

Says who? Stakeholder Voices in CSR reports - A Genre Approach

International Business Communication
Master's thesis
Nina Östman
2011

Says who? Stakeholder voices in CSR reports – A genre approach

Objective of the Study

The objective of the thesis was to investigate stakeholder voices in Corporate Social Responsibility (CSR) reports and examine *if, how* and *why* companies include comments, statements or questions by stakeholders in the CSR reports. The study explored the phenomenon of stakeholder participation through the following research questions: (1) “Is stakeholder participation a distinctive feature in CSR reports?”; (2) “How is stakeholder participation structured in CSR reports?”; and (3) “What is the communicative purpose of stakeholder participation in CSR reports?”.

Methodology and Theoretical Framework

The data in the qualitative study consisted of ten CSR reports published by large, international companies, questionnaire responses from three companies, and short unstructured interviews with two communications consultancy experts in CSR communications. The data were analysed through a genre approach. The theoretical framework of the study was formed on the basis of a literature review and it focused on stakeholder dialogue as a basis for co-created insights regarding CSR issues.

Findings and Conclusions

The study indicates that stakeholder participation is an internationally recurring feature in CSR reports. The key communicative purposes identified in the study were to add credibility, to open up for discussion about the company's CSR activities, to establish the importance of stakeholders' views and to improve the employer image. The study also shows that the commonly participating stakeholder groups are not the same as the main audience of the reports. Furthermore, this study showed that stakeholder participation elements consist of four main cognitive moves: (1) Including a headline; (2) Presenting the person; (3) Establishing a connection to the text(s) by the company; and (4) Conveying the views of the stakeholder. Finally, some recommendations for including stakeholder participation elements in CSR communications were given, and the danger of possible greenwashing through too positive statements was pointed out.

Key words: Corporate social responsibility, stakeholder voices, stakeholder participation, stakeholder dialogue, CSR reporting, co-created insights, international business communication.

Säger vem? Intressentröster i hållbarhetsrapporter – ett genreperspektiv

Syftet med studien

Syftet med pro gradu-avhandlingen var att utforska intressentröster i hållbarhetsrapporter och undersöka *om, hur* och *varför* företag inkluderar kommentarer, uttalanden eller frågor av intressenter i rapporterna. I studien undersöktes intressentdeltagandet genom följande frågeställningar: (1) "Är intressentdeltagande ett utmärkande drag i hållbarhetsrapporter?", (2) "Hur är intressentdeltagandet strukturerat i hållbarhetsrapporter", och (3) "Vilket är det kommunikativa syftet med intressentdeltagandet i hållbarhetsrapporter?".

Metodologi och teoretisk referensram

Materialet i den kvalitativa studien bestod av tio hållbarhetsrapporter publicerade av stora internationella företag, enkätsvar från tre företag och korta ostrukturerade intervjuer med två experter inom hållbarhetskommunikation anställda vid kommunikationsbyrå. Materialet analyserades ur ett genreperspektiv. Den teoretiska referensramen för studien byggdes upp på basis av en litteraturstudie och den fokuserade på intressentdialog som grunden för samskapade insikter om hållbarhetsfrågor.

Resultat och slutsatser

Avhandlingen visar att intressentdeltagande är ett internationellt återkommande inslag i hållbarhetsrapporter. De huvudsakliga kommunikativa syften som identifieras i studien var att öka företagets trovärdighet, öppna upp för diskussion om företagets hållbarhetsarbete, betona vikten av intressenternas synpunkter och förbättra företagets arbetsgivarbild. Studien visar även att de deltagande intressenterna sällan hör till hållbarhetsrapporternas huvudsakliga målgrupp. Vidare visade studien att intressentdeltagande består av fyra huvudsakliga strukturella drag: (1) Inkludera en rubrik, (2) Presentera personen, (3) Förknippa personen till texten skriven av företaget, och (4) Förmedla intressentens åsikter. Slutligen gavs rekommendationer för att inkludera intressentåsikter i hållbarhetskommunikation. Därtill påpekades risken för grönmålning genom alltför positiva uttalanden.

Nyckelord: Företagsansvar, intressentröster, intressentdeltagande, dialog med intressenter, hållbarhetsrapportering, samskapade insikter, internationell affärskommunikation.

Sidosryhmien näkyvyys vastuullisuusraporteissa genrenäkökulmasta

Tutkimuksen tavoitteet

Tutkimuksen tavoitteena oli tarkastella sidosryhmien näkyvyyttä vastuullisuusraporteissa ja selvittää sisällyttävätkö yritykset sidosryhmien kommentteja, lausuntoja tai kysymyksiä vastuullisuusraportteihinsa, ja *jos* sisällyttävät, *miten* ja *miksi*. Tutkimus selvitti sidosryhmien osallistumista tavoitteenaan löytää vastaus seuraaviin kysymyksiin: (1) "Onko sidosryhmien osallistuminen erottuva piirre vastuullisuusraporteissa?", (2) "Miten sidosryhmien osallistuminen on jäsenneilty vastuullisuusraporteissa?", ja (3) "Mikä on sidosryhmien osallistumisen viestinnällinen tarkoitus vastuullisuusraporteissa?".

Tutkimusmenetelmät ja teoreettinen viitekehys

Kvalitatiivisen tutkimuksen aineisto koostui kymmenestä suurten kansainvälisten yritysten julkaisemasta vastuullisuusraportista, kyselylomakevastauksista kolmelta yritykseltä, ja lyhyistä strukturoimattomista haastatteluista kahden viestintätoimistossa työskentelevän vastuullisuusviestinnän asiantuntijan kanssa. Aineisto analysoitiin genrenäkökulmasta. Tutkimuksen teoreettinen viitekehys perustui kirjallisuuskatsaukseen ja keskittyi sidosryhmien vuoropuheluun yhdessä luotujen, vastuullisuuteen liittyvien oivallusten perustana.

Tutkimuksen tulokset ja johtopäätökset

Tutkimus osoittaa, että sidosryhmien osallistuminen on kansainvälisesti toistuva piirre vastuullisuusraporteissa. Tutkimuksessa esiin nousseet tärkeimmät viestinnälliset tarkoitukset olivat uskottavuuden lisääminen, keskustelun avaaminen yrityksen vastuullisuustoiminnasta, sidosryhmien näkemysten merkityksen korostaminen ja työnantajakuvan parantaminen. Tutkimus osoittaa myös, että yleisesti osallistuvat sidosryhmät eivät kuulu raporttien pääkohderyhmään. Lisäksi tutkimus osoitti, että sidosryhmien osallistumisen elementeissä on neljä rakenteellista pääpiirrettä: (1) Otsikon sisällyttäminen, (2) Henkilön esitleminen, (3) Yhteyden luominen yritykseen tekstissä, ja (4) Sidosryhmien näkemysten esiin tuominen. Lopuksi annettiin suosituksia sidosryhmien osallistumisesta vastuullisuusviestinnässä. Lisäksi todettiin, että liian positiiviset lausunnot voivat lisätä viherpesun vaaraa.

Avainsanat: Yritysten vastuullisuus, sidosryhmien näkyvyys, sidosryhmien osallistaminen, sidosryhmien vuoropuhelu, yritysten vastuullisuusraportointi, yhdessä luodut oivallukset, kansainvälinen yritysviestintä.

TABLE OF CONTENTS

TITLE PAGE

ABSTRACT

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

1 INTRODUCTION	1
1.1 Evolving interest in Corporate Social Responsibility.....	3
1.2 Research objectives and questions	5
1.3 Structure of the thesis	8
2 LITERATURE REVIEW	9
2.1 Defining CSR	9
2.2 CSR reporting	14
2.3 The CSR–stakeholder relationship.....	25
2.4 Theoretical framework	38
3 METHODOLOGY	43
3.1 Data	43
3.2 Methods	48
3.3 Trustworthiness of the study	52
4 FINDINGS AND DISCUSSION	54
4.1 Mapping stakeholder participation	55
4.2 Structural features	64
4.3 Communicative purpose	73
5 CONCLUSIONS	83
5.1 Research summary	83
5.2 Practical implications	86
5.3 Limitations of the study	87
5.4 Suggestions for further research	89
REFERENCES	91
APPENDICES	100

LIST OF TABLES

Table 1: Overview of CSR reporting standards	18
Table 2: Morsing and Schultz' three CSR communication strategies.....	35
Table 3: CSR reporting companies chosen for analysis	46

LIST OF FIGURES

Figure 1: Global CSR report outlook by year, 1992–2010	5
Figure 2: The three components of the triple bottom line	11
Figure 3: Carroll's CSR pyramid	12
Figure 4: Drivers for CSR reporting	16
Figure 5: Level of integration of CSR information into annual reports	20
Figure 6: Reporting standards and guidelines used by companies	22
Figure 7: GRI application levels	23
Figure 8: GRI application level declarations	24
Figure 9: Stakeholder salience model	29
Figure 10: Main audiences of CSR reports	31
Figure 11: Theoretical framework	40
Figure 12: Examples of the visual design in stakeholder and managerial participation	58
Figure 13: Participating stakeholder groups	62
Figure 14: Examples of positioning the name and title in stakeholder participation elements	69
Figure 15: Examples of the structure of stakeholder participation	72

1 Introduction

At present, most companies are aware of the fact that they cannot only aim at financial gain, but also need to be both socially and environmentally responsible, i.e. corporate profit has to include sustainable growth and increasing stakeholder value (Roselle, 2005, p. 129). In addition, in today's world of globalisation and new information technologies, it is clear that no organisation exists in a vacuum, but all companies need to pay close attention to their stakeholders' wishes and needs (Freeman, Harrison & Wicks, 2008, p. 3). The connection between Corporate Social Responsibility (from this point on referred to as CSR) and stakeholders is emphasised in both academic and business literature on CSR (e.g. Cornelissen, 2011; O'Riordan & Fairbrass, 2008; Niskala, Pajunen & Tarna-Mani, 2009), and this connection will also play a key role in the present study.

In her work at a Finnish communications consultancy, the present author has seen a clear trend towards targeting company stakeholders and analysing their behaviour and needs when planning communication projects. This has been especially visible in CSR projects, where nearly all projects start with the mapping of key stakeholders. No longer is the focus on what the company wants or needs, but the emphasis lies on finding out what the stakeholders want (or need) to know about the company and where they are looking for the information. For instance, in annual report projects, the main stakeholder group targeted has been analysts. In CSR projects, however, analysts are only one of many stakeholder groups that are taken into consideration.

Because of this general trend in communication of focusing more and more on stakeholders, the decision was made to study the role of stakeholders in CSR reports. The link between CSR and stakeholders is obvious, as is also the fact that companies communicate their CSR activities to their stakeholders and collect

feedback from the stakeholders (e.g. Cornelissen, 2011; Burchell & Cook, 2006; O’Riordan & Fairbrass, 2008).

However, little attention has been paid to how stakeholders communicate their views on companies’ CSR activities to other stakeholders, even though involving stakeholders in CSR communication, according to Morsing and Schultz (2006, p. 333–334), will help the company to to develop and maintain strong stakeholder relationships. Additionally, a pro-active approach from the stakeholders mirrors how the company’s CSR activities are discussed and developed together with the stakeholders.

Similarly, Morsing and Schultz (2006) suggest that companies should let external stakeholders present their own views of the company’s CSR actions, for example in CSR reports – an argument in line with the research objective and questions in the present study. Therefore, this study will focus on how stakeholder voices are included in CSR reports, i.e. how stakeholders are given the possibility to express their views on a company’s CSR activities, with the aim to find out if, how and why stakeholder participation elements are included in CSR reports.

To show how the role and importance of CSR has grown during the last few decades, the emergence of CSR will next be briefly presented in Subchapter 1.1. A presentation of the research objectives and questions follows in Subchapter 1.2, and an overview of the structure of this thesis will be given in Subchapter 2.3.

1.1 Evolving interest in Corporate Social Responsibility

The concept of CSR can be claimed to be as old as business itself, but it is only during the last few decades that CSR has received attention as a core concept in business (Crane, McWilliams, Matten, Moon & Siegel, 2008, p. 3; Carroll, 2008, p. 19). Reasons for the growing interest in CSR include the continuing globalisation, mainly through the growth of internationality in the business community, leading to stakeholders increasingly demanding open and transparent information (Niskala et al., 2009, p. 11; Hopkins, 2003, p. 1). As a result of the transparency and accountability claims from different stakeholders, CSR awareness is now seen as crucial for companies operating worldwide (Nielsen & Thomsen, 2007, p. 25).

The emphasis on CSR has increased both in business and academia. As Carroll (2008, p. 20) states, academic studies on CSR are “largely a product of the twentieth century, especially the past 50 years or so”. Carroll (2008, p. 20) also points out that the oldest studies on CSR originate from the United States, whereas research, conferences and consultancies in CSR have become common in Europe during the past decade. In Asia, attention towards CSR has increased only recently.

From being a concept which earlier had its focus mostly on environmental questions, CSR has come to include wider responsibility areas and a large range of stakeholders (Carroll, 2008, p. 20; Tammelin, 2009, p. 243). Additionally, CSR is today regarded as an important part of business, integrated with strategic management as well as corporate governance (Carroll, 2008, p. 20).

As a result of the increased focus on CSR, companies have started to report on their CSR work and actions (Niskala et al., 2009, p. 15). The first environmental reports were published in the late 1980s, whereas wider-ranging CSR reports have emerged only recently (Niskala et al., 2009, p. 15).

An example of the evolving interest in CSR can be seen in the amount of CSR reports in the Global Reporting Initiative's (GRI) list of reports. The number of CSR reports on GRI's official list was 43 in 2000. In 2005, this number was 373 and in 2010, they amounted to 1,825 (The Global Reporting Initiative, 2011). In other words, there has been an increase in GRI-based CSR reports of over 4,200% in ten years.

Similarly, CorporateRegister.com (2011) provides evidence on the increased number of CSR reports. CorporateRegister.com publishes annual statistics on the number of CSR reports, with an even higher global output of CSR reports than on the GRI list. The larger number of reports can be explained by the fact that not all CSR reports follow the GRI guidelines. The trend is, however, the same also in the statistics by CorporateRegister.com, with a CSR report increase of 830% from 2000 (n=624) to 2010 (n=5,185). The number and increase of reports according to CorporateRegister.com is shown in Figure 1.

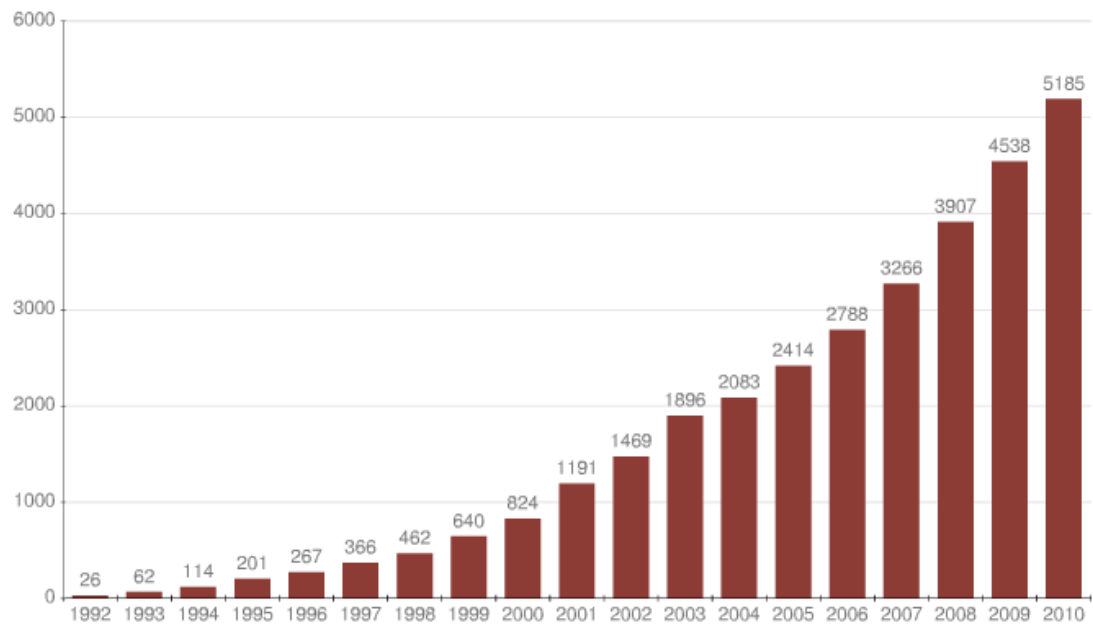


Figure 1. Global CSR report outlook by year, 1992–2010
(www.corporateregister.com).

1.2 Research objectives and questions

According to Cornelissen (2011, p. 44), one key concept in CSR is inclusiveness and not communicating *to* but *with* stakeholders. Thus, stakeholders can be said to play a key role in CSR initiatives. In their CSR report trend survey from 2009, Craib Design & Communications and PricewaterhouseCoopers (PwC) have listed stakeholder participation as one of the trends in CSR reporting today.

In the present study, stakeholder participation is defined as a text element, which has to include the name of the writer together with information about what the person's relationship is with the company (i.e. for instance an employee or representative of an NGO or the local community etc.). Furthermore, stakeholder participation needs to include a quote by the stakeholder about the company and/or a topic related to the company's business.

Similarly, Morsing and Schultz (2006, p. 334) suggest that CSR reports are a suitable channel for giving stakeholders a voice and recommend that companies should let external stakeholders express their view of the company's CSR actions. In other words, these suggestions imply that stakeholder groups should not only be provided with the information they need or demand – they should be given the possibility to express their views in their own words in the CSR reports.

Even though stakeholder participation in CSR reports is identified as a trend in business, there seems to be little, if any, academic research about this area. Many studies focus on stakeholders and CSR (e.g. Vos, 2003; Peloza & Shang, 2010; Bhattacharya, Korschun & Sen, 2009; Werther & Chandler, 2011), but a research gap exists in the area of stakeholder voices in CSR reporting. This area is, however, of great importance, as involving stakeholders in CSR communication can influence other stakeholders towards seeing the corporate CSR initiatives as more credible, as the viewpoint comes from outside the company (Morsing & Schultz, 2006).

The objective of this thesis is to increase our knowledge of stakeholder participation in CSR reports, filling a research gap within the field of international business communication. It will be done by attempting to answer the questions *if*, *how* and *why* stakeholders are given the possibility to convey their own views in the CSR reports. To meet this objective, the following research questions have been specified:

- 1 IF** – Is stakeholder participation a distinctive feature in CSR reports?
- 2 HOW** – How is stakeholder participation structured in the CSR reports?
- 3 WHY** – What is the communicative purpose of stakeholder participation in CSR reports?

The first research question is included since stakeholder participation is a fairly new phenomenon in CSR reporting. The purpose of this research question is to provide an introductory mapping of the phenomenon, aiming at finding out whether stakeholder participation elements are actually included in CSR reports or not. The second research question aims at finding out how possible stakeholder participation is structured in the report and whether there are any recurring cognitive moves in the textual element of stakeholder participation. The third research question regards the communicative purpose of stakeholder participation, i.e. why companies might give stakeholders the possibility to have their voices heard in the reports.

In the present study, the research area will be addressed through a qualitative approach using genre analysis. More specifically, Bhatia's (1993) model for genre analysis, where the aim is to interpret, describe and explain a genre and its communicative purpose, will be used as the basis for the analysis.

The primary data for the study consist of ten CSR reports. The CSR reports chosen are published by large companies from different business and geographical areas, thereby positioning the study in an international context. In addition to the CSR reports, the findings are based on responses to an e-mail questionnaire from representatives of the companies issuing the reports, as well as two interviews with experts from communications agencies working with CSR communication and reporting.

1.3 Structure of the thesis

This study is divided into six chapters. In Chapter 1, the emergence of Corporate Social Responsibility, the research objective and questions as well as the structure of this thesis have been introduced. Chapter 2 presents an overview of relevant previous literature and research done in the field of CSR and stakeholders. The Chapter is divided into four main parts: Subchapter 2.1 concentrates on the concept and possible definitions of Corporate Social Responsibility, followed by Subchapter 2.2 on CSR reporting and particularly on reporting standards and trends, as well as the Global Reporting Initiative. Subchapter 2.3 focuses on the role of stakeholders in CSR reporting, starting with two sections on models of stakeholder classification as well as the identification of CSR stakeholders, and continuing with a section on stakeholder dialogue. In Subchapter 2.4, the theoretical framework of this study will be introduced.

Chapter 3 will present the data and methods used in the study. In addition, the trustworthiness of the study will be discussed. In Chapter 4, the findings of the study will be presented and discussed based on the literature reviewed and the theoretical framework. Chapter 5 concludes the study. It includes a summary of the study and findings together with practical implications, possible limitations of the study and suggestions for further research.

2 Literature review

The purpose of the present Chapter is to review literature relevant in the present study, which has as its objective to analyse the role of stakeholder participation in CSR reports. In the Chapter, a theoretical framework for the analytical part of the study will be developed. The literature that will be presented in this chapter focuses on CSR, CSR reporting and the role of stakeholders in CSR reporting, as these topics form the basis for the study and are closely related to the research questions presented in Subchapter 1.2.

The Literature review is divided into four Subchapters. Subchapter 2.1 establishes a common understanding of CSR, i.e. it introduces the main CSR models and terms as well as presents some of the definitions of CSR that have been used. Subchapter 2.2 addresses CSR reporting and the present reporting standards and trends, focusing particularly on the Global Reporting Initiative, as the reports chosen for this study adhere to the Global Reporting Initiative's highest reporting level. Subchapter 2.3 discusses stakeholder classification and dialogue. Based on the literature review, the theoretical framework for this study will be developed in Subchapter 2.4.

2.1 Defining CSR

As described in the Introduction, there is an increasing interest in CSR. Despite this, there is no definitional consensus neither among business practitioners nor in academia. In other words, there is no one single definition of CSR (Crane et al., 2008, p. 4), nor is CSR the only term used to describe this concept. Crane et al. (2008) point out that there is no common term agreed on and that even the whole concept of CSR is often criticised, i.e. there is no general agreement on the fact that there should be a clear link between responsibility and business.

In this thesis, the term Corporate Social Responsibility (CSR) is used, but there are also alternative terms, out of which the most common are sustainability and Corporate Responsibility (CR). As stated by Tammelin (2009, p. 244), other terms often used both in business and research include corporate citizenship and sustainable responsible business. In this thesis, these terms are seen as synonyms with identical meaning, as all of these terms are used in both academia and business.

The term Corporate Responsibility is preferred by many, including the journal *Ethical Corporation* (Hopkins, 2003, p. 11). According to Hopkins, the supporters of the term CR argue that CSR is confusing, since it puts *social* at the core of CSR. Moreover, those arguing for the term CR claim that it is a more suitable term than CSR since it does not exclude environmental and financial aspects.

However, as also Hopkins (2003) points out, by including the word *social*, it is emphasised that CSR is about the whole responsibility area. As economic responsibility (i.e. making profit for the stakeholders) always has been one of the main responsibilities of a company, it could thus be called Corporate Responsibility. According to Hopkins (2003), it is thus advisable to use the term CSR to avoid the possible misinterpretation of CR being only about economic aspects, which is why the term CSR is used in this thesis.

Today, CSR is commonly seen as a concept including three main components: social, environmental and economic responsibility (e.g. Cornelissen, 2011, p. 236; Savitz & Weber 2006, p. xiii). Described in more concrete terms, CSR is about caring about people, profit and planet (Cornelissen, 2011). A commonly used term for this CSR model is the triple bottom line, which was presented in 1994 by John Elkington and is illustrated in Figure 2. The term was introduced as a counter-response to the narrow focus on environmental responsibility and as a call for a

broader view on responsibility, which also includes the social and economic impacts of business (Elkington, 2008, p. 466).

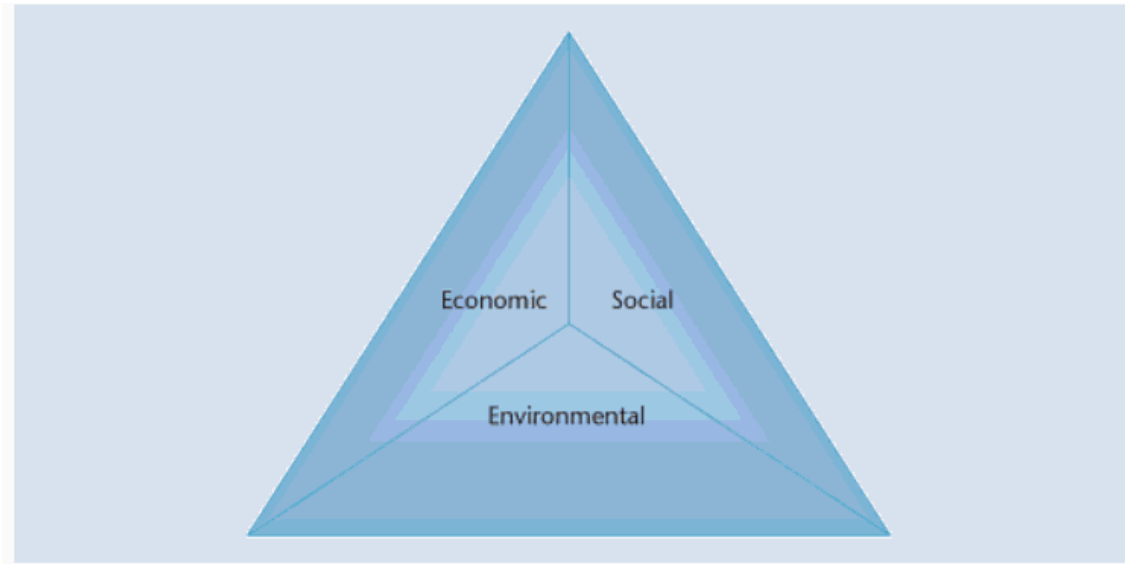


Figure 2. The three components of the triple bottom line (Crane & Matten, 2007)

Another older model of responsibility areas is provided by Carroll and includes the economic, legal, ethical and discretionary or philanthropic responsibilities of a company (Carroll, 2008, p. 34; Crane & Matten, 2007, p. 49). Carroll (1991) argues that the four areas of responsibility in his model can be depicted as a pyramid. In the pyramid, economic responsibility forms the basis for a company's responsibility, as it is the "foundation which all others rest" and without which the other categories cannot be achieved (Carroll, 1991, p. 42; Branco & Rodrigues, 2007, p. 9). Figure 3 visualises Carroll's conceptualisation of CSR.

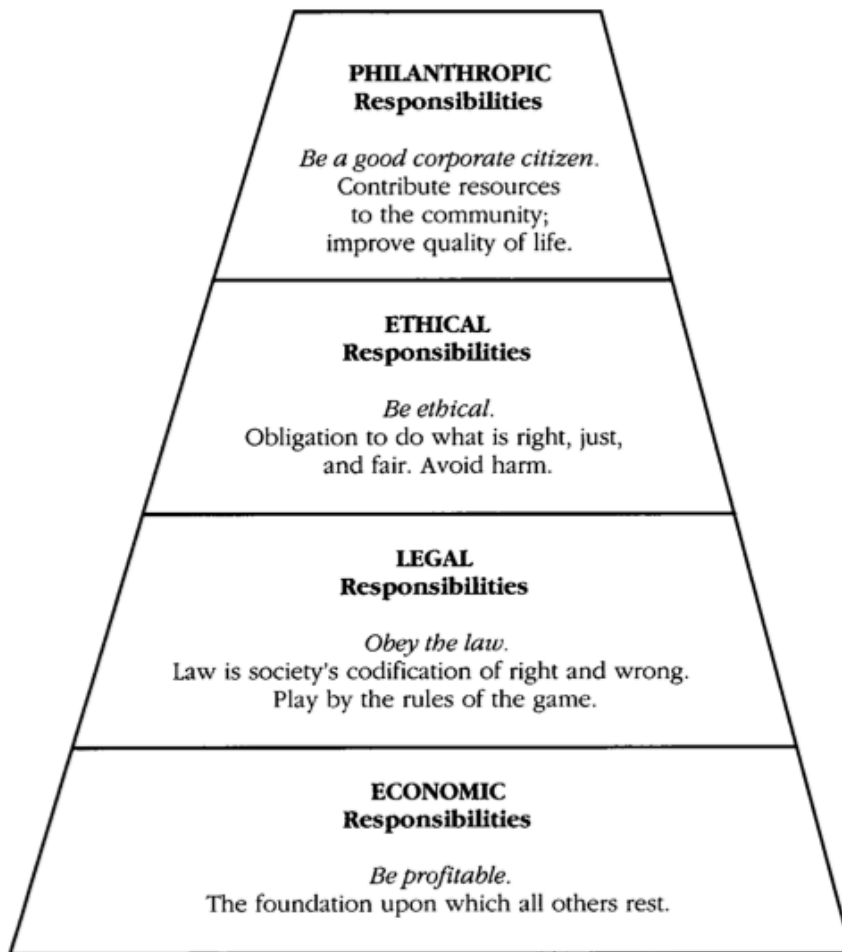


Figure 3. Carroll's CSR pyramid (Carroll, 1991)

Carroll's model is introduced here as it has been widely cited in CSR literature and is a well-known conceptualisation of CSR. However, the model will not be used as a basis for analysis in this research project, since the researcher wishes to put equal emphasis on economic, social and environmental responsibility. This decision is in line with the Global Reporting Initiative's reporting framework, which will be presented in Section 2.2.2, since the Global Reporting Initiative emphasises all three main areas of the triple bottom line model.

Just as there is no general agreement of terms or CSR models, there is also a large number of definitions for CSR available (e.g. Hopkins, 2003, p. 9; Tammelin, 2009,

p. 244). Below, some of them are presented to give a more detailed view of what CSR can be considered to include.

- CSR is concerned with treating the stakeholders of the firm ethically or in a responsible manner. ‘Ethically or responsibly’ means treating stakeholders in a manner deemed acceptable in civilized societies. Social includes economic responsibility. Stakeholders exist both within a firm and outside – for example, the natural environment is a stakeholder. The wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for people both within and outside of the corporation. (Hopkins, 2003, p. 10.)
- CSR is the proposition that companies are responsible not only for maximizing profits, but also for recognizing the needs of such stakeholders as employees, customers, demographic groups and even the regions they serve. (Pricewaterhousecoopers, as cited in Tammelin, 2009, p. 245)
- The continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large. (Cornelissen, 2011, p. 236.)
- CSR is the obligations or duties of an organization to a specific system of stakeholders. (Vos, 2003, p. 142.)
- CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. (European Commission, as cited in Aras & Crowther, 2010, p. 281.)

As can be seen in these examples of definitions, CSR is concerned with how companies do business in a responsible way, focusing on the needs of both internal and external stakeholders on a voluntary basis. In other words, stakeholders play a key role in companies' CSR work. Schultz and Wehmeier (2010, p. 13) argue that CSR should be seen as a multilevel, dynamic process, with processes including organisational actors, different organisations and the environment. As is stated by Schultz and Wehmeier (2010, p. 13) as well as seen in the definitions listed above, companies need to integrate both social and environmental concerns in their business activities as these factors also can affect the company's performance (Epstein, 2008).

2.2 CSR reporting

Today companies communicate their CSR activities and results more and more actively to their stakeholders. According to Birth, Illia, Lurati and Zamparini (2006, p. 3), this is much because of the technological and communicational changes during the last decade as well as because of the opportunity the company has to utilise CSR communication to influence stakeholders and opinion leaders, improve the society's image of the company and legitimise the company's actions.

Companies can choose to communicate CSR through several different channels. The channel utilised the most for communicating social, economic and environmental performance is the CSR report, but also websites and advertisements have been used for CSR communication purposes (Birth et al., 2006; Farache & Perks, 2010; Polonsky & Hyman, 2007). In addition, Ziek (2009, p. 139) provides a list of different contexts for CSR communication, which includes the following: annual report; annual shareholders letter; indexes and organisational linkages;

information on philanthropy; nonfinancial publications; organisational codes and dedicated nonfinancial web pages.

In academia, the largest part of the research on CSR communication focuses on websites and CSR reports, which also indicates that these channels are most commonly used for this purpose (Birth et al., 2006). During the past few years, the web has gained an even more important position as a medium for communicating CSR, and has been the topic for several CSR communication related research projects (see e.g. Moreno & Capriotti, 2009; Gill, Dickinson & Scharl, 2008; Gomez & Chalmeta, 2011; Chaudri & Wang, 2007). CSR advertisements, however, have only scarcely been studied in academic research (Farache & Perks, 2010). In the present study, the focus lies on CSR communication in CSR reports, which will be the theme of the remaining part of the present Subchapter.

As described earlier in the Introduction, the number of companies reporting on CSR issues has increased tremendously during the past decade. According to Niskala et al. (2009, p. 15), CSR reporting gives companies the opportunity to report useful information for decision-making to their stakeholders. Or, as is stated by the professional services company KPMG (2008): “The world’s top performing companies would not engage in the practice of reporting unless they were benefiting from it”. KPMG (2008) also lists drivers for CSR reporting, which are presented in Figure 4. As can be seen in Figure 4, ethical and economic considerations as well as brand management, innovation and learning are the main drivers for CSR reporting according to KPMG’s study. However, the importance of economic considerations has decreased only slightly from 2005 to 2008, whereas “softer” values and brand management are becoming increasingly important. Also the emphasis on cost savings has risen, likely due to the financial crisis in the late 2000s.

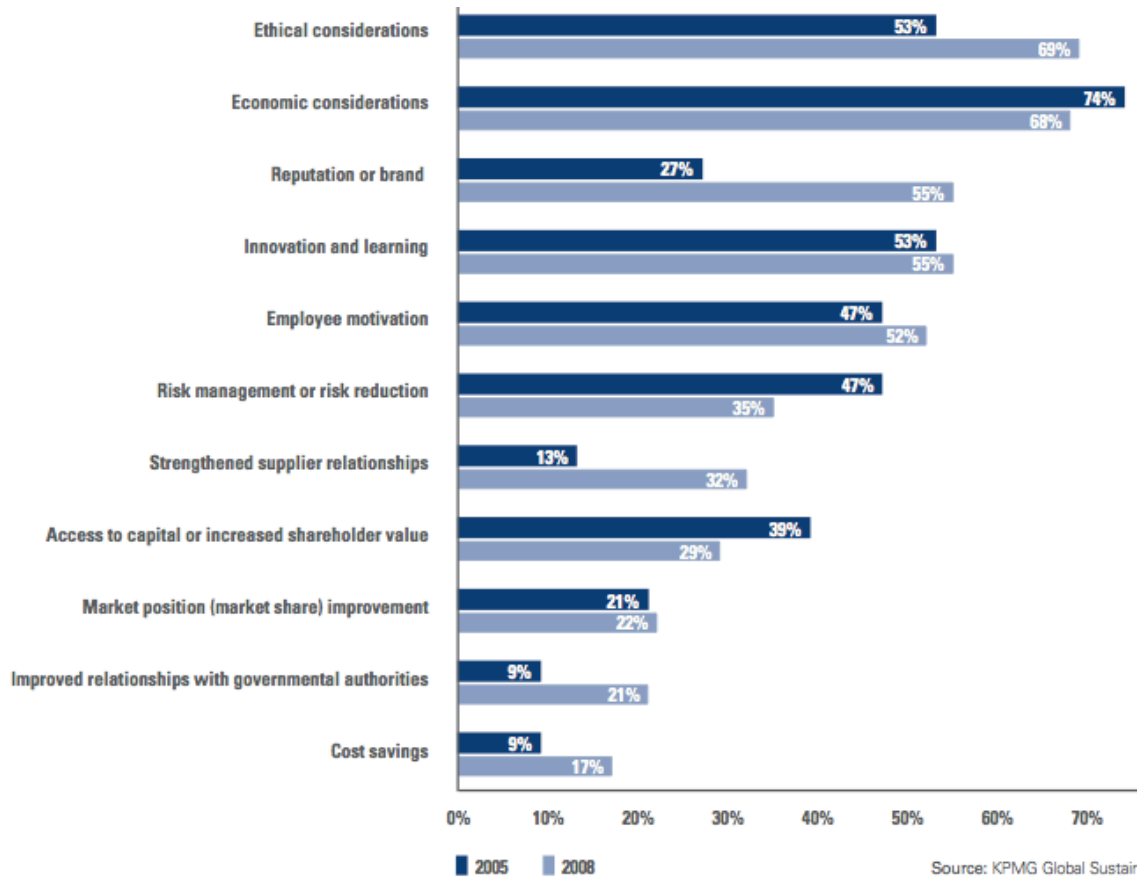


Figure 4: Drivers for CSR reporting (KPMG 2008)

Other reasons for CSR reporting include arguments such as it supports companies' management systems and enables companies to integrate sustainability in their daily work. As Niskala et al. (2009, p. 15) put it, through this new way of reporting, companies can present their impacts on society in a more detailed way than was possible in traditional financial reporting. Additionally, Jones III and Jonas (2011, p. 67) point out reasons for increased CSR attention listed in academic research, where the motives for CSR reporting include the desire to comply to legal requirements as well as community expectations, responses to media attention on CSR related incidents as well as attracting ethical investment funds.

As a result of the increasing number of companies reporting on their CSR issues and activities, there has arisen a need for CSR reporting guidelines and standards. Some of these reporting standards as well as CSR trends that have arisen during the past few years will be introduced next in Section 2.2.1. Section 2.2.2 focuses on the Global Reporting Initiative, the source of the CSR reporting guidelines most widely used today and utilised in the present study for choosing the reports to be analysed.

2.2.1 CSR reporting standards and trends

Since there is no one and only way of reporting CSR, there exists a variety of reporting standards (Chen & Bouvain, 2009, p. 299). One reason for the multitude of CSR reporting standards is the fact that CSR reporting is voluntary in most countries. Thus, there is no existing legally binding reporting agreements, but companies decide themselves which reporting guidelines they wish to adhere to (Chen & Bouvain, 2009, p. 302).

Chen and Bouvain (2009) point out the Global Reporting Initiative (GRI) and the UN Global Compact as the reporting standards best known and mostly used by companies reporting on their CSR activities. In addition, Niskala et al. (2009, pp. 100–101) list the AccountAbility AA1000 standard, the Social Accountability International's SA8000 standard and the ISO 26000 environmental management standard, among others. An overview of these standards is presented in Table 1.

Table 1. Overview of CSR reporting standards.

Standard	Description
Global Reporting Initiative	<p>A network-based organisation, which provides the commonly used and approved model for corporate CSR reporting. GRI aims at mainstreaming the disclosure on environmental, social and governance performance.</p> <p>(The Global Reporting Initiative, 2011)</p>
UN Global Compact	<p>United Nations’ policy initiative for promoting corporate sustainability. Encourages companies to commit to aligning their operations and strategies with ten principles regarding human rights, labour, environment and anti-corruption.</p> <p>(UN Global Compact, 2011)</p>
OECD Guidelines for Multinational Enterprises	<p>Recommendations by governments to multinational enterprises. Includes voluntary principles and standards for conducting business responsibly.</p> <p>(OECD, 2011)</p>
AccountAbility AA1000	<p>Reference framework with principles for CSR as well as process descriptions of how companies can become more accountable and sustainable. Emphasis on factors such as governance, strategy, sustainability assurance and stakeholder engagement.</p> <p>(AccountAbility, 2011)</p>

Standard	Description
Social Accountability International SA8000	Auditable certification standard focusing on protecting the human rights of workers. Based on the norms of International Labour Organisation conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. (Social Accountability International, 2011)

Depending on the CSR related challenges associated to their businesses, companies can choose to apply and emphasise some of these standards as the standards provide guidance in measuring and improving the CSR-related work within a certain field. It is also important to point out that the standards do not exclude each other, but companies can adhere to several standards at once, as they have different focus areas. The Global Reporting Initiative's wide scope and standardised approach, which enables the comparability of different companies, are factors that speak in favour of its use and are likely to lie behind its popularity. The Global Reporting Initiative will be presented in more detail in Section 2.2.2.

Besides having to decide on how to report, companies have different alternatives when it comes to using a certain channel for their reporting. In addition to separate CSR reports, more and more companies choose to integrate their CSR reports in their annual reports (Niskala et al., 2009, p. 14). However, according to KPMG (2010, p. 2), only 3% of the companies worldwide integrate their CSR and annual reports, but with the number being constantly on the rise. As can be seen in Figure 5, almost 9 out of 10 still did not have or had only a limited CSR section in their annual reports in 2008. Thus, at present, the main way of reporting clearly seems to be separate CSR reports, which will be used as data for the present study.

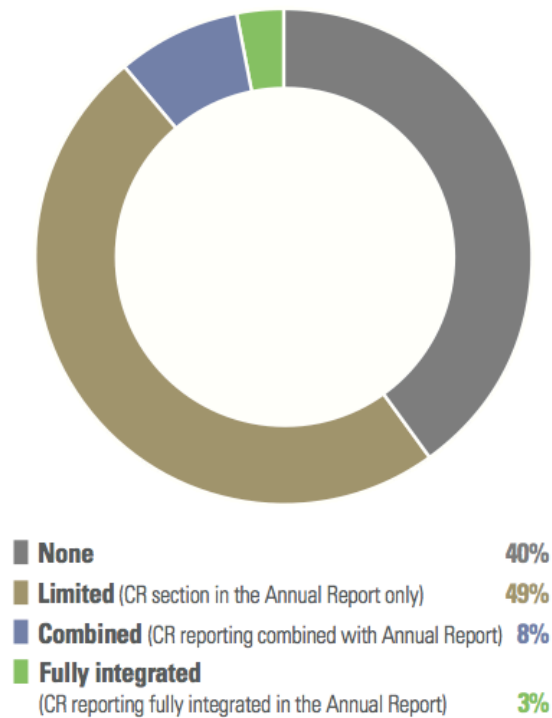


Figure 5. Level of integration of CSR information into annual reports (KPMG 2008).

As is pointed out by KPMG (2010) and Eccles and Krzus (2010), integrating the annual and CSR reports is not only about combining two pieces of documents. This is also evident in Figure 5 above, where CSR reporting combined with the annual report is separated from the fully integrated solution. For a company to truly have an integrated report, it needs to integrate CSR in its strategy and put CSR as the centrepiece of its operations (Eccles & Krzus, 2010; KPMG, 2010, p. 5).

2.2.2 The Global Reporting Initiative

The Global Reporting Initiative (GRI) defines itself as “a network-based organization that pioneered the world’s most widely used sustainability reporting framework”, with the mission to “make sustainability reporting standard practice by providing guidance and support to organizations”. The GRI uses the term sustainability, but as was mentioned in Subchapter 2.1, the terms sustainability and CSR are considered synonyms in the present study.

Since its establishment in 1997, GRI has published three versions of its reporting framework (The Global Reporting Initiative, 2011). The first version of the GRI framework was published in 1999, with a second version developed in 2001. The newest version of the GRI framework, the G3 Guidelines, was published in late 2006 as a response to the comprehensive feedback from the second version of the guidelines (Niskala et al., 2009, p. 96). Currently, GRI is developing a fourth version of the guidelines, expected to be ready by the end of 2012 (The Global Reporting Initiative, 2011).

As mentioned above, GRI’s G3 guidelines is also the most widely used framework today (The Global Reporting Initiative, 2011; Niskala et al., 2009). As an example, most of the Finnish companies that make CSR reports use the GRI framework (Schadewitz & Niskala, 2010, p. 97), and as is shown in Figure 6, the majority of the companies analysed by KPMG (2008) use the GRI guidelines in their reporting.

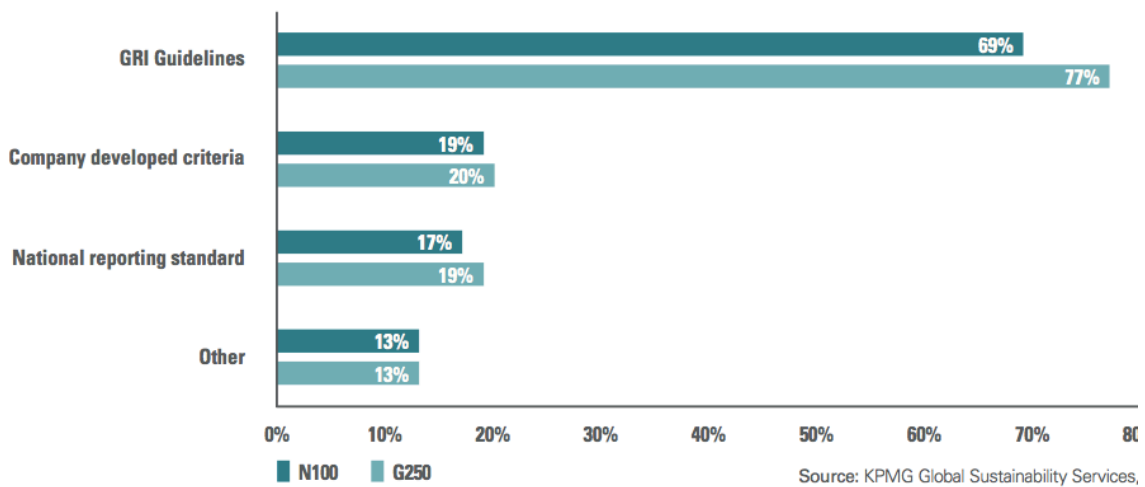


Figure 6. Reporting standards and guidelines used by companies. (KPMG, 2008).

The GRI reporting framework includes two main parts, reporting principles and reporting indicators (KPMG, 2008, The Global Reporting Initiative, 2011). The reporting indicators are used for measuring the social, environmental and economic performance of the company and form the quantitative disclosure on these issues. By applying the reporting principles, companies have clear guidelines for the reporting process and are thus aware of how to create a report with high quality content and scope (KPMG, 2008).

Together with the G3 guidelines, the Global Reporting Initiative launched the use of so called application levels, visualised in Figure 7 (The Global Reporting Initiative, 2011). The lowest application level is C, which was established to make it easy for companies to start their reporting. A company has to report on at least ten GRI reporting indicators to be classified as having the application level C. For the second level, B, the company has to report on at least 20 indicators and to reach the highest level, A, the company has to report on all of the GRI indicators, or explain why it has not reported on a specific indicator (The Global Reporting Initiative, 2011; KPMG, 2008).

Additionally, companies can have their reports assured by an independent third party, who is competent in the subject matter as well as assurance practices. Companies who have their reports externally assured will have a “+” in their application level.

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures OUTPUT	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15		Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17		Same as requirement for Level B	
	G3 Management Approach Disclosures OUTPUT	Not Required	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured
	G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, Labor, Society, Product Responsibility.		Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.	

*Sector supplement in final version

Figure 7. GRI application levels (The Global Reporting Initiative, 2011).

As can be seen in Figure 8, the majority of the company reports analysed by KPMG adhere to the level A+, i.e. they report on all indicators and have had their reports externally assured. Also on the second level, B, there are more externally assured reports than unassured reports, whereas the case is the opposite for the level C reports. This implies that companies with broad reports including many or all indicators also put emphasis on the importance of external assurance, whereas companies with level C reports and only 10–20 indicators do not see external assurance as giving enough added value to the reporting.

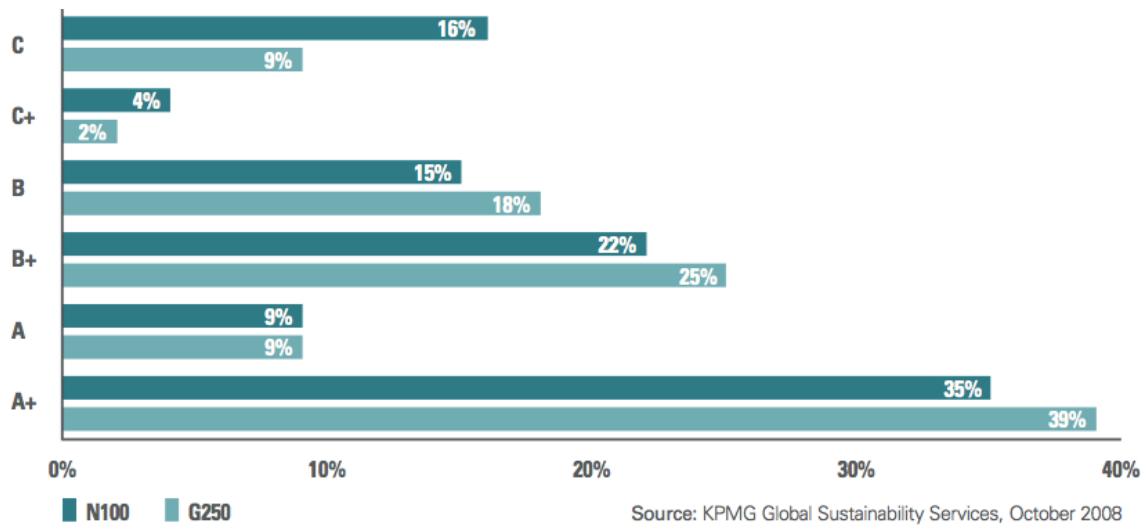


Figure 8. GRI application level declarations (KPMG, 2008)

According to the Global Reporting Initiative (2011), the aim of the application levels was to motivate organisations to improve and extend their reporting. The application levels also help companies to objectively present how they adopt to the GRI guidelines. However, the Global Reporting Initiative points out that the application levels should not be used to interpret the quality of a report, neither to analyse the overall sustainability performance of the organisation, but they only tell how wide-ranging the reporting is.

There are several benefits of using the GRI framework. As the GRI framework is a global, standardised approach, it makes it possible to compare reports by companies from different countries and fields of businesses (The Global Reporting Initiative, 2011; Hedberg & von Malmborg, 2003, p. 156). Naturally, the GRI approach also makes it easier for companies to know how and what to report on (The Global Reporting Initiative, 2011). According to Schadewitz and Niskala (2010, p. 99), GRI reporting of high quality is also beneficial for stock markets. Nevertheless, Schadewitz and Niskala (2010, p. 100) also point out that academic research of

benefits from GRI reporting is only at an early stage, and that there is still a need for more empirical evidence of the benefits.

To conclude the present Subchapter, it can be said that CSR reporting is a crucial part of CSR communication, even though there is no one and only standardised way of reporting. The GRI framework is, however, the most commonly used framework today. The GRI framework (The Global Reporting Initiative, 2011) also emphasises the importance of maintaining a dialogue with the stakeholders, which is the topic for the next Subchapter.

2.3 The CSR–stakeholder relationship

The most commonly used definition of stakeholders is by Edward Freeman, who was one of the first to identify the groups that have an interest, i.e. a stake, in a company, and who initially presented the stakeholder theory in 1984. Freeman defines stakeholders as “any group or individual who can affect or is affected by the achievement of the organization’s purpose and objectives” (Cornelissen, 2011, p. 42).

Freeman, Harrison & Wicks (2008, p. 3) argue that, in order to understand business, companies have to understand their relationships with stakeholders such as customers, suppliers, employees and financiers. Thus, one of the keys to successful business is managing these relationships and interacting with the stakeholders (Freeman et al., 2008, p. 3).

As was mentioned already in the first Subchapters of this Literature review, stakeholders are firmly linked to CSR, which is why this topic is discussed in the present literature review. In the following Section, models for categorising stakeholders are presented. In the second and third Sections, focus lies on

identifying the stakeholder groups that are of the highest importance in CSR activities and looking at different approaches for maintaining CSR communication with the stakeholders.

2.3.1 Models for stakeholder categorisation

As is stated by Mitchell, Agle and Wood (1997, p. 857), a company can be affected by almost anyone, just as almost anyone can affect the company. Because companies have a large number of stakeholders, Podnar and Jancic (2006, p. 304) argue that it is impossible for companies to meet the demands of all their stakeholders, as the different stakeholders have not only different, but often also competing goals. Therefore, they emphasise the need for identifying the most relevant groups of stakeholders.

In the process of defining the stakeholder groups with the highest importance and power in CSR related issues, companies need to, according to Cornelissen (2011, p. 45), answer the questions presented in the following list:

1. Who are the organisation's stakeholders?
2. What are their stakes?
3. What opportunities and challenges are presented to the organisation in relation to these stakeholders?
4. What responsibilities (economic, legal, ethical and philanthropic) does the organisation have to all its stakeholders?
5. In what way can the organisation best communicate and respond to these stakeholders and address these stakeholder challenges and opportunities?

When the stakeholders are identified, they can be classified according to importance. Thus, the company can create a plan for CSR communication with the stakeholders. In the plan, the level and amount of communication should be adjusted according to the importance and power of the specific stakeholder group (Podnar & Jancic, 2006, p. 303).

Rather than focusing only on the shareholders, Freeman's stakeholder theory was the first to claim that a company is responsible to everybody, who it can affect or be affected by, whether positively or negatively (Matten, Crane & Chapple, 2003, p. 110). Along with Freeman's stakeholder theory, several models for stakeholder classification have been accounted for in academic literature (Podnar & Jancic, 2006, p. 299). However, as is pointed out by Fassin (2008, p. 115), the stakeholder models and schemes are social constructs and thus "inevitably simplify and reduce reality". In practice, this means that a certain recommendation cannot be blindly followed, as the complex and global business world is difficult to translate into a simple model.

A common feature in the models is that not all stakeholders are considered equally important, but they are categorised according to different criteria. One main division has been between primary and secondary stakeholders (Clarkson, 1995), where the primary stakeholders are such that the company needs to provide with continuous support, for example in order to avoid reputational damage. Similarly, Wheeler and Sillanpää (as cited in Podnan & Jancic, 2006, p. 299) categorise stakeholders as primary or secondary, but additionally also as social or non-social. Accordingly, four different stakeholder categories can be identified (list adapted from Podnan & Jancic, 2006, p. 299):

- *Primary social stakeholders* such as shareholders, investors, employees and customers
- *Secondary social stakeholders* such as the government, media and competitors
- *Primary non-social stakeholders* such as the environment and future generations
- *Secondary non-social stakeholders* such as environmental groups and animal welfare organisations.

Likewise, Jancic divides stakeholders according to their importance for the company (Podnan & Jancic, 2006, p. 299). According to Jancic, companies communicate with their stakeholders on three levels, where the companies have key relationships with the primary stakeholders, with whom the communication is inevitable. Stakeholders on the second level are such with whom the communication is necessary, and third level stakeholder communication is regarded as desirable, but not as a necessity.

Another more complex model for classifying stakeholders is the stakeholder salience model. According to this model, stakeholders can be divided according to their power, legitimacy and urgency (Cornelissen, 2011, p. 46). The most important stakeholders are called definite stakeholders, as they have legitimacy, power and urgency and are in the middle of the stakeholder salience model, which is presented in Figure 9.

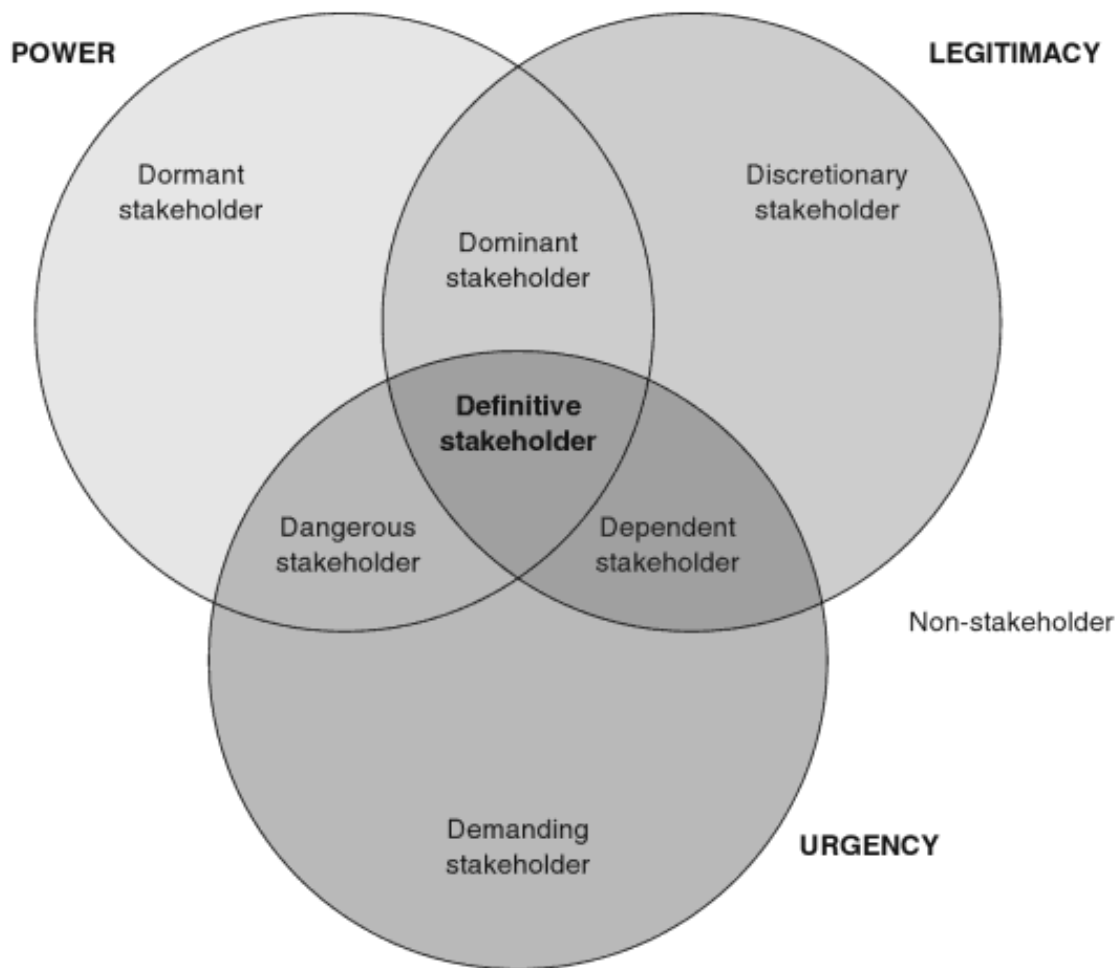


Figure 9: Stakeholder salience model (Cornelissen, 2011, p. 46).

It is notable that none of the stakeholder models presented regard the communication with any stakeholder groups as unimportant, but see communication also with the lower level stakeholders as desirable. As Cornelissen (2011, pp. 47–48) points out, not only the primary or definite stakeholders should be addressed by the company, as also the other stakeholders can have an impact on the company and/or be affected by the company’s actions. This becomes even more important in today’s age of advancing communications technology and social media, where practically everyone has the possibility to have their voice heard.

As an example, according to the stakeholder salience model, the actions of stakeholders with power and urgency but no legitimacy can be dangerous for the company, and can thus not be excluded from the communication strategy. Also Freeman (2010, p. 53) points out the importance of the so called secondary stakeholders:

Some groups may have as an objective simply to interfere with the smooth operations of our business. For instance, some corporations must count “terrorist groups” as stakeholders. As unsavory as it is to admit that such “illegitimate” groups have a stake in our business, from the standpoint of strategic management, it must be done.

As the number of stakeholder groups is large, there is a need for identifying the stakeholders with most importance for a company’s CSR activities and communication. Therefore, this topic will be discussed in the following Section.

2.3.2 Identifying CSR stakeholders

In the CSR context, the concept of stakeholders is broad. Thus, the “traditional” corporate stakeholders such as shareholders are not the only stakeholders that should be approached in CSR matters, but also at least employees, customers, non-governmental organisations (NGOs), media, suppliers and the surrounding communities need to be listed as stakeholders (Cohen, 2008, p. 433). Besides these groups, Mullerat (2009, p. 228) lists subsidiaries and affiliates, investors and the environment as CSR stakeholders.

Similarly, in his study on evaluating corporate social performance, Clarkson (1995, pp. 106–107) lists shareholders and investors, employees, customers and suppliers as well as a so called public stakeholder groups (governments and communities providing laws and regulations) as primary CSR stakeholders. The media is regarded by Clarkson as a secondary CSR stakeholder group of less importance,

which is a different view from those of Cohen (2008) and Mullerat (2009) presented above. This highlights once more how the concept of key stakeholders is not fixed and that all companies need to identify the stakeholders with the highest importance for them in a certain situation, and not only apply a general model already available.

A study by the German communications consultancy Pleon (2005) supports the findings by Clarkson (1995), Cohen (2008) and Mullerat (2009). Additionally, the stakeholders are put in order of importance in Pleon’s study, where the main stakeholder audiences of CSR reports are shareholders and investors, employees as well as consumers. The complete list provided by Pleon is visualised in Figure 10. It is, however, notable that the list refers to the main audiences of CSR reports, which is not equal to the main stakeholder audiences of the CSR communication as a whole, even though these two concepts are regarded as very close to one another.

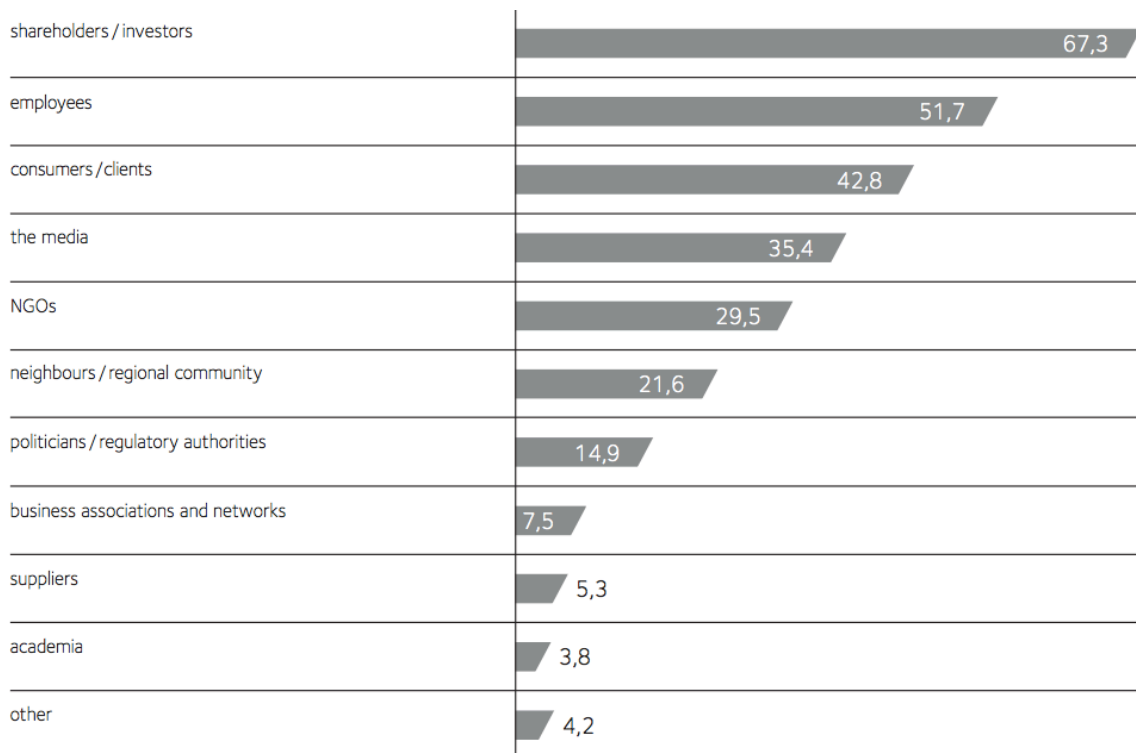


Figure 10: Main audiences of CSR reports (Pleon 2005, p. 22).

Even though this section provides lists of identified CSR stakeholders, it seems obvious that simple lists do not necessarily mirror the reality in today's organisations. In the global business world, with numerous industries, affiliations and stakeholder networks, all companies should identify the particular CSR stakeholders of the largest importance and power to them. However, the listed stakeholders emphasised in this section are inevitably significant to most companies.

When the key stakeholder audiences for a company's CSR communication have been identified, the company needs to decide upon how it wants to convey its messages to those stakeholders. This theme is discussed in the next Section, which focuses on maintaining a dialogue with the stakeholders.

2.3.3 Stakeholder dialogue

Morsing and Schultz (2006, p. 323) argue that "corporate CSR engagement today requires more sophisticated and ongoing stakeholder awareness and calls for more sophisticated CSR communication strategies than previously." Moreover, Morsing and Schultz (2006) see this as a result of stakeholders that are becoming increasingly aware of CSR issues and thus react to the companies CSR related actions both strongly and often also critically. Therefore, companies need to develop a strategy for how they want to communicate with their stakeholders.

When planning its CSR communication, companies need to decide which interaction methods suit the purpose of the communication best (Niskala et al., 2009, p. 78–79). Niskala et al. present five different types of interaction, which can be summarised as follows:

- *Announcements* such as reports and press releases. The aim of this level is to inform the stakeholders, i.e. the communication is in form of one-way interaction.
- *Gathering of information* through interviews, focus groups, surveys etc. Nevertheless, the stakeholders are not given an opportunity to participate in making decision in the matter on which they have been asked for information.
- *Consulting* through gathering feedback e.g. in meetings, seminars or in written form. As the stakeholders have an impact in the decision-making process, their opinions can affect the decisions made regarding a certain issue.
- *Limited dialogue* in seminars, meetings and discussion forums. The stakeholders have a restricted impact on the decision-making, as the overlying process and targets have already been decided upon by the company and only the details are to be decided on.
- *Open dialogue* through tailored interactive working methods. The whole process regarding a certain topic is planned together with the stakeholders, who have an important role in the decision-making throughout the process.

Niskala et al. (2009, p. 78) do not regard any of the interaction methods described above as superior to the others, as the different interaction types do not exclude each other, but can and should be combined and used for different purposes. However, Niskala et al. (2009) emphasise the importance of open communication and feedback, which is one strong argument for open dialogue.

Also Morsing and Schultz (2006, p. 325) suggest that “there is an increasing need to develop sophisticated two-way communication processes [...] when companies convey messages about CSR”, which again speaks for the open dialogue.

Furthermore, Kuvaja and Malmelin (2008, p. 19) underline the importance of the open communication model, as they describe successful CSR communication as a regular dialogue, which, according to Kuvaja and Malmelin (2008) includes listening to the stakeholders, utilising the information gained from them as well as communicating the CSR activities and achieved results back to the stakeholders.

With a dialogue strategy, the company goes much further than only making the stakeholders aware of the company's CSR actions (Cornelissen, 2011, p. 49; Niskala et al., 2009, p. 79). Through the dialogue, the company engages the stakeholders in the CSR work, learns from them and incorporates as well as consults them in the decision-making process (Cornelissen, 2011, pp. 49–50; Burchell & Cook, 2006, p. 223).

Morsing and Schultz (2006) have developed a model with three dialogic models for CSR communication based on Grunig and Holt's characterisation of communication models from 1984. The model consists of a one-way communication strategy 'the stakeholder information strategy', a two-way asymmetric strategy 'the stakeholder response strategy' and a two-way symmetric communication strategy 'the stakeholder involvement strategy'. The model is visually presented in Table 2.

Table 2. Morsing and Schultz' three CSR communication strategies (2006, p. 326)

	The stakeholder information strategy	The stakeholder response strategy	The stakeholder involvement strategy
Communication ideal: (Grunig & Hunt 1984)	Public information, one-way communication	Two-way asymmetric communication	Two-way symmetric communication
Communication ideal: sense-making and sensegiving:	Sensegiving	Sensemaking ↓ Sensegiving	Sensemaking ↕ Sensegiving – in iterative progressive processes
Stakeholders:	Request more information on corporate CSR efforts	Must be reassured that the company is ethical and socially responsible	Co-construct corporate CSR efforts
Stakeholder role:	Stakeholder influence: support or oppose	Stakeholders respond to corporate actions	Stakeholders are involved, participate and suggest corporate actions
Identification of CSR focus:	Decided by top management	Decided by top management. Investigated in feedback via opinion polls, dialogue, networks and partnerships	Negotiated concurrently in interaction with stakeholders
Strategic communication task:	Inform stakeholders about favourable corporate CSR decisions and actions	Demonstrate to stakeholders how the company integrates their concerns	Invite and establish frequent, systematic and pro-active dialogue with stakeholders, i.e. opinion makers, corporate critics, the media, etc.
Corporate communication department's task:	Design appealing concept message	Identify relevant stakeholders	Build relationships
Third-party endorsement of CSR initiatives:	Unnecessary	Integrated element of surveys, rankings and opinion polls	Stakeholders are themselves involved in corporate CSR messages

Morsing and Schultz (2006) recommend, similarly to Niskala et al. (2009), that companies utilise the three strategies for different purposes. Through the stakeholder response strategy, the company can receive feedback and evaluate the stakeholders understanding and commitment to the company (Morsing & Schultz, 2006; Schultz & Wehmeier, 2010). In that sense, the strategy corresponds to three interaction types presented by Niskala et al (2009): gathering information, consulting the stakeholders and maintaining a limited dialogue.

The stakeholder involvement strategy, in turn, correlates to the open dialogue presented by Niskala, as it aims at finding consensus and mutual understanding, “allowing concurrent negotiation and exploration of concerns while also accepting changes, if necessary” (Schultz & Wehmeier, 2010, p. 19). The stakeholder information strategy aims at informing the stakeholders, which equals the announcements in the model presented by Niskala et al (2009).

According to Morsing and Schultz (2006, p. 333–334), involving stakeholders in the CSR communication will help the company to convey CSR messages that are interpreted as a true image of the corporate CSR initiatives. Morsing and Schultz (2006, p. 334) also argue that a pro-active commitment by the external stakeholders will help the company to develop and maintain a strong stakeholder relationship and show how the company’s CSR activities are critically discussed and developed together with the stakeholders.

Both challenges and opportunities of stakeholder dialogue have been discussed in the literature on this topic, as the dialogue model can be challenging for companies to implement. Since the concept of stakeholder dialogue plays a key role in this thesis, some of these positive as well as negative aspects will be discussed next, also concluding this subchapter.

Numerous benefits have been assigned to companies maintaining a stakeholder dialogue. Companies need to gain trust and approval from their stakeholders in CSR issues, which is something they can achieve by engaging in stakeholder dialogue (O’Riordan & Fairbrass, 2008, p. 755; Burchell & Cook, 2006, p. 212; Fieseler, Hoffmann & Meckel, 2010, p. 21). O’Riordan & Fairbrass (2008, p. 747) also emphasise that the stakeholder dialogue can open up opportunities to identify CSR issues and debate about the best approach to economic, social and environmental responsibility.

Moreover, Ayuso, Rodriguez and Ricart (2006) point out that through stakeholder dialogue and stakeholder knowledge interaction, the company can generate new, sustainable innovations that correspond to the stakeholders' as well as the company's wishes and needs. Also Morsing and Schultz (2006, p. 335) point out how a dialogue with stakeholders can "give birth to new CSR efforts" that adheres to the stakeholders' concerns.

Besides the benefits, there are also pitfalls of stakeholder dialogue. Morsing and Schultz (2006, p. 335) describe stakeholder dialogue as both expensive and time-consuming. Burchell and Cook also question the positive outcomes of the dialogue, as they depict the outcomes as "few and far between". Similarly, Morsing and Schultz (2006, p. 335) call the outcomes of stakeholder dialogue into question and discuss the danger that the dialogue may lead to counterproductive activities that are the opposite to what the company aims at, i.e. building trust, facilitating collaboration and enhancing the value of the company. Also Crane and Livesey (2003, p. 40) ask the question whether stakeholder dialogue actually leads to more understanding between the company and its stakeholders.

Moreover, Crane and Livesey (2003) list three main risks of stakeholder dialogue: cacophony, fragmentation and paralysis. As both the messages and stakeholders are numerous, there is a risk that the dialogue becomes cacophonous, or in other words confusing. In a symmetrical dialogue, the corporate identity will also be challenged and co-created together with the stakeholders. This may lead to what Crane and Livesey describe as an identity fragmentation, where the company finds itself having multiple and often unclear identities. Finally, as both Crane and Livesey (2003, p. 51) and Morsing and Schultz (2006, p. 335) point out, stakeholder dialogue demands time and efforts from both parties. Consequently, lack of these factors can have a paralysing effect on both the company and its stakeholders, preventing them from reaching consensus and making decisions.

Since stakeholder dialogue presents risks to the company's stakeholder relationships, Morsing and Schultz (2006, p. 336) as well as Crane and Livesey (2003, p. 40) point out the importance of companies being aware of the risks. Companies need to devote time and efforts to stakeholder communication; as Morsing and Schultz (2006) claim superficially employed and ungenue conversations may lead to distrust and cynicism. Similarly, Fieseler et al. (2010, p. 7) stress the importance of companies having a clear understanding of what the strategic relevance of the stakeholder dialogue is. Fieseler also argues for defining clear principles and processes for how companies should engage with their stakeholders to fully take advantage of the benefits of stakeholder dialogue.

As a conclusion to the present Subchapter, it can be said that communication in the form of a dialogue together with the stakeholders seems to be the prevailing recommendation for successful CSR communication, despite the pitfalls of stakeholder dialogue (e.g. Kuvaja & Malmelin, 2008; Kujala & Kuvaja, 2002; Burchell & Cook, 2006; Morsing & Schultz, 2006). If a sufficient amount of time and resources is allocated to stakeholder dialogue, it presents enormous opportunities for improving companies' relationships with their stakeholders. Through stakeholder dialogue, companies and their stakeholders can co-create shared meanings and realities (Crane & Livesey, 2003), taking the company one step closer to a firm relationship with the stakeholders.

2.4 Theoretical framework

This Subchapter presents the theoretical framework for the present study. The theoretical framework is built upon the literature presented in the earlier subchapters of this literature review, i.e. the concept of CSR, CSR reporting and the CSR–stakeholder relationship.

The theoretical framework provides a basis for the empirical study which will be presented in the upcoming chapters. Figure 11 visualises the theoretical framework, which consists of four main components as well as connectors between the different parts. Stakeholder participation, positioned within CSR reports, provides the core of the theoretical framework. Stakeholder participation in CSR reports is supported by three other main components:

- Operational environment of the stakeholder dialogue
- Stakeholder audience
- Feedback from the stakeholder audience to the company, providing the basis for the co-created insights

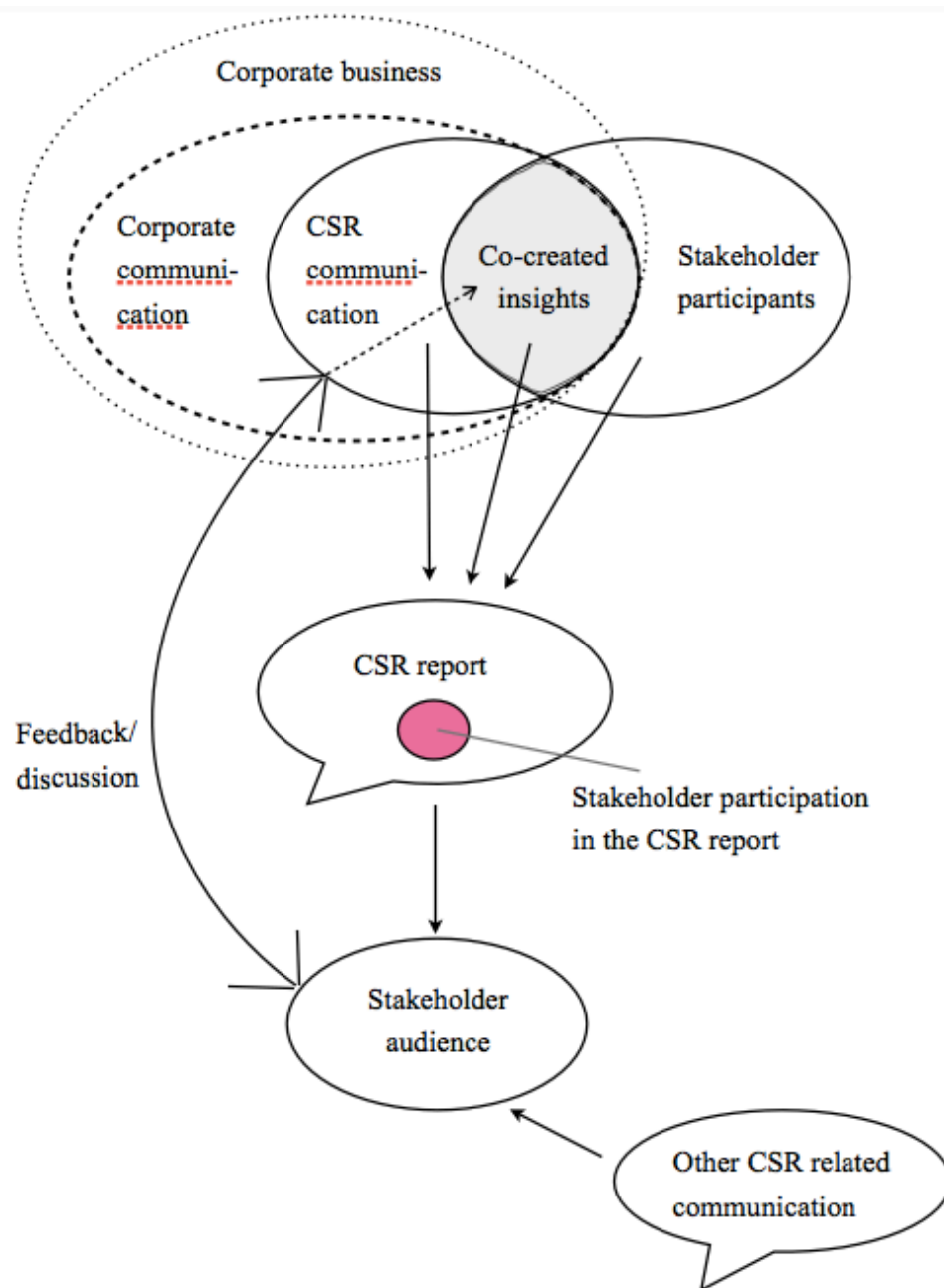


Figure 11. Theoretical framework

The first component of the theoretical framework describes the operational environment for the stakeholder dialogue. The core of the first component are the co-created insights between the company and the stakeholders, which summarises the content of the Section 2.3.3 on stakeholder dialogue. The co-created insights are

seen as the product of the two-way dialogic communication between the company and the stakeholders.

The stakeholders that have been given the possibility to participate in the dialogue communicate primarily with the CSR communications department of the company. However, communication also takes place between the stakeholders and all other communications functions, as well as between the stakeholders and the business as a whole, since communication is seen as an integral part of business. The dash line around corporate communications and the dotted line around corporate business represent the complexity of communication (see also Cornelissen, 2011) and how communication also takes place over the borders to other departments, companies as well as businesses. Furthermore, the dash and dotted lines illustrate how this communication also affects the co-created insights primarily created between the CSR communications department and the stakeholders.

Second, the theoretical framework contains the CSR report, which is illustrated as a channel for communicating the co-created insights and the company's as well as the stakeholders' CSR messages. The identical arrows from CSR communication, co-created insights and stakeholder participants show that none of the participating communicators or the subjects discussed are seen as superior to others, which is in line with the triple bottom line, regarding all three CSR areas as equally important. As this study aims at investigating stakeholder participation in CSR reports, this topic has been given the key position in the theoretical framework.

Third, the messages in the CSR report are communicated to the stakeholder audience, which constitute the third component of the theoretical framework. The stakeholder audience also receives CSR messages through other channels such as CSR advertisements and webpages (e.g. Birth et al., 2006; Farache & Perks, 2010)

as well as possibly from all other company and business related communication, which together form the fourth component of the theoretical framework.

Morsing and Schultz (2006) as well as Niskala et al. (2009) emphasise the importance of feedback and discussion in the dialogue process. Therefore, the concept of feedback and discussion is visualised as the connector back to the company's CSR communication. This is seen as a crucial part of the successful dialogue process, as it facilitates the continuing dialogue with the stakeholders and helps in the process of finding new co-created insights and meanings, visualised through a dotted arrow.

This study has thus far created a theoretical framework for the upcoming analysis and discussion, based on the reviewed literature. Next follows the empirical part of the study, focusing on stakeholder participation in CSR reports. The objective is to observe if, why and how the stakeholders are given a voice in the reports. The results will then be discussed on the basis of earlier research on this topic, which has been summarised in the theoretical framework.

3 Methodology

In this chapter, the methodological choices related to the empirical parts of this study are discussed. In brief, the present qualitative study is conducted in the form of a genre analysis on ten CSR reports, additionally supported by views of subject experts, in the present case reporting company as well as communications consultancy representatives. The data and chosen methodology will be discussed further in the following subchapters.

3.1 Data

To investigate stakeholder voices, ten CSR reports have been chosen for analysis. The choice of using CSR reports for investigating stakeholder participation is in line with Morsing and Schultz' (2006, p. 334) suggestion to use non-financial reports as a “potentially promising tool” for giving stakeholders a voice. The reports were selected amongst the reports on GRI's list of reporting companies and comply with the following three criteria:

- a) The reports account for the year 2010 or the reporting period 2009–2010
- b) The reports have applied GRI level A or A+
- c) The reporting companies are large listed companies

Since stakeholder participation is a fairly new phenomenon, as recent reports as possible were chosen. Thus, as the analysis of the reports take place during the year 2011, the reports will be for the reporting year 2010 or the period 2009–2010, as not all companies base their reporting on the calendar year. In other words, most reports have been published in spring 2011 or late 2010, if the reporting period has been the fiscal year 2009–2010.

It is assumed that if a company produces a report with the GRI level A or A+, it is also likely to be aware of and attentive to trends such as stakeholder participation. Therefore, all reports chosen for analysis follow the GRI guidelines and have applied level A or A+ reporting, i.e. the level with the most all-round and in-depth reporting. External assurance is not seen as a critical factor, which is why both A and A+ level reports have been chosen for this study.

In addition to being recently published and applying the level A or A+, the reports are chosen amongst large and listed companies. Reports by large companies were chosen only in order to narrow down the list of potential reports – in other words, it is not assumed that large listed companies produce better reports than smaller and/or non-listed companies. A company is regarded as a large company if it was classified as such on GRI's list of reports and reporting companies. No additional company size screening was done for the selection.

The CSR reports chosen have all been published as separate reports, not as a part of the companies' annual reports. This choice was made in order to more easily distinguish between CSR related information and annual report related information, even if it today often is recommended that companies integrate their CSR and annual reports, as is mentioned in Subchapter 2.2.

It was also considered important that the reports were in the same format. Therefore, all of the CSR reports had to be available in the PDF format, not only as an online webpage. The PDF files also had to include the whole report and not only a summary of an online version. Naturally, also online versions could have been used, but since the number of online reports is fairly small, it would have presented a too big of a challenge to find reports fulfilling the other criteria mentioned above.

As the objective of this study is to present if, how and why stakeholder participation elements exist in CSR reports, the selected reports will represent different fields of businesses as well as be from different countries and continents. The reports were chosen from companies in Europe, Asia and North as well as South America. Most of the reports on GRI's list of reports were from a European country, and it was thus easy to choose European reports for the analysis. The number of Asian, North and South American reports was notably smaller, but it was still possible to find companies from different countries and sectors fulfilling the criteria set on the companies.

It is not regarded as a problem that the case companies belong to different business and geographical areas, but rather as a way of establishing the general characteristics of stakeholder participation in an international context. Naturally, the reports could have been chosen from the same business and/or geographic area. However, analysing a certain business or geographical area is not within the objective of this study of the genre of stakeholder participation as a whole.

Consequently, the reports chosen are published by the companies listed in Table 3, which also includes the business sector and home country of the companies. A more detailed description of the companies and their CSR reports is provided in Appendix A.

Table 3. CSR reporting companies chosen for analysis

Company	Sector	Country
Agnico-Eagle Mines	Mining	Canada
AirFrance-KLM	Aviation	France
Bradesco	Financial services	Brazil
Daimler	Automotive	Germany
Ericsson	Telecommunications	Sweden
FEMSA	Food and beverage products	Mexico
Intel	Technology hardware	USA
LG Chem	Chemicals	Republic of Korea
Royal Dutch Shell	Energy	Netherlands
Wipro	Computers	India

In the analysis of the reports, the first step is to find the stakeholder participation elements in the reports. To be counted as a stakeholder participation element, the text has to include the name of the writer together with information about what the person's relationship is with the company (i.e. for instance an employee, representative of an NGO or the local community etc.). It should also be evident that the text has been written or a quote has been expressed (in case stakeholder participation elements are included in a longer text) by the stakeholder him-/herself, and not formulated by the company.

After analysing the CSR reports, a short e-mail questionnaire with a cover letter and open questions was sent to the company representative stated in the CSR report as the contact person for CSR questions. The e-mail cover letter and questionnaire can be found in Appendix B. The e-mail questionnaire was sent out in November 2011 and only to the companies that had included stakeholder voices in their reports. Of the nine e-mails sent out, three replied. Six never answered, despite an e-mail reminder.

All answers were provided in English and by e-mail, except for one company, which called the writer of the thesis to discuss the issue by phone.

The respondents were told about the study and that their companies were mentioned by name in the report, but that their answers would be confidential and not presented together with the findings from their own report. Rather, the answers are used to give a view of the overall communicative purpose of the genre, which cannot be applied to one certain report.

As only three companies answered the e-mail questionnaire, a decision was made to additionally contact two communications agencies, one in Finland and one in the UK. The communications consultancies were contacted since the views of CSR communications experts were seen as a valuable source of information about the communicative purpose of including stakeholder voices in the CSR reports. The Finnish communications agency was contacted face-to-face and the English communications agency by e-mail. The e-mail cover letter for the English agency can be found in Appendix C.

An expert in sustainability communications at both the Finnish and the English communications consultancy agreed to an interview. The interview with the Finnish agency took place face-to-face in November 2011 and lasted approximately 15 minutes. Also the interview with the UK agency took place in November 2011 and lasted approximately 15 minutes, but this interview was conducted by phone. The interview was recorded. There was only one main question discussed during the interview: “What do you see as the communicative purpose for including stakeholder voices in CSR reports?”

The aim of the interviews was to to gain knowledge about the communicative purpose of stakeholder voices, i.e. why the companies have chosen to include stakeholder participation elements in their reports. In other words, the answers

provide valuable contextual information about stakeholder participation, as the answers come from producers of CSR reports, i.e. persons with in-depth knowledge about the subject.

3.2 Methods

The data chosen and accounted for in the previous subchapter was approached through a qualitative approach using genre analysis. As Bryman and Bell (2003, p. 280) and Ghauri and Gronhaug (2005, p. 110) describe, qualitative research is about describing a certain event and understanding its position in the complex social world rather than focusing on numbers, testing and making statistical generalisations. Also Eriksson and Kovalainen (2008, p. 3) point out that qualitative research gives the researcher an opportunity to analyse how things work in a complex and real-life business context and why they work in a specific way.

Since the aim of the study is to investigate the recently emerged phenomenon of stakeholder participation in CSR reports, qualitative research is considered an appropriate approach to address the research problem. This is in line with the view of Ghauri and Gronhaug (2005, p. 202), who point out that:

Qualitative research is particularly relevant when prior insights about a phenomenon under scrutiny are modest, implying that qualitative research tends to be more exploratory and flexible because of ‘unstructured’ problems (due to modest insights).

In addition, the qualitative approach is considered a suitable method for this study, as the aim is not to make statistical generalisations but to gain in-depth knowledge about stakeholder participation.

As mentioned above, this study was based on a genre analysis of the data. Genre analysis was chosen as the main approach as the objective of the present thesis is to investigate the stakeholder participation text elements as well as the context they appear in. For this purpose, genre analysis, and its focus on an in-depth study of the genre and communicative purpose was seen as appropriate.

Within genre analysis, there are three main schools: English for Special Purposes (ESP), Australian educational linguistics and New Rhetoric (Yunick, 1997, p. 322). In this study, the ESP approach will be used. More specifically, the study is based on Bhatia's (1993) approach to genre analysis.

Bhatia (2004, p. 22–23) describes genre analysis as the study of situated linguistic behaviour, where genres are defined as follows:

Genres are recognizable communicative events, characterized by a set of communicative purposes identified and mutually understood by members of the professional or academic community in which they occur.

Bhatia (2004, p. 20) points out that in genre analysis, focus lies not only on the text, but also the broader context of the text is interpreted. By using Bhatia's model as a basis for analysis, this study can present results in the form of a holistic explanation of stakeholder participation rather than simply a description of the use of language in stakeholder participation elements.

According to Bhatia (1993, pp. 22–36), there are seven main steps that should be considered in a comprehensive investigation of an unfamiliar genre. Depending on the genre and the background knowledge one already has of the genre, all or only some of the following seven steps can be included in the analysis.

1. *Placing the given genre-text in a situational context*

The first step in a genre analysis is to intuitively place the text in a situational context, which can include the writer's prior experience and background knowledge of the genre.

2. *Surveying existing literature*

Surveying existing literature makes up the second part of Bhatia's model. Bhatia (1993) suggest several sources for finding information.

3. *Refining the situational/contextual analysis*

After placing the text in a situational context in step 1, the analysis can be deepened by looking at who the writer and audience of the text are and which are their goals; defining the community where the discourse takes place; and identifying the texts that surround the genre and how the genre relates to them.

4. *Selecting corpus*

When selecting a corpus, the writer has to define the genre well enough to be able to distinguish it from other similar text types.

5. *Studying the institutional context*

Studying the institutional context includes the analysis of the rules and linguistic, social, cultural, academic and professional conventions that are used (often unconsciously) in the genre context.

6. *Level of linguistic analysis*

In genre analysis, linguistic features can be studied at three main levels: lexicogrammatical features, textualisation or text-patterning and structural interpretation.

7. *Specialist information in genre analysis*

In the seventh step, the researcher double checks the findings with a person who is practicing the genre analysed. Through this step, the researcher's insights are validated and closer to the reality of the phenomenon.

As the phenomenon of stakeholder participation in CSR reports has not been studied to any greater extent, Research Question 1 (*Is stakeholder participation a distinctive feature in CSR reports?*) aims at mapping the occurrence of the phenomenon. The findings will include information about the frequency of stakeholder participation. In addition, the study will examine the writer of the stakeholder participation elements as well as how stakeholder participation is named, as this information serves the purpose of describing the phenomenon and putting it in a more detailed situational context.

Research Question 2 (*How is stakeholder participation structured in the CSR reports?*) includes the study of how the content of stakeholder participation follows a certain rhetoric pattern/cognitive structure. Through a consistent structure, the communicative purpose of the stakeholder participation can be conveyed, understood and reproduced in other texts belonging to the same genre, which is why also this research questions plays an important role in the study. Additionally, the study aims at finding out how the stakeholder participation elements are positioned within the report in relation to the other texts.

According to Bhatia (1997, p. 313), the communicative purpose of a text is the key characteristic feature of genre analysis. Therefore, the most important research question of this study is Research Question 3 (*What is the communicative purpose of stakeholder participation in CSR reports?*). As stakeholder participation is a feature of CSR reports, the study will relate the goals of stakeholder participation to the general objectives of the CSR reports and analyse the relationship between the

stakeholder participation elements and the surrounding texts. To provide a thicker description of stakeholder participation, the responses from the expert interviews will also be included in this part, representing the specialist view in the seventh step of Bhatia's model for analysing genres.

3.3 Trustworthiness of the study

Bryman and Bell (2003, pp. 286, 288) identify the reliability and validity of a study as important criteria for quantitative research, but point out that the two criteria have been criticised as not being completely suitable for qualitative research projects. Instead, the criterion of trustworthiness is seen as more appropriate for evaluating qualitative research projects.

The trustworthiness of this study is here presented through the element of credibility, as the credibility of a study, according to Bryman and Bell (2003, p. 288–289), includes ensuring that the results of a study give an adequate picture of the studied phenomenon and its position in a social world. Additionally, credibility is seen to include conducting the study according to good research practices.

To ensure the credibility of the study, the CSR reports for the analysis were carefully selected upon a specific set of criteria accounted for in Subchapter 3.1. Moreover, in order to analyse and compare stakeholder participation elements in the reports, a careful and thorough genre based analysis was conducted. As the present author has worked with producing Finnish CSR reports both as project coordinator and text editor, she had good knowledge of CSR reporting as a whole in practice. This also contributed to the trustworthiness of the study, as, from the practical perspective, the researcher had a good understanding of CSR reports and CSR communication already before starting this research project. In addition, the views of the expert interviewees provide concrete support to the findings.

To summarise this chapter, the data and methodology used for this study were presented. The data consisting of ten CSR reports will be approached through a qualitative approach using genre analysis. Finally, the trustworthiness of the study was discussed. The following Chapter will present the findings from the analysis together with a discussion on the findings.

4 Findings and discussion

In this chapter, the findings of the present study will be presented and discussed. The chapter is divided into three subchapters, all of which focus on one of the three research questions. The analysis is based on the seven steps in Bhatia's model, which will be accounted for in the three subchapters in relation to the research questions.

As the text type in this study, stakeholder participation, is studied through its use in CSR reports, the genre-text has already been placed in a situational context, which is the first step in Bhatia's model. As CSR reports include information about a company's CSR actions during the reported year, the potential stakeholder participation can be said to be a text focusing on factors related to a company's CSR activities during a specific year. As this already provides a clear contextual situation, this information also meets the third step, refining the situational/contextual analysis. This step will, however, also be included in the first Subchapter of the Findings.

Additionally, the second and fourth steps, i.e. surveying literature and selecting a corpus, have been carried out earlier in this study; literature related to Corporate Social Responsibility, CSR reports and stakeholder dialogue has been reviewed in Chapter 2 and summarised in the Theoretical Framework in Subchapter 2.4. In addition, the corpus selection was made on the basis of Bhatia's (1991) 7-step model and the corpus contains stakeholder participation elements from ten CSR reports. The reports as well as the reasons for choosing them are presented in Subchapter 3.1. Every occurrence of stakeholder participation in the ten reports was analysed.

4.1 Mapping stakeholder participation

The focus of this subchapter is the first research question, *Is stakeholder participation a distinctive feature in CSR reports?* The purpose is to provide an introductory mapping of the phenomenon and establish an overview of whether stakeholder participation is included or not. Even if this introductory mapping does not relate clearly to any of Bhatia's steps (except in Section 4.1.3, which focuses on which stakeholders are given a voice in the reports), it provides valuable information about the occurrence of stakeholder participation as a genre.

In addition, the way stakeholder participation is presented, i.e. how the company has named the stakeholder participation elements appearing in its report, will be analysed. To further give an overview of the genre, this subchapter gives an answer to the question which stakeholder groups are given a voice in the reports, thereby further refining the situational context, i.e. the third of Bhatia's steps.

4.1.1 Occurrence

Out of the ten reports studied, nine included stakeholder participation elements. As all the reports chosen for this study represent different geographical as well as business areas, stakeholder participation can be seen as an internationally occurring phenomenon which moves across business areas, i.e. is a general feature of CSR reports, regardless of the business and origin of a company. However, we need to note that all the reports had a GRI level A or A+, which can be one factor explaining why the companies had included stakeholder voices, as GRI level A and A+ reporting indicates that the company puts much effort on its reporting which can also be interpreted as that it is aware of the importance of listening to stakeholders.

The present data indicates that Morsing and Schultz' (2006, p. 334) recommendation to include stakeholder participation elements for non-financial reports is being followed by companies and that they also see the stakeholder participation elements as a good channel for giving stakeholders a voice.

According to Morsing & Schultz (2006), most CSR reports are still expressions of strategies called stakeholder information or stakeholder response strategies (see Subchapter 2.3.3), where only a small number utilise the possibility to include comments from external stakeholders in their reports. However, the findings of the present study shows that companies give their stakeholders a voice in the reports, as only one of the ten reports studied excluded stakeholder participation. It is however worth remembering that, as was mentioned in the Literature review, stakeholder participation is a new trend in CSR communication. As the article by Morsing & Schultz was published already in 2006, the situation may have changed, i.e. stakeholder participation may now be more general than at the time when the article was published.

In addition to stakeholder participation elements, a very similar phenomenon was found in several of the reports. Besides stakeholder voices, quotations from company managers were common in the reports. However, these were distinguished from the stakeholder participation elements as the managers were not providing their own subjective view of an issue, but communicated the company view of the topic in question. The following quotations from the report by Intel serve as obvious examples of the difference between stakeholder and manager participation.

Stakeholder voice:

The Innovation Award for nonprofit collaboration initiated by Intel, will become an important catalyst of the social innovation ecosystem in China. It could enable a nonprofit platform economy, and Intel definitely plays a critical role in the process.

– Yang Tuan, Director, Social Policy Office, Chinese Academy of Sciences, and a judge for the 2010 and 2011 awards

Company's voice:

From a logistics perspective, where we have driven environmental sustainability improvements, we have also realized positive bottom-line impact, so it is good for the environment and good for our business.

– Frank Jones, Vice President, Technology and Manufacturing Group, General Manager, Customer Fulfillment, Planning, and Logistics

In the first of these two quotes, a view on Intel is provided by an external stakeholder who, even though he speaks as a representative of the organisation, provides his own view on Intel's role. In comparison, the second example by a Vice President at Intel shows how the person is not giving his own view, but communicates the positive impacts of the business "from a logistics perspective" and with the company's voice and a grammatical *we* subject (*we have driven* and *we have realized*).

Stakeholder participation and managerial participation are similar in many ways, which can make it difficult to create clear boundaries between these two text types. In the reports, both types are included and often also with the same visual design, as is the case also for the two Intel examples above, here reproduced in Figure 12 with their visual design:

“From a logistics perspective, where we have driven environmental sustainability improvements, we have also realized positive bottom-line impact, so it is good for the environment and good for our business.”

Frank Jones, Vice President, Technology and Manufacturing Group, General Manager, Customer Fulfillment, Planning, and Logistics

“The Innovation Award for nonprofit collaboration, initiated by Intel, will become an important catalyst of the social innovation ecosystem in China. It could enable a nonprofit platform economy, and Intel definitely plays a critical role in the process.”

Yang Tuan, Director, Social Policy Office, Chinese Academy of Sciences, and a judge for the 2010 and 2011 awards

Figure 12: Examples of the visual design in stakeholder and managerial participation.

4.1.2 Headlines

In the reports that included stakeholder participation elements, different headlines, i.e. names/titles for stakeholder participation, were used. In other words, there was no general term introducing stakeholder participation in the reports. Six of the nine reports did, however, include a headline for the stakeholder participation elements, whereas three reports did not have a headline for stakeholder participation, but the

stakeholder participation elements became evident to the reader only by looking at the text and the name and title of the person who had written it. The headlines for stakeholder presentation were as follows:

- An employee's story
- Two questions to
- External statement
- Viewpoint
- Feedback from stakeholders
- Interview
- Third party review
- Stakeholders participation [sic]
- Opinion
- External review committee

As can be seen in the list above, only one of the reports used the term stakeholder participation. From this variety of titles, the conclusion can be drawn that the genre does not have any shared practise of naming the element, which is not unexpected, as the genre of stakeholder participation has only newly emerged in CSR reports, with few studies related to the phenomenon.

Accordingly, it seems that companies rather name stakeholder participation according to factors such as the purpose stakeholder participation serves in the report, the fact that the stakeholder groups are given a voice and the amount of importance the company wants to attach on stakeholder participation. The communicative purpose of stakeholder participation will be presented and further discussed in Subchapter 4.3.

The reports which included a headline for stakeholder participation elements shared the feature that they used the same headline next to most or all occurrences of stakeholder participation. Nevertheless, four reports included stakeholder participation elements under two or more different headlines within one report, or

with one headline but with occurrences of stakeholder participation completely without a headline, which can be interpreted as twofold.

On the one hand, making use of different headlines for stakeholder participation can make it more difficult to recognise stakeholder participation and see it as one intact genre. The role of stakeholder participation elements can also become unclear, if it is indistinct for the reader how the different occurrences of stakeholder participation relate to each other and to the other pieces of text in the report.

On the other hand, the reporting companies may also have different purposes for the stakeholder participation elements, which they can communicate through using different headlines and this way emphasise some of the stakeholder participation elements more. For example, LG Chem has stakeholder participation elements named *Feedback from stakeholders*, *Interview* and *Third party review*. The interview relates to a CSR project involving the local community, where a student volunteer comments on the project and LG Chem's work for the community. Both the stakeholder feedback element and the third party review element include evaluative comments on LG Chem's CSR activities and reporting. This makes them very similar and the different headlines seem unnecessary, especially as both the feedback and the review are by CSR experts representing local authorities or the scientific community.

Nevertheless, the headlines provide information about what emphasis LG Chem has wanted to give the occurrences of stakeholder participation. Already the word *review* implies a more thorough and important analysis than the word *feedback*. This hierarchy of information is also visible in the length of the stakeholder participation elements in the report by LG Chem, as the feedback is shorter than the

external review. The same phenomenon can be found in the report by Shell, where the *Opinion* parts are considerably shorter than the part written by the *External review committee*.

4.1.3. Participating stakeholder groups

The focus of the present Section is on the writers, i.e. the participating stakeholder groups, which refers to the third step in Bhatia's seven-step model, *refining the situational/contextual analysis*. According to Bhatia's model, identifying the writers in a specific genre provides valuable contextual information about the genre and gives the analysis more depth.

In the nine reports that included stakeholder participation elements, a total of six different participating stakeholder groups were found. After listing all participating stakeholders, they were identified and divided into the following groups:

- Authorities
- Scientific experts
- Employees
- Surrounding community representatives
- NGO's
- Suppliers

The stakeholder group that was included the most was scientific experts, which were found in six of the nine reports. Stakeholder participation elements from the surrounding community representatives and employees was found in four reports, authorities in three and NGO's as well as suppliers in two. The participating stakeholder groups are visually presented in Figure 13.

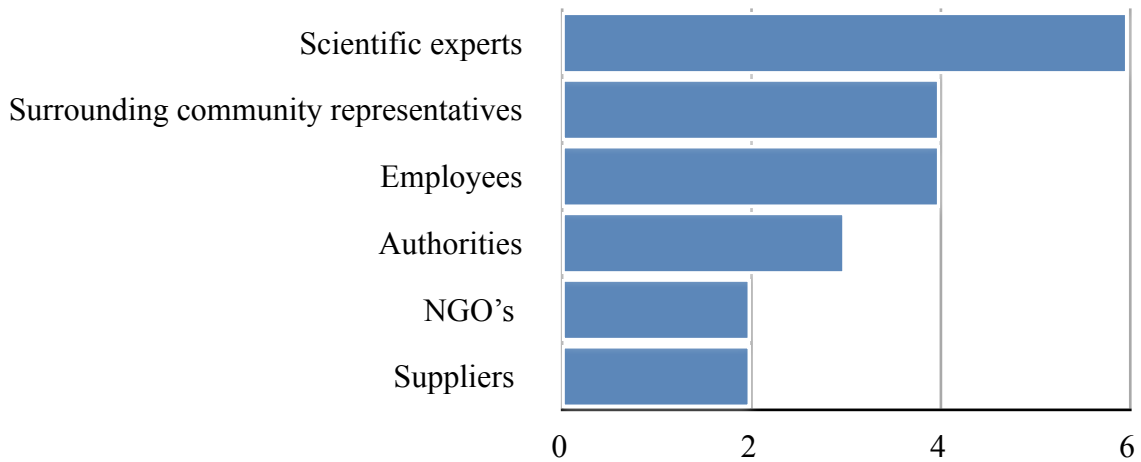


Figure 13: Participating stakeholder groups

Seven of the nine reports included stakeholder participation elements from two or more of the stakeholder groups presented above. The stakeholder groups were not combined in any specific way, but as the group scientific experts was the group that was featured most, this was also the group that was found combined with other stakeholder groups most. The two reports with only one participating stakeholder group included views by employees.

As was presented in the Literature review, Section 2.3.2, on identifying CSR stakeholders, the number of stakeholder groups that should be considered in CSR issues is large. Cohen (2008) and Mullerat (2009) both list shareholders and investors, employees, customers, NGO's, suppliers, media and the surrounding communities as important stakeholder groups. Similarly, the study by Pleon (2005) identifies shareholders/investors, employees, consumers/clients, the media and NGO's as the five most important stakeholder audience groups for CSR reports.

Of the key stakeholder groups presented in the studies by Cohen (2008), Mullerat (2009) and Pleon (2005), only employees, NGO's and suppliers are given a voice in the reports. Shareholders and investors, which traditionally have been the most important stakeholder group for a company (Cohen 2008) and who also were the

most important audience for the CSR report according to the study by Pleon (2005), were not a participating stakeholder group. Moreover, the most commonly occurring participating stakeholder group in the analysed reports is the scientific experts, which are not listed as one of the most important stakeholder groups to be considered in CSR issues.

When the studies by Cohen (2008), Mullerat (2009) and Pleon (2005) are compared to the present study, it becomes evident that the participating stakeholder groups in the CSR reports examined are only partially the same as the main stakeholder audience for the CSR reports. The choice of participating stakeholder groups is most likely closely combined with the communicative purpose of the report, which will be presented and discussed in Subchapter 4.3.

One reason for including views by other stakeholder groups than the key stakeholders in CSR issues might be that the key stakeholder groups would already be aware of the views presented in the report by representatives of the same stakeholder group as they belong to. By including views by other stakeholder groups, the key stakeholder groups will have access to a more balanced and broad view of a certain company's CSR activities and can better evaluate the whole area of CSR at the company.

However, the picture must be more complex, as employees and NGO's belong to both the participating stakeholders and the stakeholder audience of the report. Nevertheless, if the stakeholder group *employees* is broadened to include both present and potential employees, the stakeholder participation elements by employees can give a view of the company as an employer and thus make the company more interesting as a possible employer. This aspect will be discussed more in detail in Subchapter 4.3.

4.2 Structural features

The focus of the present Subchapter is the second research question, *How is stakeholder participation structured in the CSR reports?* The intention of the Subchapter is to provide an answer for the sixth step in Bhatia's model, namely an analysis of the textual features of the genre. The textual analysis in this study focuses on the structural interpretation of the text-genre, i.e. how the overall message in the text is organised.

According to genre analysis, writers of a certain genre normally organise their texts according to the prevailing conventions (Bhatia, 1993). As described earlier in Subchapter 3.2, the focus of the textual analysis is the structure of the genre-text. Thus, the aim of the analysis in this Subchapter is to discover the structure of the stakeholder participation elements, i.e. where the stakeholder participation is positioned within the report, which is accounted for in Section 4.2.1, as well as which structural elements are used within the text itself, which is presented in Section 4.2.2.

4.2.1 Position

In the nine reports studied, there was a clear connection between the issue(s) discussed in the body text and the text written by the participating stakeholder. In other words, the theme of the stakeholder participation element supported the body text, often with a concrete example of the issue presented by the company in the body text. This relationship between stakeholder participation elements and the body text will be further discussed in the following Subchapter on the communicative purpose of stakeholder participation.

For instance in FEMSA's report, the part about Human Resources, and the education and training of the personnel in particular, includes an info box on FEMSA's Self-Development System. In the info box, two employees give their views of how the system has helped them to develop a healthier work-life balance:

Mariana Suez, Costs and Information Supervisor at Coca-Cola FEMSA Argentina, comments, "They suggest a technique that I can really follow. I thought it was very positive that the company would give me the opportunity to attend these workshops, because I noticed a very enriching change in myself, and the fact that the company is concerned with our well-being is a sign that having a balanced life is reflected in our job performance."

For Manuel Da Silva, Professional Treasury Analyst, the course meant a personal change, "I noticed I'm sleeping better, I'm more alert in my daily work, and I feel more relaxed. This has spread to my co-workers, who are also excited about the course." (FEMSA, p. 15)

There was no agreement as to where within a particular section the stakeholder participation element was positioned. Air France and Daimler were the only two companies which positioned the stakeholder participation as the last element of a section. In the other seven reports where stakeholder participation was found, the position varied both within as well as between the reports. No reports started with stakeholder participation elements before the body text written by the company. Instead, stakeholder views were normally included in the middle of a section, with body text both preceding and following the stakeholder views.

Furthermore, there was no clear pattern as to whether stakeholder participation elements were present in all or only some of the sections in the reports. Nevertheless, there was a trend towards including stakeholder participation elements in only some of the sections, as the only reports which had stakeholder participation elements in all sections were Air France and FEMSA.

However, a distinctive trend was identified to present stakeholder views in the social responsibility section of the CSR reports. As the CSR reports were chosen from GRI's list, they are all expected to include sections on social, economic and environmental responsibility, i.e. they are based on the so-called triple bottom line presented in the Subchapters 4.1. and 4.2. In all of the nine reports that included stakeholder participation elements, the phenomenon could at least be found in the sections on social responsibility. Five of the reports (Air France, Shell, FEMSA, Daimler and Ericsson) also included stakeholder participation elements in other sections, usually in the part on environmental issues. Economic responsibility issues were not commented on in the form of stakeholder participation elements, which is not unexpected as none of the stakeholder groups investors, analysts or owners belong to the participating stakeholder groups presented in Subchapter 4.1.

The fact that the most common part where the stakeholder participation elements are present is the social responsibility section also corresponds well to the results presented in the preceding subchapter on participating stakeholder groups. As the surrounding community representatives and employees belong to the most frequently participating stakeholder groups in the CSR reports studied, together with various scientific experts, (who also partially commented on social issues) this is in line with the positioning of the stakeholder views in the reports.

Here , we would ask why stakeholder participation is most common in the parts on social responsibility. One possible, rather practical, explanation could be the availability of information. It seems, for example, relatively simple to gather views from internal stakeholders such as employees, as the companies analysed in the present study have a large numbers of employees.

Furthermore, the issues presented in the social responsibility part can often be commented on by people without any special knowledge of CSR issues, as they, for instance, relate clearly to the employee's own picture of his/her work, or the views of the surrounding community representatives on how the company has impacted the area. In comparison, a view on environmentally related issues demands good knowledge of the topic, which would limit the possible stakeholder groups to experts in the area, either from the scientific community or an NGO.

The results presented in the present Subchapter show that there is no one and only way of positioning stakeholder participation. The fact that stakeholder participation is a relatively new phenomenon most likely has an impact on this finding, as the conventions of the genre are only emerging. However, some similarities in the positioning were found, as the topic of the stakeholder participation element and the body text next to the stakeholder view were clearly related in all instances examined, and the most common section in which stakeholder participation was included was social responsibility. These findings support the argument that the stakeholder participation elements in CSR reports seem to form their own genre, even though the occurrence of stakeholder participation was positioned in a variety of ways within the sections in the reports studied.


4.2.2 Structural elements

In the reports, four main cognitive moves of stakeholder participation were identified: presenting the person, establishing a connection to the text(s) by the company, conveying the thought of the stakeholder and (optional) providing a headline. These will next be presented and discussed in more detail.

1. Presenting the person

All the occurrences of stakeholder participation included a presentation of the person giving his or her view on a certain CSR related issue. In all reports, this element included the first name and surname of the person as well as in most cases also his/her title. In the cases where the person represented a stakeholder organisation, such as an NGO or supplier, also the name of the organisation was written out. Furthermore, most occurrences of stakeholder participation also included a photo of the participating stakeholder.

The reports included two different ways of presenting the person with his/her name, title and photo. Either the name and title were positioned outside the actual stakeholder participation body text, next to the picture (if included), or it was written out in the body text of the stakeholder participation. Figure 14 illustrates three examples of identified presentations. In the examples from Wipro's and LG Chem's reports, the name and title are positioned outside the body text of the stakeholder participation, whereas in the example from the report by AirFrance-KLM, the name and title are included in the text. In addition, the example from Wipro's report illustrates how the name and title are positioned close to the picture.



Mangal S S,
Senior Consultant, Productized Solutions Group

"I appreciate the fact that Wipro buildings are accessible by all. Considering my requirement, I am able to manage on my own without much changes. Wipro encourages recruitment of people with disabilities. At the same time, recruitment is completely on merit and that increases one's confidence in working here. After my selection, a Wipro person called me to check if I had any special requirements, which made me feel welcome in the company. My needs are being reviewed under the reasonable accommodation policy. This makes me feel included and that this organization cares for its people."

A rewarding day in the 'Create a Classroom of Hope' program

Kim Sung-Hee, Student Volunteer

I participated in the 'Create a Classroom of Hope' program at the Seodaemooon Community Welfare Center on June 25, 2010. The community welfare center ran a classroom after school for children from low income households. The 'Create a Classroom of Hope' program was to renovate a classroom in the center to provide a better learning environment to children.

FOCUS ON...

WWF-NL: TWO YEARS OF PARTNERSHIP

KLM and the World Wide Fund for Nature – The Netherlands have worked together since 2007 on combating climate change and nature protection. Part of the agreement on CO₂-reduction is the endorsement and support of WWF-NL for KLM's strategy in the field of sustainable biofuels, marked by the creation of SkyNRG. Johan van de Gronden, Director of WWF-NL says: "The establishment of SkyNRG is a groundbreaking initiative. KLM's demonstration flight serves as a concrete step towards achieving a more sustainable future. We still have a long way to go in relation to biofuels for aviation but by investing in this manner, KLM is once again taking the lead."

Name and title

Figure 14. Examples of positioning the name and title in stakeholder participation elements.

2. *Establishing a connection to the text(s) by the company*

In addition to introducing the participating stakeholder with his/her name, title and often also picture, stakeholder participation elements include information about how the person is connected to the organisation and/or the topic in the surrounding text(s). By including this explanation, the relevance and importance of the participating stakeholder's view can be justified, as it connects the person to the topic the company is promoting in its own text.

The scope, style and position of this connection varied greatly between the reports. For example, in the report by FEMSA (p. 17), an employee comments on the company's inclusive workplace system for employees with different needs. When introducing the employee, the introduction is followed by a subordinate clause *who suffers from brain damage*, which explains why this employee's view is relevant.

Another example is found in Ericsson's report (p. 20), where the participating stakeholder represents the organisation Millennium Promise. The stakeholder view is positioned next to a text presenting Ericsson's educational solutions, including Ericsson's programme Connect to Learn. The stakeholder is presented with his name, title and organisation, followed by a presentation of the organisation, again justifying the view of John McArthur:

John McArthur is the CEO of Millennium Promise, a non-profit organization dedicated to supporting the achievement of the millennium development goals, working with Ericsson in the Millennium villages and with Connect to Learn. (Ericsson, p. 20)

However, this kind of explanation was not written out explicitly in all reports. In some cases, when the participating stakeholder represented an organisation, the title and organisation were used to justify the relevance of the view by the stakeholder in question. For example in the report by LG Chem (pp. 26–27), the name, title and

organisation of the participating stakeholder were not supported by an explicit connection to the company or the topic discussed. Similarly, in the report by Intel (p. 95), its part on educational solutions was commented on by an education specialist, whose relevance was not further explained.

Furthermore, the reports were not consistent in either including or not including an explicit connection to the company and the topic discussed in the report. For instance, Ericsson's report included both connections as in the example above, but the explicit connections were also left out in some of the occurrences of stakeholder participation, as in the view by an Greenpeace representative (p. 39): *Gary Cook, senior IT policy analyst, Greenpeace international.*

One reason for the lack of an explicit connection to the company and/or the issues discussed may lie in how known and reliable the organisation represented in the stakeholder participation element is. One may argue, that Greenpeace, appearing in Ericsson's report, does not need a presentation to establish its importance, as its position and work are supposed to be known to the reader. Also in LG Chem's report, one of the organisations is the Korean Federation for Environment, which probably is a known institution for the audience of the report.

3. Conveying the view of the stakeholder

The third move of stakeholder participation consists of the actual participation, i.e. the views of the stakeholder that were presented. This move can be identified through the direct quotes by the participating stakeholder. In addition, the views were also very concrete, focusing on one issue mostly related to the surrounding text.

The participating stakeholder groups, the themes commented on and the length of the stakeholder participation element varied in the reports. In other words, this move seems to be tailored by the company to fit their and their stakeholders' needs. The following Figure 15 illustrates how the direct quotes are typically included in stakeholder participation elements.



Figure 15. Examples of the structure of stakeholder participation.

4. Including a headline

Stakeholder participation elements often include a headline, a name for the element, that distinguishes it from the rest of the texts in the reports. This, together with a uniform layout, makes it easier for the reader to recognise stakeholder participation elements already before reading the actual view of the stakeholder. The naming of stakeholder participation elements, i.e. the headlines, was presented and discussed in Section 4.1.2.

4.3 Communicative purpose

The purpose of the present Subchapter is to provide an answer for the third research question of the present thesis, namely *what is the communicative purpose of stakeholder participation in CSR reports?* After analysing stakeholder participation through the first six steps accounted for in Bhatia's model, the study has identified the following communicative purposes of stakeholder participation: exemplifying stakeholder dialogue; adding credibility to the CSR report; improving the company's employer image; and opening up for discussion and co-created insights. These will next be presented and discussed in more detail.

To support the findings about the communicative purpose drawn in the present thesis, the seventh step of Bhatia's model, *Specialist information in genre analysis*, has been included. Since Bhatia (1993) recommends that the researcher seeks confirmation for the findings from a person who is utilising the genre analysed, the conclusions of the researcher will be compared to the answers provided by the representatives of the companies that had issued the CSR reports examined and by the two representatives of communications agencies.

4.3.1 Establishing the importance of stakeholders' views

One reason for adding stakeholder participation elements in CSR reports is, according to the respondents in the present study, to emphasise the important role of a good relationship with the stakeholders. Furthermore, including stakeholder views is a way to concretely show that the company communicates and listens to its stakeholders. This idea is reflected in the following quote by a respondent from one of the companies, whose CSR report was analysed:

[Stakeholder participation] reflects our approach to stakeholder dialogue. We keep a dialogue with our stakeholders throughout the year and prepare the report together with them.

Moreover, the importance of stakeholder dialogue was also emphasised by the communications consultancy experts. One interviewee pointed out the connection to the GRI framework, which has active stakeholder dialogue as one of its cornerstones. As all the reports chosen for the present study follow the GRI guidelines and have a GRI level A or A+, the trend of including stakeholder participation thus seems to clearly relate to the GRI framework and give the reporting companies a concrete tool for showing how they engage with their stakeholders.

When compared to the CSR communication strategy model presented in Subchapter 2.3, the choice to emphasise stakeholder dialogue and strong stakeholder relationships corresponds to the two-way symmetric model, i.e. 'the stakeholder involvement strategy'. Stakeholder dialogue was also emphasised in the Theoretical framework as a means of co-constructing the CSR efforts.

As the present study shows that not all stakeholder groups are given a concrete voice in the reports, the questions of whether the dialogue approach is used with all stakeholders arises. It seems likely that the companies do not address all stakeholders through the same channels and with the same methods, which would

be supported by the views of Niskala et al. (2009) and Morsing and Schultz (2006), who point out that different interaction types do not exclude each other, but should be combined and used for different purposes in CSR communications.

4.3.2 Adding credibility to the CSR report

One of the key findings of the present study is the opportunity of stakeholder participation to add credibility to the report and make the company more trustworthy. As O’Riordan and Fairbrass (2008) point out, by engaging in stakeholder dialogue, companies can gain trust and approval from their stakeholders – stakeholder participation in CSR reports is thus an example of how this can be done in practice. This was pointed out by both representatives from the companies whose reports were studied and by the communications consultancy experts, as can be seen in the two examples below.

Company representative:

The external statements make the report more trustworthy, as they also reflect the strategy and engagement. They are not just assurance statements checking the data, but show how our approach is institutionalised.

Consultancy expert:

In my opinion, the main reason for using stakeholders in the report is – if you approach this from a communicative perspective – that they make the reports more credible. Even if the companies are controlling what is actually stated in the report, you have to give the stakeholders the freedom to say what they actually think.

As was stated earlier in the present Chapter, the stakeholder participation elements clearly relate to the surrounding texts in the report, e.g. by providing a concrete example of the issue discussed in the body text. This also shows how the

stakeholder participation elements can add credibility to the texts written by the company, as the stakeholders have the possibility to present their view and support (or reject) what the company is presenting in the body text.

The communicative purpose of adding credibility also provides an answer to why scientific experts are the stakeholders most often given a concrete voice in the reports analysed in the present study. According to a study by the communications agency Edelman (2011) on trust in business, experts and academics are the groups whose views are most trusted when people decide how credible they think information about a company is. Thus, by including expert views, the companies can make their reports and communication in general more credible. Furthermore, the fact that the stakeholder participation elements included both the name and title of the participating stakeholders adds to the credibility of both the stakeholder participation voice and the company's whole report, as titles are often seen as a source of knowledge and credibility.

Furthermore, as adding credibility is seen as one of the main communicative purposes of stakeholder participation, this explains why the participating stakeholder groups are not completely the same as the main target audience of the CSR communication. Even if experts do not belong to the main audience group of CSR reports, their views strongly make the company's words trustworthier and make the main audience see the company and its CSR report as more credible.

However, when the findings of the present study of adding credibility are compared to the study by Edelman (2011), the position of investors and shareholders becomes difficult to determine. These stakeholder groups are, according to Edelman (2011), the second most credible group. Furthermore, they are, according to the research presented in the Literature review of the present study, key stakeholders for companies. Still, their views are not included in the CSR reports analysed.

In the interview with the communication consultancy experts, three reasons for investors not participating in the reports were discussed. First, investors may not want to share their investment processes and reasons behind investing in the company, as this would mean revealing their strategy for competing on the markets. Second, it is not self-evident that the companies themselves want an investor to comment in the report, as this would communicate to the rest of the investors that the investor included in the report is superior to and more important than the other investors. Finally, traditionally, investors have neither been interested in CSR nor have been the key target group of CSR reports, which can be one influencing factor. However, investors are listed as one of the key stakeholder groups for companies, which would imply that the two reasons presented first in this paragraph are the most important ones for excluding investor views from the stakeholder participation elements.

In addition, the present study also shows that companies can utilise stakeholder participations in different ways to make their reports more credible. The stakeholders and themes that can add credibility to the reports are many. As already stated, a comment or statement by a scientific expert can make the report more credible – as can the views of an employee, supplier or NGO, for instance.

Also different themes can be elaborated in stakeholder participation – in Shell's report, safety is discussed from a stakeholder perspective, whereas the topics of the stakeholder participation elements in FEMSA's report are closely related to family and social issues. Still, both approaches add to the credibility of the CSR reports, but the key messages that the companies want to make more trustworthy differ from each other.

4.3.3 Improving the company's employer image

The third communicative purpose of the present study relates strongly to the communicative purpose of adding credibility, but focuses more specifically on the employees and the company as a credible and responsible employer. Many of the stakeholder participation elements were stories by employees telling about their work and how the company takes care of its employees. Thus, the present study identified improving employer image and attracting talent as communicative purposes of stakeholder participation. This was also pointed out by one of the communication consultancy experts:

The employees are at the core of the companies. One target group [of the CSR reports] is potential employees and the companies now have the opportunity to give a glimpse of what it is like to work for them.

Another reason for including views by employees could be the upcoming pension booms and challenges in attracting talents. By giving the employees a voice in the reports, the tone in the reports becomes softer and more personal. Furthermore, the stakeholder participation elements by the employees are concrete examples of an organisational culture where the company listens to its employees and pays attention to their needs and wishes in order to increase motivation and work satisfaction. According to one of the communications consultancy experts, concrete examples of how the companies take care of their employees also make this issue interesting to investors, who are interested in companies performing well and presenting good results – achieved by engaged employees.

4.3.4 Opening up for discussion and co-created insights

In addition to supporting companies' messages in the CSR reports, stakeholder participation also opens up for discussion, which is identified as the fourth main communicative purpose of stakeholder participation in CSR reports. This correlates to Morsing and Schultz's (2006, p. 335) study, where an active dialogue with stakeholders is said to "give birth to new CSR efforts". This aspect was also addressed in the Theoretical framework of the present study, as feedback and discussion were seen as key elements for companies in achieving co-created insights together with their stakeholders.

Concrete examples of how stakeholder participation examples can open up for discussion can be found in the reports by Ericsson and Air France-KLM. Ericsson includes a question to the Chairman of the Global e-Sustainability initiative and Vice President, Corporate Sustainability at Deutsche Telecom if the ICT sector really can help society cut emissions enough to reach the 2020 goal of a 15% emissions reduction. Even though the answer to the question is positively formulated, the viewpoint ends saying that we need to focus more on sustainability, giving room for discussion about the topic and speculating if Ericsson is doing enough to help cut emissions.

An even more critical standpoint can be found in the report by Air France-KLM, where both positive appreciations and recommendations for improvement are included. The positive views on Air France-KLM's activities relate to the first and second communicative purpose presented above, i.e. they add to the credibility of the company's own words on how it operates sustainably as well as show how the company takes their stakeholders' views into account.

In comparison, the improvement issues presented in Air France-KLM's report help open up for discussion on the developable areas and show that Air France-KLM is willing to continuously make progress in their CSR activities by recognising the topics of special importance to the company's stakeholders. Additionally, by showing that the company can improve its CSR activities, it avoids being put on a pedestal, which adds to the credibility of the positive views as the improvement suggestions show that the company knows that it is not perfect but has to improve its work continuously.

As not only Air-France-KLM's performance is discussed, but the interviews also address topics that relate to the aviation business as a whole, Air France-KLM and the company's CSR issues are positioned in a larger context. Through this, there is also a possibility for discussion on both Air France-KLM's and its competitors' performance, strengths and weaknesses. As Air France-KLM is already addressing these issues, this can give the company a competitive advantage against its competitors in case they have not communicated their awareness of the topic in question.

The interviews and questionnaire answers also supported the importance of stakeholder participation as a means of opening up for discussion, finding improvement areas and achieving co-created insights, as can be seen in the following quotes:

It is important for us to engage with our stakeholders for the development of our business as well as learn how [the company] can continue to contribute with products and solutions that are bridging the digital divide, making the world more sustainable.

It is through stakeholder participation that we determine what factors or areas are material to our stakeholders, and we focus our reporting on these areas of the business which were identified as material.

One of the representatives from the companies issuing the CSR reports analysed justified the choice to include views by NGOs and experts in CSR to the communicative purpose of opening up for discussion and new co-created insights as follows:

They [CSR experts and/or NGOs] really give a critical view and we want to actually integrate the stakeholders and implement their concerns.

Furthermore, the communications consultancy experts emphasised the importance of discussion and critical views:

Especially voices that are a bit critical make the actions of the company credible. If the companies have the guts to print something that is not completely flattering, it's a strong message to the reader that this is not greenwashing, but that they actually want to improve things.

The purpose of stakeholder voice inclusion should be [...] to show what is going on to drive positive change in a meaningful way. I think the point is to not just have any voice included randomly, but more to say "This is an example of how we are including our stakeholders to move our strategy forward."

Thus, opening up for discussion and co-created insights can also be said to add to the credibility of the company's CSR actions and communication. However, in the reports examined, most of the stakeholder participation elements show the companies in a positive light – only few include critical views towards the company and/or the business it operates in. Consequently, this leads to the question of whether stakeholder participation is able to a realistic picture of the company's actions.

Positive views can be – and are – utilised for making the report more credible, but as the communications consultancy experts as well as a representative from one of the companies pointed out, a critical approach makes the report more credible, as it truly opens up for discussion about topics that are challenging for the company to address.

Moreover, companies that only let their stakeholders give their appreciations to the company's CSR activities without any discussion can be criticised for greenwashing, which would have a negative impact on the company's reputation and credibility. One of the communications consultancy experts also emphasised the importance of including voices that drive change:

I think a big problem is that companies don't include stakeholder voices in a meaningful way. They use them to kind of give people the perception that they are acting on their strategy when perhaps they are not maybe truly interacting with their stakeholders.

To truly create credible co-created insights, companies need to be open to suggestions by their stakeholders and take the risk to engage in challenging discussions, as this gives them strong opportunities to identify new material topics and shows that they are open to critique and want to improve their work.

As a conclusion to the present Chapter, it can be noted that stakeholder participation was a common phenomenon in the CSR reports studied. However, the style, content length and topic differ between the reports. Still, they share several features and all strive towards the same interlinked communicative purposes of making the report more credible by showing that the company is open to critically discussing and improving its performance. After this Chapter on the findings of the present study, together with a discussion of the findings, Chapter 5 concludes the present study.

5 Conclusions

The present Chapter summarises the research process and the main findings of the present study. Additionally, the practical implications and limitations of the study as well as potential topics for further research will be discussed.

5.1 Research summary

The purpose of this study was to investigate stakeholder participation in CSR reports. The study was motivated by the lack of research in the area and the increasing emphasis on stakeholder dialogue instead of one-way communication with companies as senders and stakeholders as receivers. The study focused on the question *if, how* and *why* stakeholders are given a voice in CSR reports. The three research questions were:

- 1 IF – Is stakeholder participation a distinctive feature in CSR reports?
- 2 HOW – How is stakeholder participation structured in the CSR reports?
- 3 WHY – What is the communicative purpose of stakeholder participation in CSR reports?

The research questions were addressed through a qualitative study with a genre analysis approach, where Bhatia's seven-step model for analysing genres was used as the basis for the empirical part. The data for the study consisted of ten CSR reports. The CSR reports chosen a) were produced by large companies, b) had the GRI application level A or A+ and c) were made for the reporting year 2010 or 2009–2010. The data also consisted of three e-mail and phone answers by representatives from the companies issuing the CSR reports as well as of two face-to-face interviews with experts from a Finnish and a UK communications

agency. Thereby, also the research field where the study is positioned, i.e. international business communication, was taken into account, as the ten companies represent different industries and countries.

The Literature review of the present study focused on the link between CSR, CSR reporting and stakeholder dialogue. The review consisted of an overview of three main topics: CSR as a phenomenon in the international business community, CSR reporting, including standards and trends in reporting, and stakeholder identification/classification as well as dialogue. From the content of the Literature review, a theoretical framework with stakeholder participation positioned within CSR reports at its core was created.

The main findings of the present study indicate that stakeholder participation is a recurring feature in CSR reports, with the key communicative purposes to add credibility and open up for discussion about both the company's CSR activities and CSR related issues in general in a specific field. The stakeholder participation elements also add to the employer image of the company as well as function as concrete examples of how the companies engage with and listen to their stakeholders.

The study also showed that stakeholder participation is an international phenomenon, as it occurred in reports from different parts of the world. Additionally, stakeholder participation elements were present in reports from companies operating in different business areas, which also positions stakeholder participation as a general phenomenon in CSR reports, regardless of the business or geographical area of the company.

This study also shows that the commonly participating stakeholder groups do not necessarily belong to the main audience of the reports, as the most commonly included views are by scientific experts. This explains itself as expert views were

seen as the most credible according to Edelman (2011) and credibility is, according to the findings in the present study, one of the key communicative purposes of stakeholder participation.

Furthermore, this study showed that stakeholder participation elements consist of four main cognitive moves:

- 1. Including a headline*
- 2 Presenting the person*
- 3. Establishing a connection to the text(s) by the company*
- 4. Conveying the thoughts of the stakeholder*

Depending on how generally accepted it is that the stakeholder is an expert in the field and how known the stakeholder and/or the organisation he/she represents is, the second move can include or exclude an explicit connection between the participating stakeholder and the company. In cases where the organisation or person conveying his/her view is not familiar to a wider audience, it can be advisable to include an explicit connection to the company and its report, unless it goes without saying that the person's view is relevant, as can be said to be the case in the example on the education specialist in Intel's report presented in Subchapter 4.2.

The findings presented above are in conformity with the study of Morsing and Schultz (2006), which argues that CSR communication today needs to be built on a stakeholder involvement strategy instead of only informing stakeholders or reacting to their questions and claims. This also relates firmly to the theoretical framework of the present study, as feedback and discussion play a key role in the framework, providing the company with valuable information for shaping co-created insights together with its stakeholders.

Furthermore, the present study finds support in Barker and Gower's (2010) results on the importance of storytelling as a tool for fulfilling the diverse communication demands of today's heterogeneous business communication. The story-like approach of stakeholder participation elements is interpreted by the audience as a credible representation of the "real world". According to Barker and Gower, this creates trust and empathy and works as a tool for sensemaking, i.e. conveying the key messages of the communications, in this particular study within stakeholder participation in CSR reports.

5.2 Practical implications

The findings of this study imply that companies can add stakeholder views in their communication to increase the credibility of the companies' own messages. Even though this study focused on stakeholder participation in CSR reports, the recommendation of adding stakeholder views can most likely also be applied to other CSR communication initiatives, as stakeholder dialogue and an inclusive approach have been emphasised in other contexts than reporting as well (see Morsing & Schultz, 2006).

Nevertheless, this study implies that too positive contributions might be interpreted as greenwashing, which would reduce the credibility of the communication and possibly be interpreted as greenwashing. If a company only communicates the areas where it is performing well, both in general and through stakeholder participation, stakeholders are likely to question the communication and demand open and transparent communication also on issues that are challenging for the companies.

Therefore, companies applying stakeholder participation elements in their communication should ensure that the stakeholder views provide a balanced view of

the company's CSR activities. In practice, this implies opening up for discussion, allowing critique and giving answers also to questions outside the comfort zone of the company's communication.

In addition, the findings of the present study imply that there is no one-size-fits-all model for how companies should incorporate stakeholder views in their CSR reports. Rather, companies need to analyse their communicative needs and identify their key stakeholder audience when planning a strategy for involving stakeholders and including their views in the reports. This strategic approach was also emphasised by Cornelissen (2011), according to whom all companies need to identify the stakeholders with the highest importance for the company in a certain context to be able to assess the communication needs and channels.

5.3 Limitations of the study

The main limitations of this study mainly arise from two issues: the qualitative approach and the data sample. These topics will next be discussed in more detail.

First, the thesis consisted of a qualitative study of ten CSR reports and five interview/questionnaire answers, which is a relatively small data sample. Because of the small number of reports, the implications made should be considered as suggestive only and no generalisations can be drawn about stakeholder participation in CSR reports. However, this was never the intent of the study. Rather, the study aimed at describing the genre on a more general level and explaining the communicative purpose of the genre through real-life examples of a new phenomenon in CSR communication positioned in an international context.

Moreover, as Eriksson and Kovalainen (2008, p. 3) point out, qualitative research gives us information about how things work and why they work in that specific way in a certain context. Because of the descriptive nature of this study, the qualitative approach is considered to be an appropriate method of study and should not be considered a reason to reduce the value of the findings.

Furthermore, the reports that were analysed are published by companies belonging to different businesses. The reports chosen are issued by large listed companies with level A or A+ GRI reporting. These criteria are seen as strong enough for making a comparison of the reports and finding key characteristics of the genre of stakeholder participation. The topics presented and commented on by the stakeholders varied between the reports and reflected the companies' businesses, but since the topic of the stakeholder participation elements was not subject to analysis, this is not seen as a factor that has influenced the results of this study.

Finally, this study has not studied cultural differences in any detail, even if the reports chosen are by companies from different cultures and Bhatia (1993, p. 36) points out that culture may have an impact on the genre, as there is a strong connection between linguistic communication and culture. However, Bhatia claims that cultural differences are unlikely to affect the essential communication purpose and move-structure of a genre.

As the genre of stakeholder participation is only emerging, the aim of this study was to give an overview of the genre. Therefore, the cultural aspect was not regarded as a key factor. However, this topic would gain from studies focusing on possible cultural differences, which is one of the suggestions for further research presented in the following Subchapter.

5.4 Suggestions for further research

As the topic of the present thesis, stakeholder participation, is fairly new and has thus not been studied in any greater detail, there are many possible avenues for future research. Here, four possible topics for further research are presented: stakeholder participation in other channels and for other purposes, the lexico-grammatical features of the genre, a diachronic viewpoint and possible cross-cultural differences.

First, the present thesis has studied stakeholder participation in CSR reports, but naturally, stakeholders can have a voice and participate also in other channels and for other purposes. For example, stakeholder participation in other CSR channels such as advertisements or webpages could serve as objects for analysis. As stakeholder participation has been identified as a rising genre of CSR reports it can be assumed that stakeholders are given the possibility to participate also in other reports. Here, the obvious choice for further research would be annual reports, but also other publications could be analysed. In addition, as the number of online reports are increasing, stakeholder participation in online CSR and/or annual reports could also be investigated.

Second, the lexico-grammatical features of stakeholder participation could be studied as a separate project to give us more in-depth knowledge of the phenomenon. Bhatia (1993, p. 40) points out the importance of a holistic approach that also includes lexico-grammatical analysis, as the lexical signals are what one reads in a text. Therefore, the researcher would welcome a study on the lexico-grammatical features of the stakeholder participation, as the lexical signals can provide important information for the analysis of the structure in the genre.

Third, stakeholder participation could be studied over a longer period of time. The present study only includes a synchronic analysis, whereas a diachronic study would give us valuable information about how and when this genre has emerged as well as how it is changing over time.

Finally, as was suggested already in the previous Subchapter, our knowledge of stakeholder participation would be increased through research on possible cross-cultural differences. As Hofstede and Hofstede (2005) point out, intercultural knowledge is key for surviving in today's global world. Consequently, now that the present study has given an overview of the phenomenon, it would be important to acknowledge any possible cross-cultural differences inside the genre, since this knowledge can improve communication with stakeholders from different cultures.

As presented in this report, stakeholder participation is becoming an increasingly common feature in CSR reports. In addition, the number of CSR reports is constantly on the rise and since stakeholder relationships and dialogue are at the core of CSR, these topics also become key elements in CSR reports. Thus, the central theme discussed in this study, i.e. the stakeholder role in CSR reports, is likely to serve as a good basis for upcoming studies related to international business communication and CSR.

REFERENCES

- AccountAbility (2011). *The AA1000 Standards*. Retrieved on 14 November, 2011 from <http://www.accountability.org/standards/index.html>.
- Aras, G. & Crowther, D. (2010). Applying Corporate Social Responsibility. In G. Aras & D. Crowther (Eds.), *A handbook of corporate governance and social responsibility* (pp. 281–287). Surrey: Gower Publishing.
- Ayuso, S. Rodriguez M.Á. and Ricart J.E. (2006). Responsible competitiveness at the “micro” level of the firm. Using stakeholder dialogue as a source for new ideas: a dynamic capability underlying sustainable innovation. *Corporate Governance*, 6 (4). 475–490.
- Barker, R.T. & Gower, K. (2010). Strategic application of storytelling in organizations. Toward Effective Communication in a Diverse World. *Journal of Business Communication*, 47 (3). 295–312.
- Bhatia, V.K. (1993). *Analysing genre: language use in professional settings*. London: Longman.
- Bhatia, V.K. (1997). Introduction: Genre analysis and world Englishes. *World Englishes*. 16 (3). 313–319.
- Bhatia, V. K. (2004). *Worlds of written discourse*. New York: Continuum.
- Bhattacharya, C.B., Korschun D. & Sen, S. (2009). Strengthening Stakeholder–Company Relationships Through Mutually Beneficial Corporate Social Responsibility Initiatives. *Journal of Business Ethics*. 85. 257–272.
- Birth G, Illia L, Lurati F, Zamparini A. (2006). Communicating CSR: The practice in the top 300 companies in Switzerland. Paper presented at the *10th International Conference on Corporate Reputation, Identity and Competitiveness*, 25–28 May 2006. Retrieved 14 November, 2011 from www.reputationinstitute.com/members/nyc06/Birth.pdf.

- Branco, M.C. & Rodrigues, L.L. (2007). Positioning Stakeholder Theory within the Debate on Corporate Social Responsibility. *EJBO Electronic Journal of Business Ethics and Organization Studies*. 12 (1). 5–15.
- Bryman, A. & Bell, E. (2003): *Business research methods*. New York: Oxford University Press.
- Burchell, J. & Cook, J. (2006). Assessing the impact of stakeholder dialogue: changing relationships between NGOs and companies. *Journal of Public Affairs*. 6. 210–227.
- Carroll, A.B. (1991). The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organizational Stakeholders. *Business Horizons*. July–August, 39–48.
- Carroll, A.B. (2008). A History of Corporate Social Responsibility: Concepts and Practices. In A. Crane, A. McWilliams, D. Matten, J. Moon & D. Siegel (Eds.), *The Oxford Handbook of Corporate Social Responsibility* (pp. 19–46). New York: Oxford University Press.
- Chen, S. & Bouvain, P. (2009). Is Corporate Responsibility Converging? A Comparison of Corporate Responsibility Reporting in the USA, UK, Australia, and Germany. *Journal of Business Ethics*. 87. 299–317.
- Chaudri, V. & Wang, J. (2007). Communicating corporate social responsibility on the Internet: A case study of the top 100 IT companies in India. *Management Communication Quarterly*. 21 (2). 232–247.
- Clarkson, M. (1995). A stakeholder framework for analysing and evaluating corporate social performance. *Academy of Management Review*. 20 (1). 92–117.
- Cohen, J. (2008). Stakeholders. In W. Visser, D. Matten, M. Pohl & N. Tolhurst (Eds.), *A to Z of Corporate Social Responsibility: A Complete Reference Guide to Concepts, Codes and Organisations*. Chichester: John Wiley & Sons.

Cornelissen, J. (2011). *Corporate Communication. A Guide to Theory and Practice*. 3rd ed. Thousand Oaks, CA: Sage.

CorporateRegister.com (2011). *Corporate Register.com Statistics*. Retrieved 14 November, 2011 from <http://www.corporateregister.com/stats/>.

Craib Communications & PWC (2009). *CSR trends 3. A comprehensive survey of corporate social responsibility report trends, benchmarks and best practices*. Retrieved 14 November, 2011 from http://www.pwc.com/en_CA/ca/sustainability/publications/csr-trends-3-en.pdf.

Crane, A. & Livesey, L. (2003). Are you talking to me? Stakeholder communication and the risks and rewards of dialogue'. In J. Andriof, S. Waddock, B. Husted & S.S. Rahman, (Eds.), *Unfolding Stakeholder Thinking: Relationships, Communication, Reporting and Performance* (pp. 39–52). Sheffield: Greenleaf.

Crane, A. & Matten, D. (2007). *Business ethics: a European Perspective: Managing Corporate Citizenship and Sustainability in the Age of Globalization*. 2nd ed. Oxford: Oxford University Press.

Crane, A., McWilliams, A., Matten, D., Moon, J. & Siegel, D. (2008). The Corporate Social Responsibility Agenda. In A. Crane, A. McWilliams, D. Matten, J. Moon & D. Siegel (Eds.), *The Oxford Handbook of Corporate Social Responsibility* (pp. 3–15). New York: Oxford University Press.

Eccles, R.G. & Krzus, M.P. (2010). *One Report: Integrated Reporting for a Sustainability Strategy*. New Jersey: John Wiley & Sons.

Edelman (2011). *2011 Edelman Trust Barometer*. Retrieved on 14 November, 2011 from <http://www.edelman.com/trust/2011/uploads/Trust%20Executive%20Summary.PDF>.

Elkington, J. (2008). Triple bottom line. In W. Visser, D. Matten, M. Pohl & N. Tolhurst (Eds.), *A to Z of Corporate Social Responsibility: A Complete Reference Guide to Concepts, Codes and Organisations*. Chichester: John Wiley & Sons.

- Epstein, M.J. (2008). *Making sustainability work: best practices in managing and measuring corporate social, environmental, and economic impacts*. Sheffield: Greenleaf.
- Eriksson, P. & Kovalainen, A. (2008). *Qualitative Methods in Business Research*. London: Sage.
- Fassin, Y. (2008). The Stakeholder Model Redefined. *Journal of Business Ethics*. 84. 113–135.
- Farache, F. & Perks, K.J. (2010). CSR advertisements: a legitimacy tool? *Corporate Communications: An International Journal*. 15 (3). 235–248.
- Fieseler, C., Hoffmann, C.P. & Meckel, M. (2010). *Opportunities and Pitfalls in Stakeholder Engagement and Dialogue: A Case Study From the Pharmaceutical Industry*. Conference paper at the 60th Annual Conference of the International Communication Association, Singapore.
- Freeman, R. (1984). *Strategic Management: A Stakeholder Approach*. Boston: Pitman.
- Freeman, R. (2010). *Strategic Management: A Stakeholder Approach*. Cambridge: Cambridge University press. Print-on-demand edition.
- Freeman, R.E, Harrison, J. S. & Wicks, A.C. (2008). *Managing for Stakeholders: Survival, Reputation, and Success*. New Haven, CT: Yale University Press.
- Ghauri, P.N. & Gronhaug, K. (2005). *Research methods in business studies: a practical guide*. Harlow: Prentice Hall.
- Gill, D.L., Dickinson, S.J. & Scharl, A. (2008). Communicating sustainability: A web content analysis of North American, Asian and European firms. *Journal of Communication Management*. 12 (3). 243–262.
- Gomez, L. & Chalmeta, R. (2011). Corporate responsibility in U.S. corporate websites: A pilot study. *Public Relations Review*. 37 (1). 93–95.

- GRI Reporting stats (2011). *Sustainability reporting statistics 2010*. Retrieved 14 November 2011 from <http://www.globalreporting.org/NR/rdonlyres/954C01F1-9439-468F-B8C2-B85F67560FA1/0/GRIReportingStats.pdf>.
- Hedberg, C.J. & von Malmborg, F. (2003). The Global Reporting Initiative and Corporate Sustainability Reporting in Swedish Companies. *Corporate Social Responsibility and Environmental Management*. 10. 153–164.
- Hofstede, G. & Hofstede G.J. (2005). *Cultures and Organizations. Software of the Mind*. 2nd edition. New York: McGraw Hill.
- Hopkins, M. (2003). *Planetary Bargain: Corporate Social Responsibility Matters*. London: Earthscan.
- Jones III, A. & Jonas G.A. (2011). Corporate Social Responsibility Reporting: The Growing Need for Input from the Accounting Profession. *CPA Journal*. 81 (2). 65–71.
- KPMG (2008). KPMG International Survey of Corporate Responsibility Reporting 2008. Retrieved 14 November 2011 from <http://www.kpmg.com/Global/en/IssuesAndInsights/ArticlesPublications/Pages/Sustainability-corporate-responsibility-reporting-2008.aspx>.
- KPMG (2010). *Integrated reporting*. Retrieved 14 November 2011 from <http://www.kpmg.com/Global/en/IssuesAndInsights/ArticlesPublications/Pages/Integrated-reporting.aspx>.
- Kujala, J. & Kuvaja, S. (2002). *Sidosryhmät eettisen liiketoiminnan kirittäjinä*. Helsinki: Talentum.
- Kuvaja, S. & Malmelin, K. (2008). *Vastuullinen yritysviestintä*. Helsinki: Edita.
- Matten, D., Crane, A. & Chapple, W. (2003). Behind the Mask: Revealing the True Face of Corporate Citizenship. *Journal of Business Ethics*. 45 (1–2). 109–120.

- Mitchell, R.K., Agle, B.R. & Wood, D.J. (1997). Toward a theory of stakeholder identification and salience: Defining the principle of what and what really counts. *Academy of Management Review*. 22 (4). 853–886.
- Moreno, A. & Capriotti, P. (2009). Communicating CSR, citizenship and sustainability on the web. *Journal of Communication Management*. 13 (2). 157–175.
- Morsing, M. & Schultz, M. (2006). Corporate social responsibility communication: stakeholder information, response and involvement strategies. *Business Ethics: A European Review*. 15 (2). 323–338.
- Mullerat, R. (2009). *International corporate social responsibility: the role of corporations in the economic order of the 21st century*. Alpen aan den Rijn: Kluwer Law.
- Nielsen, A.E. & Thomsen, C. (2007). Reporting CSR – what and how to say it? *Corporate Communications. An International Journal*. 12 (1). 25–40.
- Niskala, M., Pajunen, T. & Tarni-Mani, K. (2009). *Yhteiskuntavastuun raportointi: raportointi- ja laskentaperiaatteet*. Helsinki: Otava.
- OECD (2011). *Guidelines for Multinational Enterprises*. Retrieved 14 November 2011 from www.oecd.org/daf/investment/guidelines.
- O’Riordan, L. & Fairbrass, J. (2008). Corporate Social Responsibility (CSR): Models and Theories in Stakeholder Dialogue. *Journal of Business Ethics*. 83. 745–758.
- Peloza J. & Shang J. (2011). How can corporate social responsibility activities create value for stakeholders? A systematic review. *Journal of the Academy of Marketing Science*. 39 (1). 117–135.
- Pleon (2005). *Accounting for Good: the Global Stakeholder Report 2005*. Retrieved 14 November 2011 from http://www.gppi.net/fileadmin/gppi/Pleon_GSR05_en.pdf.

- Podnar, K. & Jancic, Z. (2006). Towards a Categorization of Stakeholder Groups: An Empirical Verification of a Three-Level Model. *Journal of Marketing Communications*. 12 (4). 297–308.
- Polonsky, M. J. & Hyman M.R. (2007). A multiple stakeholder perspective on responsibility in advertising. *Journal of Advertising*. 36 (2). 5–13.
- Roselle, J. (2005). The Triple Bottom Line: Building Shareholder Value. In R. Mullerat & D. Brennan (Eds.), *Corporate Social Responsibility: The Corporate Governance of the 21st Century* (pp. 113–139). The Hague: Kluwer Law International.
- Savitz, A.W. & Weber, K. (2006). *The Triple Bottom Line. How Today's Best-Run Companies Are Achieving Economic, Social and Environmental Success – and How You Can Too*. San Fransisco, CA: John Wiley and Sons.
- Schadewitz, H. & Niskala, M. (2010). Communication via Responsibility Reporting and its Effect on Firm Value in Finland. *Corporate Social Responsibility and Environmental Management*. 17. 96–106.
- Schultz, F. & Wehmeier, S. (2010). Institutionalization of corporate social responsibility within corporate communications: Combining institutional, sensemaking and communication perspectives. *Corporate Communications: An International Journal*. 15 (1). 9–29.
- Social Accountability International (2011). *The SA8000® standard*. Retrieved on 14 November 2011 from <http://www.sa-intl.org/index.cfm?fuseaction=Page.ViewPage&PageID=937>.
- Swales, John M. (1990). *Genre Analysis: English in Academic and Research Settings*. Cambridge: Cambridge University Press.
- Tammelin, M. (2009). Learning to communicate CSR: A challenge for business communication teaching. In L. Louhiala-Salminen & A. Kankaanranta (Eds.), *The Ascent of International Business Communication*. Helsinki: Helsingin kauppakorkeakoulu.

- The Global Reporting Initiative. (2011). *The Global Reporting Initiative*. Retrieved on 14 November 2011 from <http://www.globalreporting.org>.
- UN Global Compact 2011. *United Nations Global Compact*. Retrieved on 14 November 2011 from <http://www.unglobalcompact.org/>.
- Vos, J.F.J. (2003). Corporate social responsibility and the identification of stakeholders. *Corporate Social Responsibility and Environmental Management*. 10. 141–152.
- Werther W.B. & Chandler, D. (2011). *Strategic corporate social responsibility: stakeholders in a global environment*. 2nd ed.. Thousand Oaks, CA: Sage.
- Yunick, S. (1997). Genres, registers and sociolinguistics. *World Englishes*. 16 (3). 321–336.
- Ziek, P. (2009). Making sense of CSR communication. *Corporate Social Responsibility and Environmental Management*. 16. 137–145.

SOURCES CONSULTED FOR DATA ANALYSIS

- Agnico-Eagle Mines (2011). *Good neighbour. 2010 Corporate Social Responsibility report*. Retrieved on 17 December, 2011 from http://www.agnico-eagle-reports.com/responsibility/pdf/AEM_2010_CSR_en_v06.pdf
- Air France-KLM (2010). *Corporate Social Responsibility Report 2009-2010*. Retrieved on 17 December, 2011 from http://airfranceklm.com/fileadmin/user_upload/pdf/pdf_DD/RADDAFKLM0910_VA.pdf
- Bradesco (2011). *Sustainability report 2010*. Retrieved on 17 December, 2011 from [http://www.bradescom.br/site/conteudo/download/Download.aspx?file=%7e%2fuploads%2fRS_2010_eng\(1\).pdf](http://www.bradescom.br/site/conteudo/download/Download.aspx?file=%7e%2fuploads%2fRS_2010_eng(1).pdf)

- Daimler (2011). *Daimler Sustainability Report 2010*. Retrieved on 17 December, 2011 from http://www.daimler.com/Projects/c2c/channel/documents/2003966_Daimler_Sustainability_Report_2011.pdf
- Ericsson (2011). *Sustainability and CR report 2010. Technology for Good*. Retrieved on 17 December 2011 from <http://www.ericsson.com/res/thecompany/docs/corporate-responsibility/2010/corporate-responsibility-2010.pdf>
- FEMSA (2011) *Sustainability report 2010*. Retrieved on 17 December 2011 from <http://www.femsa.com/en/sustainability/2010/index.html>
- Intel (2011). *2010 Corporate Responsibility Report*. Retrieved on 17 December 2011 from http://csrreportbuilder.intel.com/PDFFiles/CSR_2010_Full-Report.pdf
- LG Chem (2011). *Sustainability Report 2010*. Retrieved on 17 December 2011 from http://lgchem.co.kr/jsp/lgcci/homepi/company/aboutlg_comp_5_1.jsp
- Royal Dutch Shell (2011). *Shell Sustainability Report 2010*. Retrieved on 17 December 2011 from http://sustainabilityreport.shell.com/2010/servicepages/downloads/files/download.php?file=all_shell_sr10.pdf
- Wipro (2011). *Wipro's Sustainability Report 2009–2010 – Living the Future*. Retrieved on 17 December from <http://www.wipro.com/Documents/Wipro%20Sustainability%20Report%202009-10%20online.pdf>

Appendix A: CSR reporting companies chosen for analysis

Agnico-Eagle Mines

In its CSR report, Agnico-Eagle Mines describes itself as a long established gold producer with “a strong record of delivering quality growth and low-risk exposure to gold”. Headquartered in Canada, the company has operations located in Canada, Finland and Mexico as well as exploration and development activities in Canada, Finland, Mexico and the United States.

Agnico-Eagle’s CSR report is titled “Good neighbour. 2010 Corporate Social Responsibility report” and has achieved level A in accordance with the GRI framework. The report has not been externally verified by GRI, nor by an independent third party. The report has 106 pages and is available in English. The reporting period was the calendar year 2010.

Air France–KLM

In its CSR report, Air France-KLM describes itself as “one Group, two companies, three businesses”. The Air France-KLM group consists of a single holding company and the two airlines Air France, which is headquartered in France, and KLM, headquartered in the Netherlands. The three main businesses of the group are passenger transport, cargo transport and aviation maintenance services both for its own fleet and other aviation companies.

The CSR report by Air France-KLM, titled “Corporate Social Responsibility Report 2009–2010”, has achieved the GRI level A. No independent third party has assured the report. The report includes information for the fiscal year that started on 1 April 2009 and ended 31 March 2010 and consists of 56 pages. The report is available in French and English.

Bradesco

On its website www.bradesco.com/br/it, Banco Bradesco positions itself as one of Brazil's largest private banks in terms of total assets. Bradesco provides banking and financial services both in Brazil and abroad. Its clients include private customers, small to mid-sized companies and local as well as international corporations and institutions.

Bradesco's CSR report is titled "Sustainability report 2010". The report has achieved the GRI level A+, i.e. it has been externally verified by an independent third party. The report consists of 60 pages and has been published in Portuguese and English. The reporting period was the calendar year 2010.

Daimler

In its CSR report, the German corporation Daimler is described as a leading vehicle manufacturer, with the development, production and distribution of cars, trucks and vans as well as the management of the Daimler Group as its main business areas. A truly global company, Daimler is active in almost all countries of the world. Its operations are divided into the divisions Mercedes-Benz Cars, Daimler Trucks, Mercedes-Benz Vans, Daimler buses and Daimler Financial Services.

Daimler's CSR report is titled "360 degrees – Facts on Sustainability" and covers the year 2010. The report has been externally checked, with level A+ rating as the result. The report has 88 pages and has been published in German and English. The reporting period was the calendar year 2010.

Ericsson

On its website www.ericsson.com, Ericsson presents itself as a world-leading provider of telecommunications equipment and services to mobile and fixed network operators globally. The Swedish telecommunications company offers end-to-end solutions for all major mobile communication standards.

Ericsson's CSR report goes under the name of "Ericsson Sustainability and Corporate Responsibility Report 2010". The report has been externally assured and received the application level A+. The report has 94 pages and has been published only in English. The reporting period was the calendar year 2010.

FEMSA

In its CSR report, FEMSA is presented as a leading player in the beverage industry through Coca-Cola FEMSA, the largest independent Coca-Cola bottler in the world, through FEMSA Comercio, which operates OXXO, the largest convenience store chain in Latin-America, and through beer as the second largest shareholder of Heineken, one of the leading beer companies in the world. FEMSA is headquartered in Mexico.

FEMSA's CSR report is named "Sustainability Report 2010" and has 64 pages. The report has been externally assured by an independent third party, receiving the GRI assurance level A+. The report has been published in Spanish and English and the reporting period was the calendar year 2010.

Intel

In its CSR report, Intel positions itself as the world's largest semiconductor chip maker, developing integrated technology for industries such as computing and telecommunications. The US based company provides customers in over 120 countries with products such as microprocessors, chipsets, motherboards and connectivity services, as well as services related to these products.

Intel's CSR report is called "2010 Corporate Responsibility Report". The company has self-declared the report as achieving application level A, i.e. the report has not been externally assured by an independent third party. The report includes 120 pages and has been published in English. The reporting period was the fiscal year ending 25 December 2010.

LG Chem

On its website lgchem.co.kr and in its CSR report, LG Chem is presented as the leading chemical company in the Republic of Korea. In addition to petrochemicals ranging from basic distillates to specialty polymers, the company also provides advanced information and electronic materials. The information and electronic materials include products such as rechargeable lithium-ion and lithium-ion polymer batteries, optical materials and electronic materials such as printed circuit board materials and toners.

LG Chem's CSR report is titled "2010 Sustainability Report" and includes 116 pages. The externally verified report has achieved level A+ assurance. The report is available in Korean, English and Chinese and the reporting period was the calendar year 2010.

Royal Dutch Shell

According to its CSR report, Royal Dutch Shell (Shell) is a global group of energy and petrochemical companies, aiming at responsibly meeting the energy needs of the society. Headquartered in the Netherlands, Shell is active in over 90 countries. Its operations are divided into the divisions Upstream, which focuses on exploring new oil and gas reserves, Downstream, which manufactures, supplies and markets oil products and chemicals and Projects & Technology, which manages the delivery of Shell's projects as well as the company's R&D.

Shell's CSR report goes by the title "Sustainability report 2010" and includes 40 pages. The report has been externally checked by the GRI, confirming the level A+ for the report. The report has been published only in English and the reporting period was the calendar year 2010.

Wipro

In its CSR report, Wipro is described as one of the largest global IT services providers. In addition to the IT services, Wipro provides Business Process Outsourcing (BPO) services as well as IT products. Wipro's headquarter is in India and the company has operations in over 50 countries located in the Americas, Europe and India.

Wipro's CSR report is called "Wipro Sustainability Report 2009–2010 – Living the Future". The report has been checked by an external third party and achieved level A+ assurance. The report is available only in English. The reporting period for the CSR report was the fiscal year 1 April 2009 to 31 March 2010.

Appendix B: E-mail cover letter and questionnaire

Dear X X,

I am a student in International Business Communication at the Aalto University School of Economic in Helsinki, Finland. I am writing my Master's Thesis about CSR reports and how stakeholders are participating in the CSR reports by providing their view, for example through comments or questions.

One of my aims is to find out *why* stakeholders are given a voice in CSR reports, i.e. I want to investigate the communicative purpose of this phenomenon.

I am especially interested in the actual comments/views of stakeholders in the report. In your case, this means the [concrete example of stakeholder participation in the company's report].

As your company's report is one of the reports I have chosen for my study, I would be highly grateful if you could answer the three questions listed below. Your name will not be mentioned in the Master's thesis, neither will it be connected to your company.

Best regards

Nina Östman
Aalto University School of Economics
International Business Communication

nina.ostman@aalto.fi
+358 50 380 6020

<http://www.aalto.fi/en/>
<http://communication.aalto.fi/en/studies/mscprograms/ibcmaster/>

Questions about your CSR report for the year 2010:

1. Why have you included views by stakeholders in your CSR report, i.e. what is the purpose with the stakeholder participation?
2. How did you decide which stakeholders' views to include in your report?
3. Have you received any feedback on the stakeholder participation after the CSR report was published?

Appendix C: E-mail cover letter for communications agency

Dear XX,

I am a student in International Business Communication at the Aalto University School of Economics in Helsinki, Finland. I am currently writing my Master's Thesis about CSR reports and how stakeholders are participating in the CSR reports by providing their view on a subject.

One of my aims is to find out why stakeholders are given a voice in CSR reports, or in other words, I want to investigate the communicative purpose of this phenomenon. I am not studying stakeholder engagement in general, but focus on the actual views/ comments of the stakeholders in the reports.

As your company is one of the forerunners in sustainability communications, I would highly appreciate it if you could give me your view on this phenomenon in a short phone interview.

You may, of course, decide yourself if I am allowed to mention XX in the thesis or if you want to be completely anonymous.

Best regards

Nina Östman
Aalto University School of Economics
International Business Communication

nina.ostman@aalto.fi

+358 50 380 6020

<http://www.aalto.fi/en/>

<http://communication.aalto.fi/en/studies/mscprograms/ibcmaster/>