

The emergence of triple bottom line reporting in Spain *

La aparición y desarrollo de las memorias de sostenibilidad en España

Javier Husillos**. Universidad Pública de Navarra

Carlos Larrinaga González. Universidad de Burgos

María José Álvarez Gil. Universidad Carlos III de Madrid

ABSTRACT The emergence of triple bottom line reporting by organizations in Spain is the context in which the present work has tried to understand the influence of both external and internal contexts on social and environmental disclosures. The material for this study is drawn from semi-structured interviews with 30 managers of 20 Spanish organizations with responsibility for the preparation of TBL reports. The narratives provided by the interviewees suggest that internal (organizational and individual) and external contexts are both important in the explanation of social and environmental disclosure practices. One of the study's main findings is that certain assemblages of external and internal influences exist that can either enhance or inhibit the development of TBL reports.

KEYWORDS TBL reports; Qualitative analysis; Internal and external influences; Spain.

RESUMEN La reciente aparición en España de memorias de sostenibilidad confeccionadas por organizaciones empresariales es el contexto en el que el presente trabajo aborda el estudio de la influencia en la divulgación de información social y medioambiental del contexto interno y externo de las organizaciones empresariales. El estudio está cimentado sobre la conducción de entrevistas semi-estructuradas con 30 gestores involucrados en la preparación de las memorias de sostenibilidad de 20 empresas españolas. Las narrativas emanadas de las entrevistas sugieren que tanto el contexto interno (organizativo e individual), como el externo determina el desarrollo de las memorias. Uno de los principales hallazgos del estudio es la existencia de influencias externas e internas que al "ensamblarse" podrían fomentar o inhibir el desarrollo de las memorias de sostenibilidad.

PALABRAS CLAVE Análisis cualitativo; Influencias externas e internas; Desarrollo memorias de sostenibilidad; España.

* **Acknowledgments:** We are indebted to Crawford Spence, Rob Gray, Jan Bebbington and Jeffrey Unerman for their comments on different drafts of this paper. We also thank the participants at the 30th Annual Congress of the European Accounting Association, 18th International Congress on Social and Environmental Accounting Research and APIRA 2007. This research has been facilitated by financial support provided by the Spanish Government (SEC2006-03959 and ECO2009-09937).

** **Corresponding Author:** Javier Husillos, Departamento de Gestión de Empresas, Universidad Pública de Navarra, Arrosadia s.n., (31610) Pamplona, España. Tel. +34948169372. E-mail: javier.husillos@unavarra.es

1. INTRODUCTION

Research into Social and Environmental Disclosure (SED) has privileged the study of the relationship between external factors and the extent and nature of SED (Adams, 2002). Some of the more frequently investigated contextual factors in the study of SED are stakeholder pressures (Ullmann, 1985; Roberts, 1992; Tilt, 1994), the influence of the media (Brown and Deegan, 1998; Deegan *et al.*, 2002), the economic, political and social context in which the firms operate (Tinker and Neimark, 1987; Gray *et al.*, 1995b), and events that question a firm's legitimacy (Patten, 1992; Deegan *et al.*, 2000; Llena *et al.*, 2007). Although the literature on the external factors of SED has advanced our knowledge of its practices, Adams (2002) contends that this research has downplayed the influence of the internal context of organizations on SED, including questions on the SED process, the views, attitudes and perceptions held towards SED and a firm's resources and capabilities (Albelda *et al.*, 2007). Moreover, if we are to understand how SED practices are influenced by contextual factors, the notions of stakeholder influence and legitimacy must be unpacked to consider processes of micro-legitimacy (Neu *et al.*, 1998) and contingent variables (Adams, 2002) through further in-depth field studies engaged with the dynamics within organizations (Gray, 2002a; Adams and Larrinaga-González, 2007; Thomson and Bebbington, 2005; Parker, 2005). The emerging literature that seeks to sophisticate the explanation of SED practices through the use of qualitative methods includes Deegan and Blomquist (2006), O'Dwyer (2002) and O'Donovan (2002).

One SED practice that has sought higher degrees of sophistication and institutionalization is the preparation and publication of reports that seek to provide an organizational account that covers its economic, environmental and social impacts (Archel *et al.*, 2008). Although those reports receive different names (sustainability reports, social and environmental reports or corporate social responsibility reports), Gray and Milne (2004) consider that Triple Bottom Line (TBL hereafter) reporting is the most accurate description of this SED practice. In this regard, despite its problems (Gray and Milne, 2004; Moneva *et al.*, 2006; Archel *et al.*, 2008) the Global Reporting Initiative (GRI, 2002; 2006) has had the most significant impact on TBL reporting and, more generally, on SED (see Adams and Narayanan, 2007 for a review of different schemes).

Convinced that TBL reporting is the most appropriate field for the investigation of SED and considering the need for further research into the way both external and internal contextual factors influence it, the aim of this study is to conduct a field study to understand how SED practices are embedded in broader processes, in which organizational and individual dynamics are likely to be as influential as factors that are external to the organizations. More specifically, this study is based on semi-structured interviews with 30 managers of 20 organizations involved in the preparation of TBL reports.

This paper contributes to the literature by investigating the interplay between external and internal contextual factors that influence the preparation of TBL reports. The present investigation, focused on either internal or external influences, will allow for complex explanations to emerge that are based on assemblages of external and internal influences (Larrinaga-González and Bebbington, 2001). Moreover, instead of focusing

on one single case study as Larrinaga-González and Bebbington (2001) do, this paper investigates different organizations, leading to a diversity of explanations. An additional contribution of this study is its examination of the Spanish context, where organizations boasted one of the highest numbers of reports with the top GRI standards, ahead of countries with long traditions in this field such as the United States, Australia or the United Kingdom (Calvo-Sanchez *et al.*, 2007; Álvarez-Etxeberria, 2009).

The following section is a revision of the literature on qualitative studies of SED. This investigation is based on qualitative interviews with Spanish managers involved in the preparation of TBL reports. Section three describes the design of this research method. Section four interprets the qualitative findings obtained from the interviews. The paper concludes with some conclusions and recommendations for further research.

2. LITERATURE REVIEW

A call for more field studies on SED (Gray, 2002a; Thomson and Bebbington, 2005; Parker, 2005) has been echoed by a growing number of researchers (Deegan and Blomquist, 2006; O'Dwyer, 2002; 2003; 2005; O'Donovan, 2002; Albelda *et al.*, 2007; Adams and McNicholas, 2007). A distinction may be noted in the field studies between those studies that qualitatively analyse the more conventional external influences and those that through field research focus on the analysis of internal contextual factors. External and internal influences will be examined in this investigation with the purpose of highlighting the possibility of more complex explanations based on assemblages of external and internal influences (Larrinaga-González and Bebbington, 2001).

2.1. QUALITATIVE ANALYSIS OF EXTERNAL INFLUENCES

We will consider in the first instance the group of qualitative studies that tried to provide an explanation of the findings about external influences obtained by quantitative studies. In this regard, the previous literature appears to agree on the existence of a close relationship between the pressure exerted by some stakeholders on organisations and SED (Ullmann, 1985; Roberts, 1992; Tilt, 1994; Gray *et al.*, 1995b; Neu *et al.*; 1998; Cormier *et al.*, 2004; or Magness, 2006), despite which Deegan and Blomquist (2006) affirm that this generalised assumption had never been directly contrasted with the opinion of those responsible for producing the information. Along the same lines, a substantial part of the literature (Patten, 1992; Deegan, *et al.*, 2000; Llena *et al.*, 2007) presumes that the motivation for SED lies in the need for organizations to attain a legitimate status within society, although this assumption had not been scrutinized until recently with the rationales of the preparers and the reporting organization.

This gap in the previous literature has been recognized by some scholars. Considering first a stakeholder view of SED, Deegan and Blomquist (2006) interviewed the managers of six mining firms to illustrate how the pressure brought to bear by World Wildlife Fund had in fact impacted significantly on its patterns of environmental disclosure.

Second, as regards the legitimacy argument, O'Donovan (2002) interviewed six managers in three environmentally sensitive Australian firms to elaborate on the postulates of

legitimacy theory, extending its application and predictive power along the lines of the notion of «*micro-legitimacy*» (see Neu *et al.*, 1998). In contrast with the previous legitimacy literature where the focus was on the external analysis of how organizations facing important environmentally negative events attempt to *repair* their legitimacy, assuming that their behaviour in such cases is reactive, O'Donovan (2002) unpacked the notion of organizational legitimacy by analysing it from the perspective of managers, considering the internal context that leads them to select different strategies according to the firm's strategy (gain, maintain or repair its legitimacy) and the significance of the environmental event (high or medium). Along the same lines, O'Dwyer (2002) found grounds to qualify the explanatory power of legitimacy theory, based on interviews with 29 directors of 27 Irish organizations. He observed that in the Irish context, dominated by small organizations, SED was not really viewed by managers as a mechanism for legitimising the behaviour of their organizations. Taken together the results reported by O'Donovan (2002) and O'Dwyer (2002) suggest that the consideration of purely external influences has a lower explanatory power than the consideration of both external and internal influences.

2.2. QUALITATIVE ANALYSIS OF INTERNAL INFLUENCES

A different stream of the literature has investigated the interplay between SED processes and organizational dynamics, focusing on qualitative investigations into the internal context of the organization. This literature (Larrinaga-González and Bebbington, 2001; O'Dwyer, 2005) is mainly concerned with the implementation of SED processes, how they influence organizational change, if indeed they do, and the organizational obstacles for the implementation of SED systems. The findings reveal that SED external influences are important, but they are mediated by the internal context of organizations: assemblages of external and internal influences are likely to account for SED, making it difficult for existing theories (Legitimacy Theory, Stakeholder Theory and Political Economy Theory) to provide complete explanations (Adams, 2002). Furthermore, the shortcomings of existing theories, together with the rise of TBL reporting over recent years, suggest that qualitative research is an appropriate approach for investigating dynamic assemblages of the external and internal influences of SED.

In this regard, previous field studies have illustrated the importance of the internal context (or internal influences). Power issues (Larrinaga-González and Bebbington, 2001; O'Dwyer, 2005), internal contradictions (O'Dwyer, 2005), the attitude of influential individuals (Adams, 2002), the amount of resources involved in SED (Larrinaga-González and Bebbington, 2001; Albelda *et al.*, 2007), the characteristics of organizations (Larrinaga-González and Bebbington, 2001; Adams, 2002) and other characteristics of the SED process itself (Adams, 2002) coalesce in different ways which are important to investigate in order to understand the practice of SED.

In his field study in one international Irish aid agency, O'Dwyer (2005) witnessed how internal tensions and contradictions arising from the SED implementation process and the existence of power asymmetries within the organisation brought about a «systematic process of stakeholder silencing by a powerful APSO board whose agenda for the process differed significantly from those of its promoters» (O'Dwyer, 2005: 13), preventing a substantive organizational change and a more responsive SED.

Adams (2002) sought to explain variations in SED between UK and German companies, by interviewing managers in both countries. She suggested that the agents' attitudes and other characteristics of the reporting process itself could contribute to the explanation.

Larrinaga-González and Bebbington (2001) chose a case study to establish whether the introduction of environmental accounting practices (one particular form of SED practices) brought with it substantial change or whether they were merely an attempt to capture the environmental agenda. Although they found elements of environmental change, they found that the dominant motif for the implementation of environmental accounting was to negotiate the impact of the environmental agenda. However, what is more interesting for our argument is the way in which they highlight the influence of an «*assemblage*» of internal factors (for instance, the internal power relations or the amount of resources involved in the process of implementation) and external factors (such as pressure exerted by the Spanish Government and the electricity industry) on the environmental accounting process, in the effort to build an environmentally sensitive organization. They suggest that those and other factors of SED could be more or less significant depending on the characteristics of the organizations.

Summing up, an understanding of SED not only requires consideration of external and internal influences, but it also requires consideration of their multiple intersections (assemblages). The next section describes the design of the empirical work in pursuit of our stated objective.

3. FIELD STUDY

As expressed in the introduction, understanding how SED practices are influenced by contextual factors requires field studies that scrutinise the dynamics within organizations (Gray, 2002a; Adams and Larrinaga-González, 2007; Thomson and Bebbington, 2005; Parker, 2005). Among qualitative research methods, the preferred research method in this area consists of semi-structured interviews (Deegan and Blomquist, 2006; O'Dwyer, 2002; O'Donovan, 2002).

3.1. SEMI-STRUCTURED INTERVIEWS

Discourse (or narrative) is intrinsic to social life because it is the only way of knowing, communicating and making sense of social action (Czarniawska, 2004). From an interpretive perspective, external and internal contexts both affect SED processes because of the rationale that is constructed by social actors, based on language and communication. A narrative is a social construct with a meaning that pervades the actions (e.g. SED) in a particular context (e.g. external and internal influences). Qualitative research considers that we can only acquire these corporate discourses through communication (Larrinaga-González *et al.*, 2001). This is the reason why we chose semi-structured interviews (Arksey and Knight, 1999; Wengraf, 2001) to analyse the emergence of TBL reports in the Spanish context.

Semi-structured interviews consist of open questions, while the interviewees are left to articulate their own narrative of the phenomenon under study. But semi-structured interviews follow a script, so that «the same basic lines of inquiry are pursued with each person interviewed» (Patton, 2002: 343), allowing for replication across interviews. The interview script was prepared according to the objectives of the research and piloted in three interviews. A summary of the interview script is shown in the appendix.

Interviewees were selected to replicate across cases with assemblages of external and internal influences that were likely to differ. The replication logic must be distinguished from the survey's sampling logic (Yin, 1994). While sampling is concerned with whether the sample represents other cases, replication is concerned with the identification of cases that produce certain outcomes, which should, according to the theory, be different. Accordingly, we interviewed 30 managers involved in the preparation of TBL reports in 20 organizations. Organizations were identified from GRI online databases, accessed in January, 2006, and selected with a replication logic with the aim of covering the full spectrum of organizations that practice SED: from large multinationals to very small firms with less than 10 employees; from firms operating in environmentally sensitive industries to service organizations; from private sector to public sector organizations; and from large public limited companies to workers cooperatives and employee-owned firms (see Table 1).

TABLE 1
INTERVIEWEES' PROFILE

<i>Industry</i>	<i>Department</i>								<i>Type of firm</i>		
	<i>MD</i>	<i>BD</i>	<i>ED</i>	<i>DSR</i>	<i>AD</i>	<i>CD</i>	<i>QD</i>	<i>LD</i>	<i>SME</i>	<i>LFUL</i>	<i>LFL</i>
Cement manufacture	0	0	2	0	0	0	0	0	2	0	0
Construction	1	0	1	0	1	0	0	0	1	1	0
Electricity and gas	0	0	1	2	0	2	1	0	0	0	4
Professional membership organization	0	1	0	0	1	0	0	0	1	0	0
Urban waste management	0	0	1	0	0	0	0	0	0	1	0
Manufacture of chemical products	0	0	0	1	0	0	0	0	0	1	0
Mobile network operator	0	0	0	4	0	0	0	0	0	2	0
Food processing	1	0	0	0	0	0	2	0	2	0	0
Real estate services	1	0	0	0	0	0	0	1	1	0	0
Financial activities	0	0	0	1	0	0	0	0	0	1	0
Transport	0	0	2	0	0	0	2*	0	0	1	1
Retail trade	0	0	0	1	0	0	0	0	0	1	0
<i>Total</i>	3	1	7	9	2	2	5	1	7	8	5

MD = managing director

BD = member of the board of directors

ED = environmental department

DSR = social responsibility or sustainable development department

AD = administration department

CD = communications department

QD = quality control department

LD = legal department

SME = small and medium-sized enterprise

LFUL = large firm not listed on the stock exchange

LFL = large firm listed on the stock exchange

* One out of these two people is the consultant

Miller and Crabtree (1999: 96) assert that «for depth interviews, respondents should be selected so as to maximize the richness of information obtained pertinent to the research question». Accordingly, interviewees were selected from among those that were in charge of, or actively participated in, drawing up the report, and who held a broad perspective of the whole process. Thirty individuals were interviewed in total, including CEOs, members of the board of directors, executives, technical staff and one consultant (see Table 1). At the request of some of the interviewees, all of their personal details as well as the names of the firms under study are treated in strict confidence.

3.2. INTERVIEW PROCEDURES AND ANALYSIS

Bearing in mind the findings and the theoretical approaches of previous literature, the study commenced with the exploration of the TBL reports of each company, observing the approach of each organisation to sustainable development, the language employed, the target audience for the report or how firms faced bad news, among other aspects. The information so obtained fed into the interview guide (see appendix) that was adapted for each interview.

Interviews lasted between 30 and 90 minutes and were carried out between February and May 2006. All of the interviews, except for two, were tape-recorded and subsequently transcribed. With regard to the remaining two interviews, in one case the interviewee rejected recording, and we took detailed notes; in the other case the individual only accepted to answer the interview guide in writing.

We followed O'Dwyer (2002; 2003; 2004) and Huberman and Milles (1994) for the analysis of the interviews. According to Huberman and Miles (1994), the analysis of the interviews was divided into three stages: data reduction, data display and data interpretation. The data reduction stage has the objective of identifying and coding the main narratives about the influences of external and internal factors. For this purpose, the tape-recorded interviews were played back several times, before and after their transcription, to capture any kind of emphasis or non verbal communication. As a result, narratives about TBL reporting influences emerged that confirmed or rebutted previous expectations, raised from our reading of TBL reports. Finally, once SED influences were identified and coded, the interview transcriptions and notes were re-read again twice over. During this process other narratives emerged that, in some cases, confirmed narratives previously found and, in other cases, did not fit in the previous narratives and contradicted them. Those cases turned out to be very enriching and the most interesting in the interpretative stage.

If the data reduction stage implied an iterative process, this was even more evident in the display and interpretative stages. At the display stage, a matrix was built for each firm, displaying all the previously coded TBL-reporting contextual influences, as well as the specific excerpts that best illustrated the role attributed to external and internal influences. The contextual influences of each case are then compiled ready for the interpretative stage.

The interpretative stage led to a better understanding of the narrative on external and internal influences of SED that arise in each case and across all cases. One story for each case was developed and then a general picture was constructed with all the narratives identified in the interviews, in an attempt to map how external and internal contextual factors influence TBL reporting process in this field and thereafter grouping cases according to how their narratives fitted into the general picture. This analysis revealed that some narratives and contextual influences were common to all firms, while others were specific to their different subgroups.

4. NARRATIVES ON CONTEXTUAL FACTORS IN TRIPLE BOTTOM LINE REPORTING

Stemming from the analysis of the interviews, this section presents the narratives on external and internal contextual influences of triple bottom line reporting. Although the structure of this section pragmatically refers to external, organizational and individual contexts, the presentation of narratives tries to respond to the aim of this paper: depicting how the assemblages of contextual influences shape TBL reporting. In other words, although the structure of this section could suggest that influences are discrete, the aim of this paper is to demonstrate that these influences are not discrete.

One obstacle to carry on with the research, which was interesting in itself, was that interviewees referred to Corporate Social Responsibility (CSR) and the TBL report itself as interchangeable terms; they often emphasized that they could not make a clear distinction between them. This became problematic because CSR is an all-encompassing (unspecific) expression, used to refer to very different ideas, including social, ethical and environmental awareness, corporate social policies, management of social and environmental issues and the reporting of such issues. In the following analysis, CSR and TBL reporting will be examined separately where possible, although their interplay will be considered (especially concerning organizational influences; see below).

4.1. EXTERNAL CONTEXT

The narratives emerging from the interviews corroborate the importance attributed in the previous literature to the influence of the external context on SED. The initiation of CSR practices and the very idea of a TBL report has origins that lie outside the boundaries of the organizations that were examined. Expressions such as «it became trendy» or «the existence of that general feeling was noticed» are often used to refer to the origin of CSR practices. Narratives about its external origin revolved around the growing social concern over social, environmental and ethical issues, the interest of stakeholders, with particular emphasis on the role of «experts» and the media, and the behaviour of other organizations.

From a social contract perspective, TBL reporting allows organizations discharging their accountability on those social, environmental and ethical issues for which the society is concerned. In this respect, the general social concern needs to be translated into specific demands by stakeholders to whom organizations are more or less likely to re-

spond. However, the narratives provided by our interviewees placed a greater emphasis on singular stakeholders such as experts, the media and peer organizations, rather than on the anticipated stakeholders: shareholders, employees or customers. In contrast to the usual arguments put forward in the SED literature a correspondence between the social and the stakeholders concern is not perceived by the managers interviewed.

4.1.1. *Growing social concern*

Despite the growing corporate concern on social and environmental issues being qualified by some directors as a fad, there is a general feeling that this is not something ephemeral but that it does respond to the dynamic socio-political and economic context.

«We can talk about where this all comes from and where it all comes from is an important cultural change in society and ever-greater demands that are being placed on firms» (A, large firm, mobile network operator, DSR).

As concluded by Patten (1992; 1995), Gray *et al.* (1995b), Brown and Deegan (1998) and Deegan *et al.* (2002), interviewees observe that a relation exists between the perceptions, the values and the concerns of the society and the origins of CSR practices. Two characteristics of this observation were brought to light with greater regularity than any others: the increasing awareness in society of the need for economic development to be sustainable from the social and environmental point of view; and, the increasing loss of trust in business organisations by the society. But each of these two characteristics appears to have a different influence on the development of CSR and SED practices in Spain. Although some actors in environmentally sensitive industries affirm that their companies became aware of the need to integrate CSR into management practices because of growing social awareness, the problem of the global sustainability of the planet does not appear to be especially influential in SED, particularly among transnational companies. Interestingly, while the sustainable development agenda advanced in the 1990s, it was only very recently that the first Spanish firm published its TBL report. In fact, although Spain had, at the time of the interviews, produced more reports *in accordance with* GRI than any other country in the world and the first GRI's sustainability guideline was available in 2000, it was not until 2002, that the first sustainability report *in accordance with* GRI was published (Calvo-Sanchez *et al.*, 2007), in the aftermath of the Enron (2001), Worldcom (2002) and Parmalat (2003) scandals. In large firms, those scandals raised the concern over the growing levels of society's and shareholders' mistrust in the ethical basis of corporate behaviour, leading to a concern for CSR, as expressed by one interviewee in one electricity company.

«Why has this happened? (the initiation of CSR and SED practices). I don't think that it has been said, but this has happened because of Enron. When this all started to get off the ground here in Spain, I don't know about other countries, but everything was at that time. It made an enormous impact» (C, large firm, electricity and gas, CD).

But it seems that these events have not affected the matrix of Spanish firms in quite the same way. Due to the concentration of scandals in transnational firms, the executive director of a Spanish SME, a pioneer in the preparation of TBL reports, stated that:

«The only thing that we saw was that there was a demand for this type of report, but in the large firms because so many things were happening and there were so many scandals and so many directors were on the wrong side of the law, that naturally the large firms had to smarten up their image a little, (...) but I didn't see the need for the smaller and medium-sized firms» (M, SME, food processing, MD).

4.1.2. *Stakeholder interest*

Although executives explain the upsurge of CSR and SED practices in the light of the social concern about social, environmental and ethical issues, they paradoxically downplayed the role of stakeholders such as investors, customers, employees, environmentalists or the government in motivating them (Adams, 2002 found the same results in both the German and the English context). There is a generalised view that the interest of stakeholders in TBL reports was not even awakened after the reports began to proliferate in Spain. The systematic absence of criticisms or feedback on TBL reports evidence stakeholder disinterest. For some interviewees, this might impinge on the progress of TBL reporting.

«People don't ask for what they don't know or doesn't exist. It's the offer that generates the demand at first, that goes for everything. People didn't demand sustainability reports because they didn't know that such reports existed, it's the firms that say we are going to draw up a sustainability report and this is a very recent thing. Those so-called stakeholder groups don't come here to say —heh, we want a report—» (B, large firm, manufacture of chemical products, DSR).

Narratives about external influences suggest, even dismissively, that customers or employees are irrelevant in terms of SED practices.

«When they tell me —no, in the end all this is to sell more—, well, I only wish it were true! Because our typical client is a fifty-or-so-year-old housewife and the truth is... talk to them about social responsibility or sustainability, and I think that very few would know what you were talking about» (F, large firm, retail trade, DSR).

However, the narratives about stakeholders such as investors/shareholders, environmentalists or the government are not that conclusive. As it comes to the influence of investors contrasting views are expressed by the interviewees in those larger firms that are more capital market oriented, reflecting the debate about the existence of ethical investors. These different rationales are illustrated in the following excerpts from interviews:

«Shareholders (...) had an interest in gaining their well-earned money according to the capital that they've invested, but other things have also concerned shareholders for a few years now; (...) they also invest in those companies that offer better results in the environmental field or sustainability in general. How do they know that, which are those companies? Well through information. What information? Well, fundamentally what

comes in these reports, so a lot of investments funds are influenced by this» (B, large firm, manufacture of chemical products, DSR).

«We carried out a survey with investor groups on the CSR report, and received quite a lot of replies; the great majority of them more or less said that what the report tells them is not a motive for investment, nor is the management policy on corporate responsibility» (E, large firm, transport, ED).

As regards environmentalists' interests, in only two of our cases have interviewees singled out them as a significant influence for SED. These two firms, not quoted on the stock exchange, could be characterized as environmentally «sensitive» and appear to have increased their disclosure subsequent to some sort of problems with local communities. This limited evidence concurs with the inconclusive literature that either found that environmentalist are influential (Deegan and Gordon, 1996; Tilt, 1994) or play a more secondary role (Neu *et al.*, 1998).

Finally, the accounts provided by some SMEs assigned a significant influence to governments. In those cases the government did not act as a regulator, but as a facilitator, establishing forums for debate and awards for and subsidizing SED practices. In fact, three out of the six SMEs under analysis are located in the same Spanish province, from among which two stressed the significance of the financial assistance of the local government for the decision to publish a TBL report.

In summary, while a general social concern on social, environmental and ethical issues appears to influence SED practices, the narratives about stakeholders suggest that they are not always translating the macro-level social concern into specific demands. Rather than conventional stakeholders, the narrative provided an explanation based on a particular constellation of external influences driven by what could be categorised as peripheral stakeholders, but whose influence on TBL reporting was significant: the media, experts and the behaviour of other organizations.

4.1.3. *Media*

Previous literature (Brown and Deegan, 1998; Deegan *et al.*, 2002) has approached the media as operationalizing the social concern. This rationalization is also shared by some interviewees. For example, the CSR manager in a Spanish transnational firm states that the first report was drawn up because:

«(...) we begun to see a demand all around us, when I say all around us I mean in the media that in some way are out there saying whether the firms do or don't do CR reports» (C, large firm, electricity and gas, CD).

In addition to the reflective role of media, interviewees also conceive a constitutive role of media, shaping public expectations, educating the public and multiplying the effect of the voices of both the company and its stakeholders. Interviewees think that the media play an educational role in amplifying the messages that the company transmit through TBL reports:

«(...) we need the media to raise public awareness, they are the opinion makers. To the extent that they do not raise the awareness of the general public, then only with great difficulty is public opinion going to demand these reports» (A, large firm, mobile network operator, DSR).

In this respect, the influential power of the media in TBL reporting is perceived as an opportunity rather than as a threat by proactive managers, as expressed in this large firm:

«The media [and] the institutions that work on corporate responsibility are always stressing the percentage of firms listed on the stock exchange that do publish the report. There's an implicit loss therefore, we could talk about a loss. Those who don't do it are losing out on opportunities from the corporate responsibility point of view or in terms of their reputation» (I, large firm, electricity and gas, CD).

In summary, there is an association between media attention and SED practices in the case of large firms. However, the narratives on media conceive this association in a convoluted way, as at once the cause, the amplifier and even the substitute of SED.

4.1.4. *The opinion of «experts»*

Clubs set up by large businesses, organisations backed by civil groups, consultancies, multilateral international institutions and agencies specialising in the analysis of stock exchange indexes (understood here as the «experts») appear to be particularly influential in the initiation and development of TBL reporting. What characterises these experts is the elaboration of a particular narrative about CSR and SED practices, as well as procedures for their implementation and assessment. This is paramount from a social accounting (Gray, 2002a) perspective as, by defining the scope and content of CSR and TBL reporting, those experts are subtracting them from a public and democratic debate, that would otherwise involve stakeholders such as employees, clients, suppliers, local communities, government and shareholders, as was often expressed in the interviews:

«It is an open debate right now in the world of the experts and I think that the report is above all a letter of introduction in this world. It lets them know you're there, lets them read «ah well you're OK or you're in bad shape» and it is a little of all that. But I don't think that it reaches important groups» (F, large firm, retail trade, DSR).

Those experts include, for example, stock exchange analysts or thematic business associations. It is hardly surprising that stock exchange analysts, who assess whether or not firms are suitable to be listed on indexes such as the DJSI (Dow Jones Sustainability Index) or FTSE4 Good Index Series, should wield influence. Their «sustainability» assessments of large quoted firms determine the decision to draw up a report as well as their subsequent evolution.

«The presence on the Dow Jones Sustainability Index is closely related to the preparation of these reports and everything we say here. Because really in the end, we also try to introduce what they're asking for in a good part of the things that we say» (H, large firm, electricity and gas, ED).

Perhaps more interesting is the influential role played by thematic business associations that we refer to here as «experts' clubs», where large firms exchange information with the aim of establishing coordinated patterns of behaviour in matters relating to CSR. These clubs of experts were established since the mid-1990s and have been working in areas related to sustainable development, CSR and TBL reporting. Directors of large firms (often direct competitors) discuss the concepts revolving around CSR, develop their own approaches and prescribe ways of managing their implementation, following their own experience. One such example is the «Club de Excelencia en Sostenibilidad» (i. e. Club for Excellence in Sustainability). Their influence spreads out to the rest of the business network through specialised courses, conferences or masters courses in collaboration with some business schools, a few NGOs and academics. The role of dynamic leaders and opinion formers, played by these clubs, called «lobbies» or even «gurus» by some interviews, among the large firms has very often been noted by the interviewees in reference to the conceptualisation of CSR:

«We are part of, founding members of the so-called “Club de Excelencia en Sostenibilidad” in Spain, there are 22 firms I think [all large firms], and we have created our own concept of sustainability, but there are no major debates, or to put it a better way, no divergent points of view. Opinions on the concept of sustainability generally coincide from the business point of view» (B, large firm, manufacture of chemical products, DSR).

As well as in the subsequent development of the criteria for responsible management and the drawing up of the TBL report.

«[In the Club de Excelencia en Sostenibilidad] there is a self-evaluation tool that is at a pilot project stage but firms that belong to the club test it out and it is being fine-tuned. I see it as a little like the EFQM model. It gives you points from 0 to 1000 and as you progress with particular concepts or indicators, then you have your information there and it gives you information on what the others are doing because in the end all of this stays inside the company» (C, large firm, electricity and gas, QD).

A further example is the Spanish Association for the Global Compact, which seems to have motivated the diffusion of CSR practices in Spain, a country that is top ranked in terms of the number of signatory organizations to the Global Compact (nearly 900) in 2010. However, the philosophy of the United Nations Global Compact itself does not appear to exert significant influence over the behaviour of large Spanish firms and the specific content of the reports. According to the interviewees the compliance with the Global Compact principles is not problematic in a developed country. It should be noted that some of our interviewees worked for transnational companies with significant interests in Latin America and other regions. Nevertheless, among some unlisted firms, the United Nations approach does appear to carry significant weight in the process of drawing up the reports. In this same context, the executive director of an SME belonging to the food-processing industry stated that he saw the needs of his firm as being closer to the philosophy guiding the UN approach than to the philosophies that are advanced in Spanish business schools. He asserted that «the project put forward by Kofi Annan, by the secretary of the United Nations, which is the Global Compact, was more up our street». The drafter of a TBL report in a large cooperative went even further, when she

described the criteria that she felt should guide CSR. According to her own personal values and background the criteria should be developed from the standpoint of the international multilateral organizations.

«I think that as we are talking about concepts that go beyond frontiers and beyond actions, you have to follow what the multilateral organisms have to say. So in that sense, the concept of sustainability that guides us is that of the United Nations. (...) That is why we are in the United Nations Global Compact. (...) I am a lawyer by profession and from my point of view international law seems to me to stand for something and I think that the United Nations is the best we have at the moment. Greatly improvable but the best that we have at an international level to set our house in order a little and to reach agreement» (F, large firm, retail trade, DSR).

The influence of experts such as the *Club de Excelencia en Sostenibilidad* or the Spanish Association for the Global Compact points to a mimetic mechanism of institutionalization but also points to the privileged role play by some social actors in the process of institutionalization (DiMaggio, 1988; Lawrence, 1999). The influence of peer organizations is consistent with this.

4.1.5. *The behaviour of other organizations*

The fact that organisations in the same organizational field began to draw up TBL reports has been stressed as one of the factors that focused managers' attention on the need to look closely at the reporting practice that they would eventually make themselves:

«We saw what Shell was doing, we saw what Shell and BP were doing, (...) you look at their report and you say, I have to try and do the same thing » (D, large firm, electricity and gas, DSR).

However, the appearance of these reports not only mimicked the first adopters but also their evolution was guided by constant benchmarking. As often stated by some interviewees, an exchange of knowledge and experience occurs that leads to a mutual acquaintanceship and learning between firms.

«It's all there on the outside, you don't have to invent anything, and what's more, by talking to other firms, I mean, we are very proactive at meeting firms. In fact this year we have a project to identify best practice, and we have set ourselves the objective of visiting 6 firms. For each one of the selected themes we have selected a firm, and from this point up until the end of the year we'll go out and visit them, we tell them how we do it, they tell us how they do it and we'll all learn» (C, large firm, electricity and gas, QD).

In summary, the external context does seem to have a significant influence on TBL reporting due to the growing general social concern over social, environmental and ethical issues. However, the influence of conventional stakeholders is limited to specific cases. The narratives place of more significant role to the media, experts and peer organizations in translating the social concern into specific demands to organizations.

4.2. INTERNAL CONTEXT: THE ORGANIZATION

In this paper it is argued that focusing only on the external context will only provide a partial explanation of SED practices. This and the next section explore the role that organizational and individual influences played in the initiation and development of TBL reporting in Spain. A cursory examination of TBL reporting in Spain reveals that this practice spread in a relatively short period of time and that its implementation together with other CSR practices does not seem to have caused a dramatic change in their standard working practices. These two observations beg the question of whether other drivers exist that were already in place and facilitated the adoption of such practices. Three internal influences seem to have played a key role as facilitators or inhibitors of TBL reporting: the core values of the firms; the resources and capabilities of the organization; and change and internal conflicts.

4.2.1. *The core values of the firms*

The consistency of the philosophy underlying social and environmental reporting and the core values of organisations seems to have enabled firms to initiate TBL reporting. For example, one interviewee explained the launch of TBL reporting in his SME in the following way:

«It is an idea that we put forward when “X” was launched 26 years ago. (...) A firm must involve profits, it obviously has to have an economic part to it, it has to have a social part that allows people to develop their skills as far as possible, at work, as consumers and in their leisure time, and at the same time it has to be in a position to improve the planet, we should improve what we leave behind, what we have and what we are going to leave behind us afterwards» (O, SME, real estate activities, MD).

The harmony between TBL reporting and organisational values seems to be closely coupled with firm's ownership structure. Those firms examined in the hands of workers, consumers, public administrations and civil organizations, as well as small family-sized firms seem to be more aware of stakeholders and tend to reconcile their respective interests in their daily management. For some of these firms preparing a sustainability report is perceived as a natural step forward that represents continuity in their standard management practices. The following quotes by those that draft the sustainability reports illustrate such a stance:

«Social responsibility is let's say, you could almost say in the genes of the Savings Bank, it has always been there and we have always carried out a great deal, a very great deal of social action» (K, large firm, financial activities, DSR).

«It is a public firm for which reason it is or we understand that it is, driven by a certain sense of duty, in general (...) we are obliged to be somewhat of an example to other firms, which is why we go that one step further, despite everything that we've done: an ISO 14000 on the environment, with the edition not only of environmental reports, but also of sustainability reports in line with GRI guidelines» (L, large firm, transport, ED).

4.2.2. *Resources and capabilities*

Experience with total quality and environmental management systems, as well as with preparing reports seems to have been a source of synergies that have facilitated CSR practices in the organisations under analysis. This was specially the case of firms in environmentally «sensitive» sectors that used to publish environmental reports.

«We had (...) tools to gather the information, people to do it, experience elaborating environmental reports, a communications company to design it, so we did it [the sustainability report]» (N, SME, cement manufacture, ED).

Albelda *et al.* (2007) found out that the implementations of the European Community's Eco-Management and Audit Scheme (EMAS) not only increased the skills and expertise of employees, the commitment of managers and cross-functional coordination and communication, but also improved the embeddedness of environmental concerns in the organizations. The interviewees also noted the existence of synergies between CSR and the previous EFQM systems.

4.2.3. *Change and Internal conflicts*

TBL reports are not only conceived by managers interviewed as the result of a process, but also as a means, a management tool for organizational change. The report is not only addressed at the outside, but also at internal audiences. Implicit in the process of drawing up the reports is the collection, the measurement and the analysis of information that seems to be helping firms to become more aware of their actions, to know themselves better and to be able to compare themselves with others as well as with their past performance. Thus, different interviewees highlighted the process of drawing up the reports as playing a role in the implementation of significant changes within organisations.

«Also drawing up the report in line with GRI, as you question things and you set yourself challenges, I mean to say that it is a little as if you were on a forced march to wherever you were going, it makes you get a move on a little more, because it's demanding and you have to be honest when you answer it because otherwise, it wouldn't make any sense. I think all that makes it a sort of driving force» (P, SME, food processing, QD).

These organisational changes seem to bring with them conflicts within the organisation concerning not only resistances to change, but also who governs the change. As pointed out also by Adams (2002) a conflict at the launching of the reporting process stems from the power struggles between the different departments for the control of such process within the organisation. One interviewee from the communications department in a Spanish multinational firm describes this process in her organization.

«There was a moment when nobody knew who was going to take the whole caboodle forward, something which happens in all firms, nor did we know how it was going to be organised. Those in the environmental department pushed and pulled and wanted to write sustainability into everything. Communications wanted to stamp CSR on everything, those from I don't know where wanted corporate responsibility, and in the end... Who got the job? Well the person who made most noise, there was no intellectual reason. (...) There are still departments that resent this situation» (C, large firm, electricity and gas, CD).

Resistance to change plays a complex role in TBL reporting. On the one hand, there are accounts of resistance to the initiation of TBL reporting, not only from the top of the organization as this manager highlighted:

«This report was put together in 2001, it was the 2002 one, it was never published, (...) it is an excellent report, but it was never published, and it was never published, because some of the directors at that moment in time..., some of the directors, I won't say all of them, but some of the directors who have to take the decisions over publishing this and that, were not convinced, they didn't understand it» (C, large firm, electricity and gas, CD).

But, also from the employees in charge of implementing the changes that are necessary:

«There were some very hard times I think with some people who had to provide you with information and who didn't want to, who went beating around the bush and who didn't send it to you, who sent you really very badly done work, that you however couldn't, couldn't do a thing with, people who then got cross because you put this or that and not the other» (C, large firm, electricity and gas, CD).

On the other hand, the interviewees also stressed that just as the implementation of the CSR criteria is an important source of internal conflicts, the conjunction of two contextual influences such as the will of some managers to introduce organizational changes in the development of TBL reports, and the favourable opinion (legitimacy) provided by external experts about this new initiatives, could bring with it implicit mechanisms to soften those focal points of resistance:

«What AENOR [Spanish Association for Normalization and Certification; Spanish Associate of ISO] tells us... (...) well it helps us deal with management because we are stronger, so that later when we have to pass on the improvements that we have to do, well they'll be that bit more credible» (H, large firm, electricity and gas, ED).

And a similar observation was made with regard to the resistance of employees. The process of drawing up the TBL report seems to have the capacity to «raise awareness» and «educate» internal actors and engage them personally in the process.

«[The report] has served on the one hand to raise awareness in the different areas which were perhaps not so involved in these matters and to move them towards what we wanted. Also, when it comes to taking action, it is easier if they already know and are already involved in the publication and in what there is to be done» (I, large firm, electricity and gas, CD).

In summary, the organizational context appears to be influential for TBL reporting, although corporate narratives suggest that what explains the dynamics of SED is in fact the confluence of different external and internal influences.

4.3. INTERNAL CONTEXT: INDIVIDUALS

The interviewees provided an account of TBL reporting practices in which a further dimension of the internal context was considered to play an influential role: the individuals engaged in the process of TBL reporting. This was particularly apparent in the case of SMEs.

«I'm here as the big gun, the animator, the agent of the organisation, so in some ways I feel it more than anybody. I try to get it moving by creating concern (...) if you have to pull your organisation along with you, you have to be more convinced than anybody» (P, SME, food processing, QD)

Apart from the general observation of the relevance of individuals in SMEs, this dimension could be analytically broken down in the specific characteristics that could influence CSR and SED practices: the proactive attitude of the actor, his/her ethical and moral values and his/her personal views on sustainable development.

4.3.1. *Proactive attitude*

Proactive attitude is a psychological characteristic of the individual (the executive who leads the initiation of SED) that indicates a tendency to seek out new ideas and new initiatives that improve the actual conditions in which the organisation is found (Bateman and Crant, 1993; Crant, 2000). The importance of this influence of SED was highlighted by Ullmann (1985) who referred to the individual's *active strategic posture* (see also, Roberts, 1992). According to the account of one CSR executive in a Spanish multinational company the proactive attitude of some individuals seem to play a significant role:

«[The idea of implementing CSR practices] arose from the uncertainty of specific people here to take up the idea and we started to think about it, to read up on it, to draw up benchmarks, and that sort of thing, to analyse it and to say, this might be one way forward, we proposed it to management and management told us to study it» (D, large firm, electricity and gas, DSR).

4.3.2. *Ethical and moral values of the manager*

Alongside their proactive attitudes, the values and personal convictions of managers also appear to be influential for SED: some of the managers interviewed have specifically expressed their personal commitment to CSR beyond their professional duties and purely economic objectives. Some executives have gone so far as to affirm that they have a *vital* commitment towards social and environmental issues.

«Being in the firm, in a social responsibility department is a way of having the resources to do things in which you believe» (F, large firm, retail trade, DSR).

«If the firm were only an economic entity, or a business, I don't know whether or not I would continue to be a business person, I understand it as being much more than all that» (M, SME, food processing, MD).

Many interviewees declared that they found some «personal satisfaction» in trying to promote CSR and SED practices in their organizations, pointing again to a narrative about assembled influences. However, it is also apparent that individuals had a stronger influence in SMEs, while institutional factors played a more important role in large organizations.

4.3.3. *Individual's views on sustainable development*

One final issue that emerged from the interviews is that the personal conceptualization of sustainable development (particularly in the case of large firms) was not linked to ecological sustainability, but to the sustainability of the organization (see Adams, 2004 or Gray 2006, for the same finding). In some cases, the managers have even made it quite clear that global sustainable development is not compatible with their business activities (despite calling the report they draw up a «sustainability report» in relation to global sustainability). The following quote reveals the most widespread feeling, in the words of a manager responsible for drawing up the TBL report of a large firm in the services sector.

«We would uphold the classic definition of sustainable development, to protect the environment for our generation, that is, to develop ourselves as a firm without compromising the environment, or current or future generations. This is almost a philanthropic definition of what sustainable development is, as a philosophy. For us it is a definition but I don't think that it is adapted to the real world of firms. (...) I think that sustainable development for the majority of firms is all that effort that as firms we put into our work to create a safe and peaceful setting in which we can progress in the short, medium and long term» (G, large firm, urban waste management, ED).

Different narratives express the same basic idea: sustainable development is a utopia that needs to be translated into what is possible in the business world. The individual reactions to this go from a more pragmatic approach (see the previous quote) to bitterer accounts. The specific influence of this personal approach to sustainable development is a more convoluted question that this paper cannot answer.

5. DISCUSSION AND CONCLUDING COMMENTS

Inspired by previous literature (Adams, 2002; O'Dwyer, 2002) that drew our attention to the limited attention that the influence of the internal context has received in extant research on SED, this paper conducted a field study of the external and internal contexts that motivated the recent emergence of TBL reporting in Spain, on the understanding that the investigation of either only external or only internal contexts limits our knowledge of the complex realities that surround SED (Adams, 2002). This course of action has revealed the importance of the confluence of both contexts, with assemblages of internal and external influences enabling or inhibiting the decision and the process that lead to the elaboration and publication of a TBL report. The present study has established that: (a) both external and internal (organizational and individual) contexts seem to influence the decision and the process of preparing a TBL report; and (b) there exist particular assemblages of influences stemming from external and internal contexts that are specific to organizations and act as powerful inductors or inhibitors of change, as already posited by Larrinaga-González and Bebbington (2001).

Section four provided accounts of particular assemblages of influences, as rationalized by the actors. To provide just a few examples, proactive individuals appear to be more influential within their own organizations if they find other organizations in their institu-

tional environment that provide them with benchmarks. A multiplier effect also appears to exist between personal and organizational values or between proactive individuals, resistance to change and external «experts». The direction of influence in such coalitions is not always clear. For example, mass media arguably mediates in both directions between individual, organizational and the remaining external contexts.

Taken together, these findings seem to confirm the arguments in previous literature (Adams, 2002; Gray, 2002b) on the need for simultaneous study of external and internal contextual influences of SED.

The analysis carried out in this paper also yields significant insight into the appearance and development of TBL reporting in Spain. As regards the external context, a causal relationship could be inferred from the narratives between a growing social concern mainly derived from financial scandals (rather than from a concern for sustainable development itself) and TBL reporting, further reinforced by benchmarking and the role of experts. The role of media is not negligible, but its role, according to the interviewees, could be different to what is usually expected, as the media not only echo social concerns, but are also conceived as «educating» stakeholders, influencing their expectations and perceptions (see Brown and Deegan, 1998; and Deegan *et al.*, 2002). As might be expected, the external context in the accounts of the interviewees appears less significant for TBL in the case of SMEs and cooperatives, except for the role played by the government. Interviewees also asserted that stakeholders do not seem concerned about the content of TBL reports, do not demand them explicitly, and do not provide any feedback on their contents, corroborating Adams (2002) rather than Tilt (1994) and Deegan and Gordon (1996). This opens a new avenue of research in the SED field into the gap between sustainability concerns at societal and stakeholder level difficult to explain with the prevalent SED theories. But this is not the only paradox we found in relation to this issue. While interviewees see stakeholder interest as a keystone for the development of TBL reporting, after analysing the reports and interviews we could conclude that the organizations do not seem to have developed appropriate mechanisms for stakeholder engagement. This picture does not conform to the *social accounting* normative archetype of SED as a mechanism for the discharge of accountability (Adams, 2004; Thomson and Bebbington, 2005), but rather to an activity that responds to institutional financial stakeholders and their concerns over financial scandals.

Apart from the motivations to develop TBL reporting discussed in the previous paragraph, two different influences seem to have played a key role in the institutionalization of TBL reporting in Spain: the importance of collaboration and benchmarking between firms and the influence of experts. It is argued here that these two factors could explain why TBL reports in line with GRI guidelines that were prepared by Spanish firms increased from 6 in 2001, to 76 in 2005 (Calvo-Sanchez *et al.*, 2007). The present study shows how the sustainability reporting field became a collaborative space between companies that arguably compete with each other, but which also meet in the same clubs to pursue common purposes. Those clubs were very active at defining the scope and content of corporate social responsibility, spreading social and environmental disclosure. This finding, in conjunction with the lack of accountability discussed previously, could

indicate that firms decide to collaborate to engage in a collective process of what has been described in the literature as *managerial capture* (O'Dwyer, 2002; Moneva *et al.*, 2006). Another significant influence for the institutionalization of SED illuminated in this study stems from groups of experts. The preferences of experts on CSR, with different backgrounds and power, appear to have a significant influence on the scope and content of TBL reports, rather than the interests of a broad range of stakeholders. Interestingly, the way in which firms align forces as a result of groups of experts, and its consequences for SED is an unexplored area in social accounting research.

Concerning the internal organizational context, a relationship between TBL reporting and the core values of firms appears to exist, in which the ownership structure or the size of organizations has an association with the narratives about SED. The direction and sign of such an association seem to depend on the confluence of external and internal influences. In this respect, although more research is needed in this area, the approach of transnational firms, present in international financial markets and with a shareholder orientation, seems to be less transparent than the account of SMEs, cooperatives and non-for-profit entities, mostly operating locally and characterized by what Smith, Adhikari, and Tondkar (2005) refer as a more communitarian perspective of many continental European countries. An additional finding in the organizational context is the reflexive role that SED plays in organisational change (Gray *et al.*; 1995a; Larrinaga-Gonzalez and Bebbington, 2001). TBL reports could be the outcome of changing organizational values, but it is also acknowledged that TBL could play a role not only in legitimising corporate behaviour *vis-à-vis* the public (external legitimacy), but also in overcoming the resistance of those that hold the power to allow the initiation and the subsequent development of CSR practices such as TBL reporting (internal legitimacy). This is specially so in large companies, which also need a confluence of rhetorical factors (e.g. benchmarking, recommendation of experts) to break down internal resistance and assuage conflict.

Finally, the results obtained in this study also underscore the need to consider individual influence. The proactive attitude of managers, their personal values and their opinions on the possibility of achieving sustainable development, all appear to be important internal influences to SED. This is specially the case of SMEs, where it could be maintained that the external context (with the exception of governmental promotion) is less significant than the characteristics of the individual, assembled with other influences (e.g. coherence of personal and organizational values). Although, previous studies (Bebbington *et al.*; 1994; Deegan, *et al.*; 1996; Wilmshurst and Frost, 2000; Adams, 2002; Collison *et al.* 2003; Cormier *et al.*; 2004; Kuasirikun, 2005) were concerned with the actors' perceptions and attitudes towards SED, very little is still known about the influence on SED of their cognitive characteristics, attitudes, values and personal views.

REFERENCES

- ADAMS, C. 2002. Internal organisational factors influencing corporate, social and ethical reporting: beyond current theorising. *Auditing, Accounting and Accountability Journal* 15(2): 223-250.
- 2004. The ethical, social and environmental reporting-performance portrayal gap. *Accounting, Auditing and Accountability Journal* 17(5): 731-757.

- ADAMS, C., and LARRINAGA-GONZALEZ, C. 2007. Engaging with organizations in pursuit of improved sustainability accounting and performance. *Accounting, Auditing and Accountability Journal* 20(3): 333-355.
- ADAMS, C., and NARAYANAN, V. 2007. The standardization of sustainability reporting. In: UNERMAN, J.; BEBBINGTON, J., and O'DWYER, B., eds. *Sustainability Accounting and Accountability*, New York: Routledge: 70-85.
- ADAMS, C. A., and McNICHOLAS, P. 2007. Making a difference: sustainability reporting, accountability and organisational change. *Accounting, Auditing and Accountability Journal* 20 (3): 382-402.
- ALBELDA-PÉREZ, E.; CORREA-RUIZ, C., and CARRASCO-FENECH, F. 2007. Environmental management systems as an embedding mechanism: a research note. *Auditing, Accounting and Accountability Journal* 20(3): 403.
- Álvarez-Etxeberria, I. 2009. Las memorias de sostenibilidad: un instrumento para la gestión de la sostenibilidad. *Revista Española de Financiación y Contabilidad* 38(144): 677-697.
- ARCHEL, P.; FERNÁNDEZ, M., and LARRINAGA-GONZALEZ, C. 2008. The organizational and operational boundaries of triple bottom line reporting: a survey. *Environmental Management Journal* 41(1): 106-117.
- ARKSEY, H., and KNIGHT, P. 1999. *Interviewing for Social Scientists*. Sage Publications.
- BATEMAN, T. S., and CRANT, J. M. 1993. The proactive component of organizational behavior: a measure and correlates. *Journal of Organizational Behaviour* 14(2): 103-118.
- BEBBINGTON, J.; GRAY, R.; THOMSON, I., and WALTERS, D. 1994. Accountant's attitudes and environmentally-sensitive accounting. *Accounting and Business Research* 24(94): 109-120.
- BROWN, N., and DEEGAN, C. M. 1998. The public disclosure of environmental performance information – A dual test of media agenda setting theory and legitimacy theory. *Accounting and Business Research* 29(1): 21-41.
- CALVO-SANCHEZ, J.A.; GARAYAR-ERRO, A., and ÁLVAREZ-ETXEBERRIA, I. 2007. Informes de Sostenibilidad: estado del arte. *Cuadernos Aragoneses de Economía* 17(1): 63-97.
- CAMPBELL, D. 2003. Intra- and intersectorial effects in environmental disclosures: evidence for legitimacy theory. *Business Strategy and the Environment*, 12(6): 357-371.
- CAMPBELL, D., CRAVEN, B., and SHRIVES, P. 2003. Voluntary social reporting in three FTSE sectors: a comment on perception and legitimacy. *Accounting, Auditing and Accountability Journal*, 16(4): 558-581.
- COLLISON, D.; LORRAINE, N., and POWER, D. 2003. An exploration of corporate attitudes to the significance of environmental information for stakeholders. *Corporate Social Responsibility and Environmental Management* 10(4): 199-211.
- CORMIER, D., GORDON, I. M., and MAGNAN, M. 2004. Corporate environmental Disclosure: contrasting management's perceptions with Reality. *Journal of Business Ethics* 49(2): 143-165.
- CRANT, J. M. 2000. Proactive behavior in organizations. *Journal of Management* 26(3): 435-462.
- CZARNIAWSKA, B. (2004). *Narratives in Social Science Research*. London: Sage Publications.
- DEEGAN, C., and BLUMQUIST, CH. 2006. Stakeholders influence on corporate reporting: An exploration of the interaction between WWF-Australia and the Australian minerals industry. *Accounting Organizations and Society* 31(4/5): 343-372.
- DEEGAN, C., and GORDON, B. 1996. A study of the environmental disclosure practices of Australian corporations. *Accounting and Business Research* 26(3): 187-199.

DEEGAN, C.; RANKIN, M., and TOBIN, J. 2002. An examination of the corporate social and environmental disclosures of BHP from 1983-1997. A test of legitimacy theory. *Accounting, Auditing and Accountability Journal* 15(3): 312-343.

DEEGAN, C.; RANKIN, M., and VOGHT, P. 2000. Firm's disclosure reactions to major social incidents: Australian evidence. *Accounting Forum* 14(1): 101-130.

DiMAGGIO, P. J. 1988. Interest and agency in institutional theory. In: ZUCKER, L. G., Ed. *Institutional patterns and organizations: culture and environment*. Cambridge, M.A.: Ballinger.

GLOBAL REPORTING INITIATIVE (GRI). 2002. Sustainability reporting guidelines. Boston.

— (GRI). 2006. Sustainability reporting guidelines. Amsterdam.

GRAY, R. 2002a. The Social Accounting Project and *Accounting, Organizations and Society*: Privileging engagement, imaginings, new accountings and pragmatism over critique?. *Accounting, Organizations and Society* 27(7): 687-708.

— 2002b. Of messiness, systems and sustainability: towards a more social and environmental finance and accounting. *British Accounting Review* 34(4): 357-386.

— 2006. Does sustainability reporting improve corporate behaviour?: Wrong question? Right time? *Accounting and Business Research* 36(4): 65-88.

GRAY, R., KOUHY, R., and LAVERS, S. 1995b. Corporate social and environmental reporting. A review of the literature and a longitudinal study of UK disclosure. *Accounting, Auditing and Accountability Journal* 8(2): 47-77.

GRAY, R. H. and MILNE, M. J. 2004. Towards reporting on the triple bottom line: mirages, methods and myths. In: HENRIQUES, A., and RICHARDSON, J. Eds. *The Triple Bottom Line: Does It All Add Up?*, London: Earthscan: 70-80.

GRAY, R.; WALTERS, D. M.; BEBBINGTON, J., and THOMPSON, I. 1995a. The greening of enterprise: an exploration of the (non) role of environmental accounting and environmental accountants in organizational change. *Critical Perspective on Accounting* 6(3): 211-239.

HUBERMAN, M., and MILES M. B. 1994. Data management and analysis methods. In: DENZIN, N. K., and LINCOLN, Y. S., Eds. *Handbook of qualitative research*. Thousand Oaks, California: Sage.

KUASIRIKUN, N. 2005. Attitudes to the development and implementation of social and environmental accounting in Thailand. *Critical Perspectives on Accounting* 16(8): 1035-1057.

LARRINAGA-GONZALEZ C., and BEBBINGTON, J. 2001. Accounting change or institutional appropriation?—A case study of the implementation of environmental accounting. *Critical Perspectives on Accounting* 12(3): 269-292.

LAWRENCE, T. B. 1999. Institutional Strategy. *Journal of Management* 25(2): 161-188.

LLENA, F.; MONEVA, J. M., and HERNÁNDEZ, B. 2007. Environmental Disclosure and compulsory accounting standards: The case of Spanish annual reports. *Business Strategy and the Environment* 16(1): 50-63.

MAGNESS, V. 2006. Strategic posture, financial performance and environmental disclosure. An empirical test of legitimacy theory. *Accounting, Auditing and Accountability Journal* 19(4): 540-563.

MILLER, W. L., and CRABTREE, B. F. 1999. Depth interviewing. In CRABTREE, B. F., and MILLER, W. L., Eds. *Doing Qualitative Research*. California: Sage Publications: 89-108.

Moneva, J.M.; Archel, P. and Correa, C. 2006. GRI and the camouflaging of corporate unsustainability. *Accounting Forum* 30(2): 121-137.

NEU, D.; WARSAME, H., and PEDWELL, D. 1998. Managing public impressions: environmental disclosures in annual reports. *Accounting, Organizations and Society* 23(3): 265-282.

- O'DONOVAN, G. 2002. Environmental disclosures in the annual report. Extending the applicability and predictive power of legitimacy theory. *Accounting, Auditing and Accountability Journal* 15(3): 344-71.
- O'DWYER, B. 2003. Conceptions of corporate social responsibility: the nature or managerial capture. *Accounting, Auditing and Accountability Journal* 16(4): 523-557.
- 2004. Qualitative data analysis: illuminating a Process for Transforming a 'Messy' but 'Attractive' 'Nuisance'. In: HUMPHRY, C., and LEE, W., Eds. *The Real Life Guide to Accounting Research. A Behind-the-Scenes View of Using Qualitative Research Methods*. Amsterdam: Elsevier: 391-407.
- 2005. The construction of a social account: a case study in an overseas aid agency. *Accounting Organizations and Society* 30(3): 279-296.
- 2002. Managerial perceptions of corporate social disclosure. An Irish story. *Accounting, Auditing and Accountability Journal* 15(3): 406-436.
- PARKER, L. D. 2005. Social and environmental accountability research: a view from the commentary box. *Accounting Auditing and Accountability Journal* 18(6): 842-860.
- PATTEN, D. M. 1992. Intra-industry environmental disclosures in response to the Alaskan oil spill: a note on legitimacy theory. *Accounting, Organizations and Society* 17(5): 471-475.
- 1995. Variability in social disclosure: A legitimacy-based analysis. *Advances in Public Interest Accounting* 6: 273-285.
- PATTON, M.Q. 2002. *Qualitative evaluation and research methods*, Third Edition, Sage, Beverly Hills, California.
- ROBERTS, R. W. 1992. Determinants of corporate social responsibility disclosure: an application of stakeholder theory. *Accounting, Organizations and Society* 17(6): 595-612.
- SMITH, J.; ADHIKARI, A., and TONDKAR, R. 2005. Exploring differences in social disclosures internationally: A stakeholder perspective. *Journal of Accounting and Public Policy* 24(2): 123-151.
- THOMSON, I., and BEBBINGTON, J. 2005. Social and environmental reporting in the UK: a pedagogic evaluation. *Critical Perspectives on Accounting* 16(5): 507-533.
- TILT, C. A. 1994. The influence of external pressure groups on corporate social disclosure: some empirical evidence. *Accounting, Auditing and Accountability Journal*, 7(4): 47-72.
- TINKER, A. M., and NEIMARK, M. 1987. The role of annual reports in gender and class contradictions at General Motors: 1917-1976. *Accounting, Organizations and Society* 12(1): 71-88.
- ULLMANN, A. 1985. Data in search of a theory: A critical examination of the relationships among social performance, social disclosure, and economic performance of U.S. firms. *Academy of Management Review* 10(3): 540-557.
- WENGRAF, T. 2001. *Qualitative Research Interviewing: Semi-structured, Biographical and Narratives Methods*. London: Sage Publications.
- WILMSHURST, T. D., and FROST, G. R. 2000. Corporate environmental reporting. A test of legitimacy theory. *Accounting, Auditing and Accountability Journal* 13(1): 10-26.
- YIN, R. (1994). *Case Study Research: Design and Methods*, Second Edition, Beverly Hills, CA: Sage Publishing.

Appendix

Semi-structured interview guide

1. What, in the opinion of the firm, is sustainable development?
2. What, in your opinion, is sustainable development?
3. Why did the firm decide to tackle sustainable development?
4. Is sustainable development integrated in the corporate values and/or in the decision making process? In what way is this so?
5. How does the firm contribute to sustainable development? And what is your personal contribution?
6. Why did the firm decide to prepare a sustainability report?
7. How does the firm decide if data or information must be reported or not? Which persons and departments are involved in this decision? What is the role of the accounting department?
8. What are the inconveniences or advantages of publishing TBL reports?
9. Did you feel that society in general or any social group in particular were demanding TBL reports when you decided to publish them?
10. What kind of benefits do you want stakeholders to obtain with the TBL report? Why?
11. What sort of feedback have you had from stakeholders on the TBL report?
12. Why did you choose GRI guidelines to prepare the TBL report?
13. How did you place the TBL report in the public domain?
14. Which other information media did you use to describe the social and environmental performance of the firm?