opinion in different directions (Eagly and Kulesa 1997). The aim of this study is to adopt this more complete view of social controversies, and thereby extend our understanding of their effect on social legitimacy. A conceptual model has been developed of factors in media publicised environmental controversies that affect social legitimacy. The model has been constructed by drawing from media framing - a psychological theory of communication (Nelson et al. 1997b, Brewer and Gross 2005). Outcomes of the model are: individuals’ moral evaluation of an organisation, its activity, and their intention to support the organisation. It is proposed that value frames, embedded in antagonist and organisational news media communications, lead to different moral evaluations of an organisation and its activity, by influencing individuals’ opinion about issues in opposite ways. The model also proposes that organisational credibility and individual value orientation are variables
that alter the effect of value frames. This model suggests that the effects of media publicised controversies, are more complex than is assumed in the legitimacy literature, and have outcomes that are not accounted for by current legitimacy theory.

EFFECTS OF CONTROLLING FAMILY STATUS ON FINANCIAL AND SOCIAL PERFORMANCE OF LISTED FAMILY FIRMS IN INDIA
Rakesh Pandey and Mansi Mansi
University of Otago

This study makes an original contribution to the existing literature by investigating impacts of controlling family status on financial and social performance. The context is large listed family owned businesses in India having peculiar characteristics such as widespread concentrated ownership, dominance of family business groups owned by trading communities, presence of extended business families having four or five generations living under the same roof, unique management culture emphasising on recruitment of loyal executives and strict control of powerful patriarchs both on family and business. In relation to financial performance, some, but not all of these characteristics have been studied in various contexts with inconsistent findings. Moreover, prior researchers suggest that country context is found to make a difference. Although there is a substantial body of literature on the relationships between family control and corporate financial performance, there is much less prior research on how these factors relate to corporate social performance. Using a sample of the 300 largest family-controlled companies listed on the Bombay Stock Exchange (BSE) in 2010, this study reveals that the family shareholding is positively related to financial performance but has a significant negative effect on social performance. For family status, its reputation significantly relates to financial performance but has no impact on social performance. However, family companies owned by longer succeeding generations are significantly associated with better social performance.

SOCIAL REPORTING VIA CORPORATE WEBSITES: SMALL AND MEDIUM-SIZED ENTERPRISES IN PORTUGAL
Sepideh Parsa
Middlesex University Business School
Manuel Branco and Catarina Delgado
Universidade do Porto

Companies worldwide use the internet as a means of illustrating their social and ethical activities to a wide range of stakeholders in order to obtain their positive reactions and gain competitive advantage amongst their rivals, which ultimately implies their long-term prosperity and success. The internet can be particularly useful to small and medium-sized enterprises (SMEs), enabling them to reach a wider audience at both national and international level. Considering the significant contribution of SMEs to the Portuguese economy and that little is known about their social reporting practices via the internet, this paper aims: (1) to present a view of the social disclosures by the Portuguese SMEs on their websites, (2) to examine firm-specific characteristics that influence the prominence SMEs attach to such disclosures. We use a multi-theoretical approach (legitimacy theory, stakeholder theory and institutional theory) to argue how SMEs treat social disclosures on their websites as a response to potential pressures from their institutional environments, their stakeholders and the general public and to project a reputable image. Our sample includes 408 Portuguese SMEs with accessible and fully functioning websites. Our preliminary evidence reveals that only a small proportion of Portuguese SMEs utilise their websites to convey social information to their stakeholders. Of the selected companies, those with exposure to wider groups of stakeholders attached more prominence to CSR information as a means of projecting a socially responsible and legitimate image to their stakeholder groups and most likely to promote their corporate reputations externally.

THE “TRIPLE DEPRECIATION LINE” AGAINST THE “TRIPLE BOTTOM LINE”: TOWARDS A GENUINE INTEGRATED REPORTING
Alexandre Rambaud and Jacques Richard
Paris Dauphine University

In this presentation, we analyse the concept of “Triple Bottom Line” (TBL) from a critical perspective and we propose an alternative: the “Triple Depreciation Line” (TDL). We firstly show that there are two main different ways of comprehending TBL, based respectively on “effectiveness” and “efficiency”. We also argue that the financial capital is the only one systematically protected under TBL. So, in a second part, in order to take seriously the existence of Human and Natural Capitals (HNC), we present an accounting model (TDL) obtained by applying to all of capitals the same instruments of protection used in the case of the financial capital. In short, we take one of the most famous weapons of capitalist accounting, the planned depreciation, and turn it against financial capitalism. This approach is based on several assumptions: (a) firms have an obligation to protect some particular HNC that they use; (b) this use implies a systematic degradation of these HNC; (c) the level of maintenance of HNC has
to be regularly and collectively determined by their representatives, like scientists, NGOS, etc... and by the concerned firms; (d) the reporting concerning these HNC has to be incorporated in the standard financial statements and requires to analyse and (re-)define the concept of capital in an ecological accounting context. Thus, we will detail the mechanisms of TDL and discuss its consequences. We will finally argue that, unlike TBL and the emerging so-called “Integrated Reporting”, TDL is the only serious mean to achieve a genuine integrated reporting.

Keywords: Triple Bottom Line, Depreciation, Human and Environmental Capitals, Integrated Reporting

A CASE STUDY ON LONG TERM INVESTMENT DECISIONS AND THE ENVIRONMENT: IS THE PAPER WHITE OR GREEN?
Clémence Rannou
University of St Andrews / Université Laval

This paper describes one of only few case studies examining the environmental considerations made in the long term investment decision-making process of an organisation. The case study looks at a Scottish, employee-owned paper manufacturer. As a capital intensive, and natural resource consumption heavy operation, the organisation provides the perfect setting for a case study on this subject. The analysis of documents, semi-structured interviews and on site observations, offer an in-depth analysis of both the organisation’s usual, and strategic investment decision-making processes. Structuration theory was used in order to understand the impact of the organisational structure on the actions taken by empowered employees-shareholders. There are differences in procedures and responsibilities, depending on the type of investment appraised. As a result of market pressures and employees choice, the papemaker has developed a strong environmental policy and values. Those policies and values lead to a change in the investment decision making process through the systematic integration of environmental considerations. However, the necessity of financial viability of the business and current lack of funds available seems to limit the environmental investments to only “business cases”. This is further reflected in the language used by the managers interviewed. Although not generalizable, this case study provides an example of an organisation which is willing to limit its environmental impact, but lacks the financial capacity to fully realise these environmental ambitions. It exposes some potential structural and contextual limitations for any organisation looking to undertake environmental actions.

Keywords: Case Study, Environmental Management Accounting, Capital Budgeting, Strategic Investment Decision, Decision-making

GOVERNANCE MECHANISMS, MANAGEMENT ACCOUNTING PRACTICES AND SOCIAL AND ENVIRONMENTAL PERFORMANCE: AN EMPIRICAL INVESTIGATION
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Relying on stakeholder - agency perspective and environmental management research we explore the impact of specific management accounting practices and corporate governance mechanisms on corporate social-environmental performance. Despite an increasing attention of firms in reporting their commitment to the environmental impacts of their activities, recent studies in the field of corporate social responsibility highlight a significant conflict between financial performance and social-environmental performance, at least in the short-time (e.g. Berrone et al. 2009, Gates et al. 2010). This means that the credibility of such disclosed information is undermined because they often appear as strategic intentions not aligned with the effective actions realized by the firms. Yet there is recent evidence that some organisations are using the data they collect in the course of preparing their sustainability report and internal reports on social and environmental impacts to monitor performance and reward managers and that such data is informing corporate planning and decision-making (e.g., Adams & McNicholas, 2007; Albelda-P´erez et al.2007). However, at the best of our knowledge, no studies have investigated the relationships between the (reported) use of (social and environmental) management accounting practices and governance mechanisms on corporate social-environmental performance. Using a dataset of more than 2.500 companies we specifically consider the relationships between social and environmental management accounting practices (i.e. use of KPIs to set targets and monitor performance, implementation of social and environmental policies) corporate governance mechanisms (i.e. board structure and compensation policy) and social-environmental performance.

UNIONS AS STAKEHOLDER: SOCIAL ACCOUNTING PROCESS AND UNIONS
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The aim of this paper is to discuss how, under specific conditions, a ‘logical’ extension of a complex, articulated and controversial stakeholder approach could be useful to explain and to manage a coherent behaviour of a stakeholder groups such as the Unions. Stakeholder approach is a genre of theories based on some common roots: cooperation; extension from shareholder to stakeholder maximization; and strict connection between ethics and business. Early applications of stakeholder theories focused on the social accounting process, interpreting this process and its result (e.g. social accounts), as focalized on all interested stakeholders (Rusconi 1987 and 1988). As contended in this paper, it is possible to extend the classic managing for stakeholders (Freeman 2007) to explicitly consider the company as a system of stakeholders, where every constituent could be (consciously or not) a ‘point of view’ (a “stakeholder subject” and not “object”) from where to see the overall corporate system. Based on this stakeholder perspective, we discuss the role of unions as social accounts’ users. These reflections are mostly normative, where the term “norms” is used to indicate the duties that are essentially grounded on the fundamental principles of specific Unions. This entails, for example, to avoid every kind of stakeholder capture (i.e. collusion with management to manipulate both company’s politics and related social accounting process) and to refuse any corporatist view in order to respect rights of all corporate stakeholders.

FLUID PRACTICES: EXAMINING GOVERNANCE AND ACCOUNTABILITY FOR SCOTLAND’S RIVERS
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Global change processes are threatening the sustainability of freshwater ecosystems and causing impacts for human well-being and socio-ecological systems. Literature from political ecology and environmental governance indicate that previous centralised, technocratic and top-down governance arrangements are slowly adapting to incorporate expert and local knowledge from stakeholders altering accountability relations, practices and outcomes. Yet, our understanding of how decisions are made and how decision makers are held to account and what are the implications for water management outcomes remains limited. Meanwhile theorization of hybrid and multicentric accountability suggests that research must attend to the interrelationship between governance arrangements and decision-making processes; to take into account context specificity; and to focus on tensions, fractures and the associated effects and outcomes in trajectories of governance that are intertwined in complex and dynamic social, economic and biophysical processes across multiple scales (Joss 2010, Shaoul et al 2012). This paper examines river basin management using a multi-dimensional analytical framework to examine governance and accountability spanning macro (river basin district), meso (catchment) and micro levels (rivers) in urban and rural contexts in Scotland.

ATTITUDES TOWARDS AND PERCEPTIONS OF ENVIRONMENTAL ACCOUNTING AND AUDITING AND THEIR REGULATION HELD BY CONSTITUENCIES BEYOND THE ACADEMIC: CRITIQUE OF PRIOR RESEARCH AND WAYS FORWARD
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This paper aims to critically review the existing literature on attitudes towards and perceptions of environmental accounting and auditing and their regulation that are held by constituencies beyond the academic: for instance, constituencies including organisational stakeholders, accountants, auditors, investment institutions, information users including the media, policy-makers and corporate managers. A concern is to elaborate strengths and weaknesses of this literature including identifying gaps in previous research. The paper highlights coverage or lack of coverage of areas such as: perceptions of the significance of the problem or problems; new roles for accounting, auditing, accountants and auditors; how the constituencies see existing policies and proposals in areas that have emerged in actual policy-making arenas such as that of carbon emissions; what are the obstacles to meaningful change from the perspectives of the constituencies; the actual coverage of key constituencies; the prioritising of areas for regulation and standard-setting in accounting; reasons for the interest in environmental accounting, auditing and its regulation; the adequacy of ‘voluntary’ corporate reporting practices; who should be responsible for regulation in this area; methodologies used and interpretive strategies; motivations for research done and the articulation of the motivations in prior research. The paper will contribute to an understanding of the significance of previous research and suggest ways forward.

STAKEHOLDER DEMANDS AND REACTIONS TO SUSTAINABILITY INFORMATION: AN AUSTRALIAN AND SWEDISH LOCAL GOVERNMENT PERSPECTIVE
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There is currently a wide range of information being provided to users that can be broadly classified as sustainability information. Most of this information is voluntarily provided and can conform to established reporting frameworks such as the Global
BRINGING CLIMATE CHANGE FROM THE FUTURE INTO THE PRESENT: SOME THEORETICAL ATTEMPTS

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There is strong consensus among climate scientists that global warming, caused by anthropocentric greenhouse gas emissions, will have severe consequences upon world societies. The full impacts of climate change are anticipated to create dramatic changes in the environment within several decades. German philosopher Beck sees sociology’s task in bringing climate change into the current discussion about available pathways to this global issue. He attempts this through his work on ‘world-risk society’ that outlines the implications of global warming to current and future societies; yet acknowledging the ambivalence inherent in responses to climate change. This paper puts forth the argument that the ecological crisis, and particularly the effects of climate change, make Habermas’ work on ‘Legitimation Crisis’ (including the economic, rationality, legitimation, and motivation crises), and Habermas’ viewpoint that capitalism is at a late stage, relevant. Furthermore, this paper expands his original work to bring the bewildering outgrowths of (late-) capitalism back to the political and social world. That is, to get the ‘future future’ of climate change into the present as ‘present future’ in order to raise issues of accounting and accountability within contemporary nation-states and the world. This framework is situated in a capitalist context and opens up a spread of opportunities to consider accounting and accountability within the threat/risk of climate change. This will be exemplified by the Marginal Abatement Cost Curve as a form of ‘new accounting’ which can promote accountability.

GOING DEEPER INTO THE EXPLANATORY POWER OF CSR DISCLOSURE THEORIES: CSR REPORTING STRATEGIES OF FOOD COMPANIES BETWEEN REGULATION AND LEGITIMACY

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Extending the longitudinal monographic studies in CSR reporting (Guthrie & Parker, 1989; Deegan, Rankin & Tobin, 2002; Cho, 2009; Laine, 2009), this paper attempts to show that the quest for legitimacy is not the only factor to explain CSR disclosure strategies in a long period. More specifically, we explore the comparative relevance of three theories, namely the regulation, media agenda-setting and legitimacy theories. An empirical study of four French Agro-firms is carried out. The French context gives indeed a relevant and original setting because of the issuance of two laws during the 12 last years (2001 NRE Law, decree 2002; 2010 Grenelle 2 Law, decree 2012). Firstly, we observe the effect of these regulations in CSR disclosures. Secondly, we examine whether a relationship exists between the print media coverage related to general or specific CSR concerns of food firms and their reporting practices (media-agenda-setting theory). Finally, we examine if CSR disclosure is released in response to unfavourable media attention related to each firm (legitimacy theory). In that way, we analyse the annual reports of 4 food companies, as well as press articles related to 6 major economic newspapers, over a decade (2001-2010). A grid was developed to measure the extent of disclosure of the 73 index items related to the NRE Law requirements and the food firms specific CSR concerns (Maloni & Brown, 2006). Results indicate that the legal requirements, the print media coverage according the food industry and the individual media pressure represent three explanatory and additional factors, not adversary, of CSR reporting strategy. Overall, it appears that each theory is relevant for a determined period and depends on the characteristics of the company.
LINKAGES BETWEEN FINANCIAL AND SUSTAINABILITY REPORTING: ENVIRONMENTAL INFORMATION PRESENTATIONS IN CO-OPE RATIVES AND LISTED ENTERPRISES

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Environmental, social and governance (ESG) reporting issues concerning both financial and non-financial reporting are evolving towards integrated reporting platform while among others the International Integrated Reporting Committee (IIRC), Global Reporting Initiative (GRI) and CERES Coalition are introducing new launches. The Sustainability Accounting Standards Board (SASB) is processing sustainability accounting standards for mandatory disclosure filings to the US Securities and Exchange Commission (SEC). In the co-operative enterprise model, according to the co-operative principles and often the national laws, the co-operatives are not legally required to maximize the financial return on investments, but the well-being of their members. In this comparative content analysis study the purpose is to explore how the enterprises included in the ‘GRI-survey of integrated reporting pioneers’; enterprises in the ‘Emerging Integrated Reporting Database’, and in the ‘The world’s most sustainable co-operatives ranking’ presented environmental items in their audited financial disclosures and cross referred the financially material events and sustainability reporting. The aim is to explore which extend the enterprises with different background but with good resources and knowledge, noted environmental events or items as material for financial position or stated non-materiality. In the study also explored financial environmental information with local references. The findings are that for the arm’s length member, shareholder or stakeholder, the comparability of the stated material environmental information was challenging to achieve. The future research may analyse practical reporting efforts of smaller enterprises and different types of co-operative models in the same business operation sectors but different geographical and size contexts.

Keywords: environmental, financial, co-operatives, reporting, GRI, IIRC.

ACCOUNTING FOR EMPLOYEES

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Despite the growing literature in social and environmental accounting, the discourse on employee health and safety in the field of accounting is still at an embryonic stage. This has created a wide gap between academic research and public debate on corporate responsibility for employee safety. Drawing on accountability theory, our study addresses this gap in the examination of corporate responsibility for safety. Using a framework on acceptance and avoidance of responsibility, we explain why published disclosures on safety are considered to play a significant role in shaping corporate response to responsibility to safety issues. This is achieved through an analysis of the annual reports of oil and exploration companies prosecuted in the UK. We explore how responsibility is ascribed and disclosed. Our evidence suggests that disclosure patterns define if and how responsibility is externalised in corporate accountability. We contend that accountability provides a channel through which causal responsibility is shifted, reassigned or masked in the discourse on safety. We also consider the idea of policy changes concerning the regulation of disclosures on safety.

ACCOUNTABILITY CHANGES IN AN NGO: INSTITUTIONAL AND RESOURCE DEPENDENCY PERSPECTIVES

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Inspired by Sherer and Lee (2002) and Oliver (1991), this research integrates institutional theory and resource dependency theory and argues that funding uncertainties mainly drove BRAC* to change its beneficiary-friendly micro finance programme, which delivered mission-driven and beneficiary-centric accountability practices, and that institutional forces enabled the changes. It also concurs with Oliver’s (1991) suggestion that organisations (NGOs*) make strategic choices (i.e. acquiesce, compromise, avoid, defy and manipulate) to maintain their legitimacy, autonomy, power and funding. Drawing on a large empirical data set from various sources, such as documentary analyses (annual reports and BRAC’S website), a series of interviews (with BRAC’s employees, beneficiaries and other stakeholders), focus groups and observations, this research shows that BRAC’s accountability practices have changed over time (1990 - 2011). Key findings reveal that BRAC’s pre-1990 accountability mechanisms were beneficiary-centric and that it addressed their information needs through ‘closeness’. To overcome long-term funding uncertainties and to secure autonomy from donors, BRAC adopted a new micro finance model which provided it with a self-sustaining programme and independence from donors. While achieving this self-sustainability and autonomy BRAC’s ‘closeness’ with the beneficiaries decreased over time and the programme brought some negative consequences to the lives of beneficiaries. BRAC’s profit-centric moves and the deviation from a beneficiary-centric programme have drawn some criticisms from civil society and the government. BRAC made strategic moves in response to external pressures, such as: refusing to take funding from a particular funder to ‘escape’ its conditions, co-opting powerful civil society members and international NGO personalities onto the board; actively securing its own funding sources through promoting commercial ventures to maintain its ‘autonomy and power’ (Pfeffer and Salancik, 1978); and manipulating and avoiding coercive accountability demands from the regulators on
several occasions (Oliver, 1991). *BRAC is a large Bangladeshi non-governmental organization (INGO) with international operations. It stands for Bangladesh Rural Advancement Committee.

**WORKING PAPER – ACCOUNTING FOR SUSTAINABILITY – INSTITUTIONAL PERSPECTIVES**

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The research question for this paper is as follows: “What social and institutional factors impact on the current state of affairs concerning the disclosure of social and environmental reporting of listed companies in the UAE and how do they affect the potential for change?” Neo-institutional theory will be used to analyse SR in this frontier market. Data is collected in three-phases. In phase 1, annual reports and sustainability reports of all listed companies in the UAE were analysed on their sustainability content, only 26 companies made any mention of sustainability. During phase 2, 33 in-depth interviews were conducted with company representatives and outside experts like ‘Big 4’ accountants, government representatives and regulators. These interviews provided rich data identifying institutional and social elements influencing the current absence of serious sustainability reporting for most companies. 15 major data-driven topics were defined, broken down in many subthemes. Phase 3 was an in-depth case study based on two interconnected organisations from the Phase 1 sample showing advancement in SR. Findings indicate that neo-institutional theory provide some explanation concerning the lack of SR reporting at the moment. Lack of empowerment of employees, use of language, commitment or lack of it, politics and vulnerability of ethnicities within organisations all lead to lack of institutionalisation of SR. Mini-organisational fields that are emerging in society showing some success. The role of government and patriarchal business leaders are critical in the institutionalisation process.

**(ANT)AGONISTIC DEMOCRATIC PROCESSES: POLITICIZATION IN, AND THROUGH, SEA RESEARCH**

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Turku School of Economics  
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Much of the extant SEA literature advocating transformative social change is, at least implicitly, underpinned by a deliberative, consensus-oriented conceptualization of democracy (e.g., Habermas, Rawls). However, any theorizations of democracy should explicitly acknowledge the diversity and conflict inherent in social interactions (Brown & Dillard, 2013). Towards this end, we examine the potential of Bruno Latour’s (2004) framework for the democratization of expert systems, which describes a new distribution of powers and duties associated with a due process that creates the reality for a collective. We consider this framework as an alternative to, or extension of, the previously proposed conceptualizations of deliberative and agonistic democracy (Brown, 2009). Latour’s process begins by detecting and giving voice to combinations of humans and nonhumans who demand to be included in the collective, and proceeds through the consultation of various spokespersons to the final decision of whether or not to include the new combination into the collective’s reality. In our view, Latour’s framework is useful for three reasons: first, it complements polylogic accounting in that it proposes a process by which the voices of various actors are to be included during decision-making; second, it acknowledges the on-going potential for conflict by reminding us that the collective’s decisions always become contested by previously externalized entities; and third, it highlights how SEA researchers aspiring towards radical change need to align their efforts with other concerned groups in order to succeed.

**THE BP OIL SPILL: SHAREHOLDER WEALTH EFFECTS AND ENVIRONMENTAL DISCLOSURES**

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We utilize one of the largest environmental disasters in history—the BP, PLC oil spill—to provide new evidence regarding environmental disclosures. We find evidence that among oil and gas firms (other than BP) with offshore drilling operations in United States waters, those with more expansive environmental disclosures suffered smaller negative shareholder wealth effects following the spill. This suggests that shareholders believe firms with more extensive environmental disclosures are better prepared to address possible future regulatory costs and possible future similar environmental incidents. We also document an increase in environmental disclosure, specifically disclosures of disaster readiness plans, in the year following the spill. Last, we find that firms with poorer past environmental performance were more likely to increase disclosures about disaster readiness plans, which is consistent with poorer environmental performers attempting to legitimize their lower environmental readiness. Keywords: Environmental Disclosure; Stock returns
THE DETERMINANTS OF SOCIAL RESPONSIBILITY DISCLOSURE FROM AN INSTITUTIONAL PERSPECTIVE: AN ILLUSTRATION OF CHINA’S CONTEXT

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Corporate Social Responsibility Disclosure has become a burgeoning topic in the past few decades. Prior research has largely addressed the reasons why companies disclose CSR information based on legitimacy theory and stakeholder theory without much attention from the institutional perspective. The paper analyses the economic conditions and identifies the institutions and how they influence the promotion of CRS reporting in emerging China market by offering an institutional perspective. The paper concludes that institutional theory can better explain the motivation and quality of CSR reporting in China. A healthy economic environment and strong financial performance of firms in China are important conditions for firms to voluntarily disclose CSR. They are closely associated with the quality of CSR disclosure. Also in an emerging China market, institutions such as government and industry regulation, participation of NGO organization, media exposure, CSR attitude of firm and presence of union labour exert institutional pressures on firms. The most obvious institution that influence firms’ adoption of CSR disclosure are government bodies, which promulgate and enforce regulations due to China’s political and cultural system. CSR disclosure also appears to be institutionalized through agenda setting and other means. The paper contributes to institutional research in emerging market by examining how institutions play roles in leading firms to voluntary disclose CSR information.

Key Words: Corporate Social Responsibility Reporting, Institutional Theory, Environmental Disclosure

ORGANIZATIONAL AND ACCOUNTING CHANGE IN SPANISH WINE SECTOR: AN OPPORTUNITY FOR SMES TO ADVANCE SUSTAINABLE ECONOMY

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Current economic situation demands a sustainability and responsible approach to business. In this regard, the role of SME to foster and consolidate an innovative and sustainable economic model has been underlined within European Institutions claiming for social responsibility of businesses. The European Commission has put forward a new definition of CSR as “the responsibility of enterprises for their impacts on society” (COM, 2011, p. 6), which offers new insights to think about SME and their impacts on society. Although for many small and medium-sized enterprises CSR process remains informal and intuitive, some organisations adopt a long-term and strategic approach to CSR to explore the opportunities coming from adopting eco-innovation and sustainable pattern of behavior. That is the case of the wine sector, extremely sensitive to climate change, and which has started to assume its responsibility in regard to sustainability promoting innovative products, services and business models that contribute to societal wellbeing. In this vein, the “Wineries for Climate Change” manifesto as an initiative of the Spanish Wine Federation is a direct attempt to cope with this challenge. This initiative entails a commitment to reducing emissions; sustainable buildings; renewable energy and energy efficiency; sustainable agriculture and biodiversity; reduction of water footprint; ecodesign; waste reduction; efficient distribution; research and innovation oriented to reduction of resource use and emissions; and communication and awareness to stakeholders about good environmental practices. This research tries to understand organisational and accounting change in the Spanish wine sector as a consequence of eco-innovation approach of SME. More specifically, we will explain how accounting for carbon footprint along the product life cycle facilitates (if so) organisational change to foster more sustainable patterns of behavior including value creation for relevant stakeholders. The motivation for this project relies on our aspirations for advancing knowledge and providing critical insights helping SMEs to think of themselves as the real engine to advance a more sustainable economy.

EXPLORING ACCOUNTING SUSTAINABILITY HYBRIDISATION IN THE UK PUBLIC SECTOR

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Accounting sustainability processes and practices are regarded as central to embedding sustainability within public service organisations (Hopwood et al. 2010), acting as intermediaries between government discourses on the one hand and local service imperatives on the other. Embracing all elements of sustainable development, Government commitment in the UK is notably reflected in the Sustainable Development Strategy released by the Department for Environment, Food and Rural Affairs in 2005. Employing concepts drawn from the ‘governmentality’ literature, Kurunmäki and Miller (2011) refer to ideas and beliefs presented by political officials as the programmatic or discursive, (programmatic hereafter), these terms encompassing
government programmes, regulatory and administrative reforms, policy initiatives, large political ideals and changing discursive frameworks. At local level, there is emerging recognition of the co-benefits of inter-linking elements that comprise sustainable development, such that, for example, cutting global emissions offers progress towards both climate goals and public health (see, for example, Haines and Dora, 2012). While knowledge on internal organizational processes and practices on accounting and sustainability is sparse in the academic literature (Hopwood, 2009), this shortage is more evident in the public sector (Ball and Grubnic, 2007). Unlike profit-orientated organizations, public sector organizations in the UK have an explicit responsibility to transform along a more sustainable trajectory and, further, for leading collectively on this large-scale change (DEFRA, 2005).

Public service organizations are considered part of the solution in protecting against threats to peace and security as would be the case, for example, if water and food were in limited supply or basic human rights not safeguarded. We follow Kurunmäki and Miller’s (2011) call to investigate how government ideals are made operable through processes and practices at unit organizational level and, in so doing, develop further linkages between the accounting sustainability and public administration literatures. In this paper, we explore accounting sustainability processes and practices – or hybrids – in the Environment Agency (EA) and West Sussex County Council (WSCC). Both public service organizations have long-standing strategic commitments to sustainability transformation (Thomson and Georgakopoulos, 2010; Grubnic and Owen, 2010). We investigate hybrids, defined as “new phenomena produced out of two or more elements normally found separately” (Miller et al., 2008: 943), combining aspects from a relatively stable and dominant discipline (accounting) with a relatively unstable and emerging discipline (sustainability) (Frame & O’Connor, 2010; Kastenhofer et al, 2011; Pretty, 2011). Examples of such hybrids in the literature are growing and include such processes and practices as biodiversity audits (Jones, 1996), carbon accounting (Ball et al., 2009; Hopwood, 2009), corporate social reporting (Gray, 2010), energy costing (Bebbington, 2010), external social audits (Hart and Owen, 1987), lifecycle costing (Bebbington et al, 2001), shadow accounts (Gray, 1997) and sustainable balanced scorecards (Figge et al., 2002). Given our intra-organizational focus, we consider hybrids that simultaneously comply with broader policy frameworks and observe practices on the ground. In other words, the hybrids are expected to broker between both exogenous (government related) and endogenous (organizational / professional related) frames of reference. We argue that this paper makes a number of contributions. First, we further refine the three levels of analysis suggested by governmentality studies and used by Kurunmäki and Miller (2011) in order to reflect upon large scale organizational change. In keeping with the authors’ analysis, we seek to understand vertical relations from policy injunctions to processes and practices through which their enactment is sought to professionals they may come into contact with. Central to our study, as with Kurunmäki and Miller’s (2011) paper, is the middle layer or bridge referred to as mediating instrument. In this, we consider relations between mediating instruments (accounting-sustainability hybrids), and the programmatic discourses that give them form as well as local service imperatives that serve to influence and contribute to content. Additionally, we propose a multi-layered approach in which horizontal relations are taken into account as well as vertical ones. As an example, our analysis incorporates analysis of the inter-relations between distinct (and competing) programmatic discourses in contrast to a focus on the Sustainable Development Strategy (DEFRA, 2005) in isolation. Second, we distinguish mediating instruments, separating the local and non-local, the former referring to processes and practices generated internally and the latter offered as generic solutions / prototypes by external bodies. In both of our cases, senior managers endorsed the use of the Connected Reporting Framework (CRF) as developed and put forward by the Prince of Wales Accounting for Sustainability project. While the CRF is proposed as a “generally accepted connected and integrated reporting framework” (Hopwood et al., 2010: 44), with potential for adaptation to specific organizational needs, it is but one accounting-sustainability hybrid working alongside hybrids created in-house in both organizations. Our two cases thus allow us to examine local and non-local mediating instruments and identify contingent factors that shape their uptake and implementation. Following on, we draw out some key attributes of effective mediation which is of particular relevance when developing accounting-sustainability hybrids if they are intended to act as mediating instruments.