Abstracts of the Papers Accepted to the CSEAR UK Conference 25th – 27th August 2015
FULL PAPERS

Accounting and Economic Biases in Donations to NGO's: Building Better Metrics for Accountability
John Byrd (University of Colorado at Denver) and Jane Cote Washington State University
Donors cannot observe how well resources are employed by NGOs, making it difficult to assess worthiness. Several web-based sites, nicknamed charity watchdogs, provide data about not-for-profit organizations. These sites encourage donors to support organizations with lower overhead-to-program expenses and with minimal fundraising expenses. Recently the watchdog groups have reversed themselves on using expense ratios to choose organizations to support, concerned that an emphasis on expenses led to unreliable accounting numbers and insufficient funds to support an organization's general expenses. The ability to scale up has replaced expense ratios as a key criterion for giving. This focus on scaling up is based on the argument that the need in areas such as international development is so great that NGOs must be able to quickly scale up to meet that need and thereby have more impact. This is a shift from examining inputs to outputs. Performance measurement should direct attention to the strategic mission. Expense allocation and rudimentary output metrics fail to fully capture mission driven achievement. Plus NGO attention is diverted to meet these externally imposed criteria of success. NGOs and donors need a more nuanced approach to measuring effectiveness, based on outcomes identified by the clients being served. Accounting research can lead the development of a new system. Identifying the causal linkages between outcomes, process, and financial efficiency, then identifying valid measures and their relative importance, leads to an integrated performance measurement system that fully captures the NGOs impact. This better serves NGOs mission, their clients and donors

Marching with the Volunteers: Discharging NGO Beneficiary Accountability through Volunteers Engagement
Miranti Kartika Dewi (Aston University)
Volunteers are becoming a remarkable strength to non-governmental organisations (NGOs). They help NGOs to extend and deepen its interactions with beneficiaries and other stakeholders. Prior literature discusses, yet not deeply explored, the significance of beneficiary accountability. Research evidence so far indicates that NGOs tend to centre their gravity on meeting requirements imposed by influential upward stakeholders such as donors and governments. On the contrary, NGOs tend to put less priority in discharging downward accountability, including to beneficiaries, as it is time consuming, expensive, less demanded and less measurable. This phenomenon may explain why fewer studies discuss about beneficiary accountability. One of the ways to facilitate NGO beneficiary accountability is through involvement of volunteers. Viewed through a social capital theory lens, this study investigates how NGO could draw on the social capital of its volunteers to facilitate beneficiary accountability and accumulate social capital for its organisation. We draw on a qualitative case study in an Indonesian NGO. We aim to fill the gap in the NGO accountability literature, as there is dearth of studies on volunteers' role on NGOs activities within the context of developing countries. The case presents a reflection on how an NGO operationalises beneficiary accountability by engaging its volunteers; to which extent Islamic principles that inspire the NGO's works influence the NGO-volunteers relationship; and how the relationship affects its accountability to beneficiaries.
Keywords: Non-governmental organisation, Indonesia, beneficiary accountability, volunteer.

Exploring accountability for rhinoceros conservation and protection: The Emergence of 'Extinction Accounting'?
Jill Atkins, Elisabetta Barone Danny Gozman (Henley Business School), Warren Maroun(University of the Witwatersrand, Johannesburg), Barry Atkins (University of South Wales)
The world is currently experiencing a sixth period of mass species extinction, a biodiversity crisis. Accounting for biodiversity has received increasing attention from the academic accounting community in recent years. Despite a stream of research investigating biodiversity reporting, little research has focused on corporate accounting for one specific species. One of the most high profile species globally, heading rapidly towards extinction, is the rhinoceros. In addition to threats from habitat destruction, climate change and business activity, poaching has accelerated in recent years. Rhinoceros horn is highly valued in the markets for illegal trade. Rhinoceros, one of Africa's 'Big Five', are being poached from the South African National Parks (SANParks) at an increasing rate. As well as action by lobby groups, such as RAGE, corporations are beginning to commit funds, alter corporate strategy and encourage awareness of rhinoceros protection. We explore disclosures by the top 40 companies listed on the South African Johannesburg Stock Exchange (JSE) in annual integrated reports, sustainability reports and on corporate websites. We find evidence of serious concern for rhinoceros protection and corporate strategies aimed at reversing the trend towards extinction. We discuss a possibly emergent form of accounting, 'extinction accounting', which acknowledges a need to protect endangered species, driven by recognition that without urgent corporate action, high profile species will be wiped out. 'Extinction accounting' is

emerging, as corporations desire to create a reality demonstrating their commitment to species protection, recognising their unique potential to affect change by devoting funds and resources to reversing extinction trends.
Key words: Accounting for biodiversity; construction of reality; 'extinction accounting'; illegal poaching; RAGE; Rhinoceros; texts of identity.

Accounting for Bees: evidence from disclosures by Scandinavian companies
Kristina Jonäll (School of Business Economics and Law, University of Gothenburg) Gunnar Rimmel (Jönköping International Business School)
A recent study showed that many times cities provide more food and less toxins for wild bees than agricultural landscapes. This has led to an increase of Swedish companies placing bee-hives close to or on their offices and buildings. The purpose is to increase biodiversity on or around companies' urban business sites. Often this result in accounts about effects on e.g. air purification, pollination nitrogen-fixing, CO_2 uptake, etc. This chapter explores corporate accountability in relation to bee populations and its impact on urban biodiversity and environment. Specifically, we analyse the corporate disclosures relating to bees, including information contained in companies' annual reports, sustainability/corporate social responsibility reports, on corporate websites and press releases.
Keywords: corporate accountability, disclosures, website disclosures, sustainability reporting

The state of sustainability reporting assurance in the UK: perspectives of assurance providers and stakeholders
Sulaiman Aliyu (Middlesex University Business School)
This paper investigates the state of sustainability reporting assurance in the UK through a threeBstage approach. First, an examination of assurance statements commissioned by the FTSE350 companies was conducted to establish trends in the practice. Second, semiBstructured interviews with accountant and nonBaccountant assurance providers were carried out to explore apparent variances in assurance processes. Third, more semiB structured interviews were conducted with representatives from different stakeholder groups to gain external perceptions on the practice. Using the audit theoretical conception by Power 1991; 1994; 1996; 1999), supplemented by the legitimacy theory, institutional theory and stakeholder theory, the findings suggest that key parties involved and affected by sustainability reporting assurance do not possess consistent and comprehensive shared meaning and approach towards the practice. As such, considerable evidence of managerial capture was observed as assurance providers confirmed the vast degree of influence exerted by reporting
companies in assurance processes, an issue that no direct solution or effort was acknowledged to assist in alleviating. The presence of sustainability assurance expectations gap serves as a key factor that drives the severe caution expressed by stakeholders regarding the practice. In general, the findings of this study call into question the ability of the current state of sustainability reporting assurance to enhance transparency and hence
discharge effective corporate accountability to stakeholders.

Does Assurance on CSR Reporting Enhance Corporate Image? An Examination of Assurance and Assurance Provider in the U.S. Context
Giovanna Michelon (University of Exeter), Charles Cho (ESSEC), Robin Robert (University of Central Florida), Den Patten (Illinois State University)
In this study, we investigate whether standalone CSR report assurance in the U.S. appears to lead to better outside assessments of firms' social and/or environmental standing. We first argue that standalone CSR reporting may be used to increase the social and/or environmental image of corporations rather than being issued to reduce information asymmetries between management and investors. Then, given the evidence about the importance of the quality and credibility of reported CSR information, we further argue that firms seek outside assurance of their CSR reports in order to enhance their credibility and such practice would impact assessments of its social and/or environmental image as opposed to be directly related to differences in firm value. Using rankings from the 2009-2012 Newsweek magazine's 'Greenest Companies in America' ratings and standalone CSR reports issued by firms in these rankings in the prior year, we find that assurance is highly associated with better assessments of companies' environmental standing. Our results also indicate that having assurance from accounting firms versus other providers is significantly related to increased presence in CSR indexes; however, for green rankings, accounting firm assurance is not associated with better environmental assessments whereas assurance from other types of providers is. Overall, our findings provide insights as to why some companies in the U.S. are willing to take on the additional cost of having their CSR reports assured.

An Examination of the Determinants of Integrated Reporting Existence and Quality
Cynthia Jeffrey, Jon D. Perkins (Iowa State University)
The first report was published that attempted to integrate both financial and nonfinancial information was published in 2002. There is a growing demand for this type of report, and it is important to improve our understanding both into what motivates organizations to prepare a voluntary integrated report and how we might assess the quality of such reports. A significant body of research has emerged that evaluates the relationship between CSR disclosures and characteristics of corporations and industries (e.g., Adams, Hill, and Roberts 1998; Gray et al. 2001; Adams 2002; Lee and Hutchinson 2005), but the empirical results have been mixed. While determinants of CSR disclosure have often been studied, two studies, Jensen and Berg (2012) and Frias-Aceituno, Rodríguez-Ariza, and Garcia-Sánchez (2014) are among the few that examine the nature of the disclosure, and neither attempts to examine both environmental and firm-specific variables concurrently. Jensen and Berg (2012) rely on institutional theory to predict the association between environmental drivers and the choice of reporting format; they find a relationship with financial system, educational and labor system, cultural system, and economic system. Frias-Aceituno, Rodriguez-Ariza, and Garcia-Sanchez (2014) rely primarily on signaling theory and the theory of proprietary costs (Baiman and Verrecchia 1996) to examine the association between company-specific variables and the choice of reporting format, and find support for size, profitability, level of industry concentration, and use of GRI reporting guidelines. Research to date has not addressed simultaneously both environmental and company-specific variables on the decision to prepare integrated reports. Further, we found no studies that evaluate the association between environmental variables, company-specific variables, and reporting quality, as opposed to the existence of an integrated CSR report. Clarkson et al. (2008) and Prado Lorenzo, and Garcia-Sánchez (2010) found that while the number of companies issuing CSR reports has increased in the past two decades, there are important differences in the relevance and quality of information published. Quality, however, has not been examined for integrated reporting. Too often, stakeholders regard CSR disclosures "as 'data dumps or, worse yet, greenwash" (Pojasek 2009). Evaluating not only the decision to produce an integrated report, but also the quality of the information, is therefore important. Using a sample of 771 companies that filed either stand-alone or integrated reports in 2011, we find that propensity to issue an integrated report is positively related to membership in the financial services industry or the IT industry, while negatively related to total assets, debt/equity, price/book, and level of economic development. For the 288 companies that prepared integrated reports in 2011, we find that the companies provide more complete reports if the were members of the financial services, industrials, and materials industries. The completeness of the integrated report is negatively related to the level of economic development and the nature of the legal system. We also examined the readability of the integrated reports for companies that reported in 2011, 2012, and 2013. We find that the completeness of the integrated reports increases over that time, from a mean score of 48% to a mean score of 63%. However, using three different measures of readability (the FOG index, the Flesch Index, and the Flesch-Kincaid Index) we find that across all three measures, the readability of the integrated reports decreases over time. This may be a result of increasingly complexity of the material being presented, or of an attempt to reduce the clarity of the reports as more information is presented.

Integrated report research: Insight into current and future trends
Pieter Condradie Alistair Schorn (University of Pretoria)
The purpose of this paper is to critically reflect on the existing body of integrated reporting research, in both academia and industry, over the last five and a half years. The paper explores the major trends and the evolution of these trends for both the academic and industry streams of work, and reflects on the contrasts of these two streams of work out of a critical perspective. A secondary purpose of the paper is two identify the areas of future research by firstly distilling areas of future research as identified in existing work, and secondly through interviews of South African integrated reporting experts in both industry and academia. The paper has three original contributions. The first is to provide the first comprehensive report on the current landscape of integrated reporting scholarship (in both academia and industry). The second is to highlight the distinct divergent focus of instrumental and critical schools of thought both within and between academic and industry based publications. The third is providing an agenda of future research areas, based in the existing body of knowledge and interviews and not on the conjectures of a number of, or single commentators. The synthesis of the three contributions of this paper provides the basis to firstly comment on the perceived feasibility and legitimacy of integrated reporting as the new corporate reporting norm. Secondly, given the insights of the perceived feasibility and legitimacy, the paper concludes on the areas of research that should be prioritized to advance the movement.

On the role of accountants in the sustainability assurance process
Lies Bouten (IESEG)
Third party assurance of published sustainability information has increased significantly over the last years (KPMG, 2013). There is, however, still a lack of in-depth research examining the processes by which the sustainability assurance statements are generated

(see O'Dwyer, 2011; O'Dwyer et al., 2011). In addressing this lack, the main aim of this paper is to understand the role of internal and external accountants in the sustainability assurance process. Based on field evidence gathered in two Dutch companies (one listed, one unlisted) and their Big 4 sustainability assurance providers, we investigate the information exchanged and the actors involved in this process. More specifically, we interviewed sustainability managers, internal auditors and finance managers from both companies and partners, senior and junior staff from their Big4 assurance providers. In particular, this study delves into the process through which this new form of assurance is translated into operational tasks and routines in these companies (Cooper and Robson, 2006). This approach allows us to examine the role of internal accountants in the monitoring of internally used and externally disclosed sustainability data, as well as their interactions with other organizational members involved in the sustainability reporting and assurance process. These relations are analysed both from the perspective of the firm and its assurance provider. In addition, we also unravel the interaction between these two parties in the assurance process and the evolution of their relation over time (especially regarding the role of internal audit). By engaging in in-depth case-based work, we attempt to increase our understanding of the interplay between all different parties involved in the sustainability assurance process.

Does the assurance level of environmental disclosure affect financial analysts' decisions? An experimental Study
Sophie Spring , Geraldine Riviere-Giordano (University of Montpellier)
An important body of works show the relevance of environmental disclosure to decision making by investors (Aerts & al., 2007 ; Orens & Lybaert, 2007 ; De Villiers et Van Staden, 2010 ; Guidry & Patten, 2010 ; Van der Laan Smith & al., 2010 ; Coram & al., 2011 ; Saïd & al., 2013). Some more recent papers raise the question of the assurance statement of these environmental disclosure and its impact on investment decision (De Villiers et Van Staden, 2010 ; Pflugrath & al., 2011). Our study proposes to further specify this question by examining if different levels of assurance have different impacts on investment'choice. In the context of the "New Regulation in Economics" Law, France provides an appropriate setting for such a study. To address this research question, we have conducted an experiment on a sample of 108 financial analysts, which are known to have relevant skills in financial reporting (Chan & Milne, 1999). Moreover, their recommendations are likely to have a significant impact on other participants of the financial market (Campbell & Slack, 2011). The empirical results of our study show that environmental disclosure has a positive impact on investment recommendations. More surprisingly, they suggest that financial analysts gives less recommendations in favor of a company that display environmental disclosure with a low level assurance than for a company with no assurance statement at all.

Integrated Reporting: The Influence of Non-Financial Assurance Report Level and Format on Investor Judgments
Jon Perkins, William N. Dilla, Diane J. Janvrin (Iowa State University) Robyn L. Raschke (University of Nevada at Las Vegas)
Many companies now provide integrated reports linking financial performance information with non-financial information and investors are starting to perceive the need for assurance on these reports. This study examines whether the level (limited versus reasonable) and format (presented separately or combined with financial information assurance) of sustainability information assurance contained in integrated reports influences investor judgments. Nonprofessional investors viewed integrated financial and sustainability performance information accompanied by assurance reports and made investment judgments based on this information. Assurance level only influences investment judgments when the sustainability assurance report is presented separately, as opposed to combined with the financial assurance report. Participants made higher investment judgments when limited rather than reasonable assurance was provided on the sustainability information. Further, supplemental analyses show that contrary to what professional standards indicate, participants perceive that a limited assurance report conveys a higher degree of assurance than a reasonable assurance report. Participants also perceive combined assurance reports to be more difficult to understand and perceive sustainability information accompanied by a combined assurance report to be less credible and reliable. Results suggest a need for standard setters to carefully consider the possible influence of assurance report wording and formats on investor judgments as they proceed to develop guidelines for assurance on integrated reports.
Keywords: Integrated Reporting, Assurance, Investor Judgments.

'Mixing' and 'Bending': The Recontextualisation of Discourses of Sustainability in Integrated Reporting Practices
Franco Zappettini, Jeffrey Unerman (Royal Holloway, University of London)
Since their emergence, discourses of sustainability have been widely resemioticised in different genres and have intertextually merged with other discourses and practices. This paper examines the emergence of Integrated Report (IR) as a new hybrid genre in which, along with financial information, organisations may choose to report on the social and environmental impacts of their activities in one single document. Specifically, this paper analyses a selected sample of IRs produced by early adopters to explore how discourses of sustainability have been recontextualised into financial and economic macro discourses and how different intertextual/interdiscursive relations have played out in linguistic constructions of 'sustainability'. We contend that, by and large,

the term sustainability has been appropriated, mixed with other discourses and semantically 'bent' to construct the organization itself as being financially sustainable i.e. viable and profitable and for the primary benefit of shareholders. From this stance, we critique the institutionalisation of IR as a process of colonization of discourses of social and environmental sustainability driven by economic agendas.

Social and environmental disclosure practices of listed Nigerian oil and gas companies: A longitudinal study

Sani Mohammmed (Dundee Business School)

This paper examines the corporate social and environmental disclosure practices of listed Nigerian oil and gas companies longitudinally for the period 2004 - 2013. Based on an index developed from the Global Reporting Initiative (GRI) voluntary guideline as a benchmark, content analysis of annual reports and accounts of sampled companies was carried out to determine the quantity (volume) and quality (compliance) of their social and environmental disclosures. While word count content analysis is used to evaluate the volume of disclosures, sustainability performance indicators were scored to highlight quality of the disclosures. Using cross-sectional time series regression, the study explores the effect of size; profitability; leverage; corporate governance; tax and corporate age on both the quantity and quality of the disclosures. Results from the content analysis reveals low level of disclosures and is predominantly on employee related social issues and few environmental disclosures. From the regression analysis, corporate size is found to be positively significant in determining disclosures, while tax is negatively significant and the remaining variables are not significant. The disclosure practices of the sampled companies may be better explained from the perspective of legitimacy theory. The study is limited by the use of GRI index to benchmark disclosures. The study has in addition to determining quantity of disclosures as in previous studies, explore the quality of disclosures; use an international guideline as benchmark and carried out the study longitudinally for ten years.

ESG Engagement in Extractive Industries: Risk and Return

Xiaoyan Zhou, Andreas Hoepner, Ioannis Oikonomou (Henley Business School)

Despite the increasing prevalence of active engagement by institutional investors such as pension funds, studies of active ownership are rather rare because of data availability limitations. With exclusive access to Hermes Equity Ownership Service engagement database, we conduct thorough analysis of private ESG shareholder engagement effect on firm financial performance and further investigate the mechanisms underlying the engagement effect if the target performs differently with control firm as result of private engagement. We find that engaged firms are 1.1% less volatile than their equivalent peers at 6% significant level. In particular, engagement target has less downside risks than its equivalent control firm. Lower partial moment LPM (0, 2) and lower partial moment LPM (0, 3) are 1.1% and 1.4% lower respectively for the engagement targets. And this improved target firm risk performance in extractive industry does not constrain target operational and return performance. With regard to the test of the mechanisms underlying the private ESG engagement effect, we find that average engagement success rate over 50% produces less downside risk for the targets than the equivalent control firms. In addition, firms with average engagement achieved milestone 3&4 produce 1.8% more return than firms only achieved milestone 1&2. In all, this paper provides evidence to show that ESG shareholder engagement enhance shareholder value in a long run by controlling firm downside risk in extractive industry.

Stakeholder Engagement and CSR Information Communication on Social Media: The Case of Twitter and the Spanish Banking Industry

Pablo Gomez Carrasco Beatriz Garcia Osma (Universidad Autónoma de Madrid), Encarna Guillamon-Saorin (Universidad Carlos III de Madrid)

In recent years social media have gained importance in all areas of social relations and, in particular, in the business environment since they allow a greater interaction than any other media. In our analysis, we build on prior research to study communication on social networks, and in particular, on Twitter. According to legitimacy theory arguments, firms voluntarily disclose more information in order to change the perception of stakeholders and this information is associated with a marked positive bias. An ample literature suggests that firms exercise discretionary disclosure. We
expect that, similar to other communication channels, information asymmetry between insiders and outsiders permeates this channel. With the assistance of a software tool, we manually analysed the content of over a
million microblogs on Twitter associated with companies representing virtually all the assets of the Spanish banking sector during 93 days. Based on the difference between Core and Supplementary CSR, our classification criteria gather those key issues considered by banking institutions within their sustainability reports. We present evidence that CSR information has a relevant presence on social media. Second, our evidence suggests that internal users' information is opportunistic as their microblogs are biased towards favourable information. Third, we show that information

interests of internal and external users are significantly different. Core CSR information is mainly referred to by outsiders, whilst insiders mainly communicate Supplementary CSR information. Finally we provide descriptive evidence that firm size, listing status and impact on society are determinants for firm-initiated communication on social media.

Exploring the effects of external accounts

Matias Laine (University of Tampere, Finland), Eija Vinnari (University of Turku, Finland)

While humanity is accelerating its collision course with the planetary boundaries (Steffen et al., 2015), business discourse of sustainability continues to provide a fallacy of corporate benevolence and of the sustainability of the present structural arrangements (Tregidga, Milne & Kearins, 2014). Alternative accounts of corporate activities have hence been called for both to counter this hegemonic discourse and to create new ways of seeing, as this is perceived a potential avenue for bringing about emancipatory change in societies (Gray et al., 2014). Despite the growing scholarly interest towards external accounts, we argue that there is a lack of understanding regarding their eventual effects. In seeking to address this lacuna, we provide in this paper an empirical analysis from Finland, where animal rights activists have in recent years actively campaigned against the modus operandi of industrial meat and dairy production. Our research material consists both of videos filmed in secret by Finnish animal rights activists, and of interviews with 21 actors including animal activists, other NGO actors, academics as well as representatives from government, the meat industry, the retail sector and lobby groups. In the conceptualization of our empirical setting, we employ the dynamic conflict arena framework (Thomson, Russell & Dey, in press), which allows us to discuss the interactions related to both giving and receiving external accounts in conflict arenas. Thereby, we will use our empirical setting to explore the various effects external accounts may have in social settings.

Are Corporate Social Responsibility Activities Associated with Support for Shareholder-sponsored Corporate Governance Proposals?

Charles Cullinan (Bryant University), Lois Mahoney (Eastern Michigan University), Pamela B. Roush (University of Central Florida)

Company shareholders can sponsor proposals to change corporate governance practices at companies whose shares they own, which are then voted on all the company's shareholders. Proposals to change corporate governance practices indicate that the proposing shareholder is discontent with the company's existing corporate governance practices and/or company performance. Measures of performance mentioned as a reason for concern in some recent shareholder-sponsored corporate governance proposals include lack of board diversity and the targeted companies' response to climate change, both of which related to company's corporate social responsibility (CSR) activities. In this study, we examine whether CSR activities may be related to the level of shareholder support for changes to corporate governance sponsored by dissident shareholders. Using 195 shareholder-sponsored corporate governance proposals voted on during 2013, we find that shareholder voting support for changes to corporate governance proposed by dissident shareholders is negatively related to a company's social CSR activities and positively related to environmental CSR weaknesses. These results suggest that shareholders may be more satisfied with existing governance practices when the governance practices result in stronger CSR performance.

Keywords: Corporate social responsibility (CSR), corporate governance, shareholder voting.

Exploring Non-Financial Disclosure and Firm Performance in The Financial Sector: Is it A Common Path? A Longitudinal Analysis in Europe

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In recent decades sustainability disclosure had increasingly become a common factor in
corporate reporting, thus contributing to a growing standardization of companies' reports. This trend has sparked both academic and practical in-depth debate, requiring the assessment of the relevant non-financial information, i.e. Environmental Social and Governance items on companies image, reputation, financial performance and value creation. The possibility of combining financial aims with social and environmental items enables companies to use sustainability as a source of competitive advantage and a key driver of innovation. This study investigates whether and on what terms, the disclosure of non-financial information has an influence on business performance. The empirical analysis focuses on a sample of companies belonging to the financial sector and listed on major European stock markets. This methodological choice stems from the fact that banks are positioned at the top in the ranking drawn up by Fortune 250 and Corporate Knights regards to sustainability. The data collection covers the period 2009- 2013 and follows by authoritative secondary sources (ASSET4 Thomson Reuters and Bankscope Bureau van Dijk).

Corporate Social Reporting and Legitimacy in the Banking Industry: Evidence from Bangladesh

Mohammad Tazul Islam, Katsuhiko Kokubu, Michiyuki Yagi and Kimitaka Nishitani (Graduate School of Business Administration, Kobe University, Japan)

The aim of this paper is to empirically examine the corporate social (CS) reporting practices in legitimacy theory (LT) setting in Bangladesh as a case of developing country's banking industry. The study uses all Dhaka Stock Exchange (DSE) listed banks (30 banks) in Bangladesh during a 10-year period (2004–2013) and constructs CS reporting index bases on ISO26000 standards with some country- and industry-specific adjustments. Using multiple regression analyzes, the study distinguishes argument in choosing to disclose between stakeholder theory (ST) and LT. Moreover, the study analyzes several proxies for public visibility and proposes a measure which has hardly been discussed in CS reporting literature: a spatial competition index. The findings support the broader thrust of LT and clarify LT is better fitted than ST in four ways. Firstly, companies comply to disclose with the industry requirement as a result of certain threats to the organization's legitimacy. Second and thirdly, in companies with less market position and newer in the industry disclose more social information to gain legitimacy. Fourthly, larger companies disclosing more than smaller ones to maintain legitimacy. The main implication of this study is the identification of applicability of LT in the developing country context and in the banking industry. The study contributes to the documentation to reiterate that the philosophy of LT is similarly applicable to developing countries perspective as well as to the service industry. Further, the study adds value to existing literature in LT where there is limited published empirical paper in developing countries situation.
Keywords: Corporate Social Reporting, Legitimacy Theory, Banking Industry, Bangladesh

Don't judge by its cover! Comparative Study on the evolution of CSR reporting in Brazil and South Korea

Adrian Zicari, Hyemi Shin (ESSEC Business School)

CSR reporting is a way for organizations to communicate to different stakeholders what they have done to be responsible for society and to explain lapses into irresponsibility (Gruing & Hunt, 1984). Although CSR reporting is a voluntary activity, the number of reporting corporations has increased over last decade (Conley and Williams, 2005; Cooper and Owen, 2007; Bebbington et al., 2008). While scholars from the new institutional theory see a global trend of corporate CSR reporting practices, comparative CSR scholars from the varieties-of-capitalism approach claim cross-national variations in those reporting practices (Gjølberg, 2009, 2010; Gond et al., 2011; Jackson & Apostolakou, 2010; N. Kang & Moon, 2012; N. Kang, 2010; Matten & Moon, 2008; Witt & Redding, 2012). Beyond the dichotomous "convergence vs. divergence" debate, the cross-fertilizing dynamic view on the CSR studies receives a growing scholarly attention (Brammer et al., 2012). In addition to this dynamic view, we also found that current comparative CSR studies have paid empirical attention on the economy systems of early capitalist countries, such as the Liberal Markets Economies (LMEs) and the Coordinated Market Economies (CMEs). Hence, the purpose of this paper is to explore *how CSR reporting in other types of capitalism—especially late capitalist countries—has evolved with the development of particular capitalisms and the deployment of global CSR trends.* We then conduct comparative content analysis of CSR reports of two major telecommunication companies in Brazil and South Korea from the early 2000s and to the present in terms of formats and contents.

The effectiveness of industry-specific standards in social reporting

Ericka Costa (Trento University)

Purpose: The aim of this paper is to investigate the effectiveness of industry-specific standards in capturing the most important disclosed issues – in terms of frequency, volume and quality – in social reporting. Design/methodology/approach: The paper is based on a content analysis of 98 cooperative bank' Corporate Social Reports in Italy in 2008/2009 and also develops a regression analysis. Findings: The findings suggest that the industry-specific standard is in general able to detect information that is mainly widespread by corporative banks (CBs) in terms of frequency. However, when analysing the significance of disclosure, both in terms of volume and quality, the regression model demonstrates that the capability of ABI standards to effectively detect the prominence of information reported is fairly low. Differences emerge when considering the different areas of the disclosures.
Practical implications: This study has policy and practical implications because the Italian experience could help other organisations, e.g. the GRI, to better understand how to tailor the industry-specific standards for the banking sector. Originality/value: In contrast to prior research which attempted to analyse the indicators that are mainly reported by such industry-specific sectors and also evaluated the compliance with Sector Supplement (SS) guidance, this paper focuses on the effectiveness of industry-specific standards in capturing the most important disclosed issues in CSRep.
Keywords: Corporate social reporting (CSRep), industry-specific standards, Italian cooperative banks (CBs), content analysis, extent and quality of the disclosure.

What multinationals say (and don't say) about the treatment of workers in their global value chains

Sepideh Parsa, Ian Roper (Middlesex University), Eva Szigetvari, Michael Müller-Camen (University of Vienna)

Over recent years a growing body of literature on Sustainable Human Resource (HRM) has emerged, which explicitly links the CSR and sustainability discourses with HRM. Sustainable HRM scholars have recognised that the remit of the HRM functions extends beyond organisational boundaries and also covers vulnerable workers in the global value chain. The extant literature, mainly based on case studies of a limited number of multi-national companies (MNCs) in a few host countries, offers little evidence on workers in supply-chain. This article examines the CSR reports of the Forbes 250 companies that had adopted the Global Reporting Initiative (GRI) framework. The adoption of the GRI intended to allow, to some extent, reliability and consistency when comparing the CSR reports enabling a focus on the 'human rights' categories that capture these vulnerable workers: 'investment and procurement practices', 'supplier screening', 'incidents of discrimination', 'risk to freedom of association' and 'risk of child labour and of forced labour'. The findings indicate significantly high levels of over-claiming for the first three indicators. Companies headquartered in co-ordinated market economy (CME) countries were more likely to report on the exercise of freedom of association, risk to freedom of association, incidents of child labour and compulsory labour as compared to companies belonging to liberal market economy (LME) countries. As for industrial sectors, companies belonging to the manufacturing and trade sectors showed markedly higher levels of compliance in reporting on child labour and forced labour than companies belonging to other sectors.

Sustainability reporting, boundary work and organizational stability: a research engagement

Carlos Larrinaga (Universidad de Burgos), Manuel Fernández-Chulián (Universidad Pablo de Olavide de Sevilla), Jan Bebbington (St Andrews University)

This paper reports a research engagement that investigates sustainability reporting as an activity that intends to construct a narrative of the organization to provide members of the organization a reality they can live with. Instead of studying the clean, final, sustainability report, this investigation focuses on the back stage of sustainability reporting in one Spanish savings bank, where the researchers engaged for more than three years. The paper explains sustainability reports as boundary objects, that occupy the space between loosely coupled parts of the organization and whose interpretive flexibility allow the unproblematic cooperation of actors with different interpretations of the organization. Different translations of discourses and actions ensure that the sustainability report be so ductile and ill-defined so as to limit the need of change. By editing the sustainability report any narrative that is not consistent with the approved CSR standards and categories is ignored and marginalized. Those translations and editions explain why sustainability reporting is not inscribing a more socially responsible behaviour of the case organization.
Keywords: Sustainability reporting; research engagement; organizational boundaries; boundary objects

The governmentalization of Water

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There is a growing global concern that current growth model coupled with the misgovernment of natural resources could ultimately put human development at risk. In response to this concern, the last two decades have seen the emergence of research that call for and provide with multiple accounts of ecological impact. As a result, a flourishing empirical and analytical literature that explores the entwined relationships between humans (and their organizations) and the ecological complexes they are a part of has risen, indicating an increasing awareness of ecological issues. Against this background, water governance is becoming a major focus of governments, NGOs, communities and business organisations. With this increased attention have come debates ranging across the interplay between practices of account-giving, accountability and environmental governance. This paper argues that the provision of water management and governance services by organisations can be viewed as being a specific act of governing populations. Through an exploratory interpretive case study research of an Italian water management organisation, this paper addresses the question of how water accounting technologies contribute to shape forms thinking and acting and the role it may play in fostering disciplinary effects based upon social and environmental practices.