A Can of Worms - Some Problems With The Development and Application of the Concept of Corporate Social Reporting

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Abstract

It is possible to evidence many problems within the area of corporate social reporting. These, it is proposed, explain why the topic has not made as much progress as many concerned individuals, both inside and outside the academic community, would wish.

The present paper attempts to identify the various problem areas by drawing on the literature and attempts some level of synthesis (partial, it is accepted, given the inherently complex nature of the whole concept of an organisation being responsible to society and then reporting on how that responsibility has been discharged).

It is nevertheless concluded that further progress with the concept is possible. Recommendations are made as to how that progress might occur and the chances of success along the different dimensions assessed. It is expected that progress will be both more substantial and more rapid in some areas than in others.

1. Introduction

This paper seeks to address some of the difficulties inherent in the concept of corporate social reporting (CSRep hereafter). The paper debates a number of such issues, and culminates in a summary both of reasons for the general lack of progress that has been recorded in the CSRep arena and makes some suggestions for further progress in the area. CSRep has been the subject of considerable analysis over the last quarter of a century, whilst the history of the associated concept of corporate social responsibility (CSRes hereafter) is probably much longer (Woodward, 1993a). Analysis of these two concepts has taken several forms, such as:

Thanks are due to Paul Klumper for his exceedingly insightful comments passed up this paper in an earlier (conference presentation) form. Whilst not all Paul's comments have been taken on board, that does not diminish their value in encouraging the writer to further justify the stance he has adopted. As ever, grateful thanks are also extended to Richard Laughlin for unfailing guidance, support and sensitive application of his critical faculties.

(a) the development of both generalised reporting models; and

(b) specific in-company reporting frameworks;

(c) content analysis of actual corporate reporting practices; and, finally,

(d) more general analyses of the rationale for CSRes and its connection with related areas of concern such as corporate ethics and governance.[1]

However, such approaches are frequently pitched at a level of *naïveté* which fails to recognise the significant problems involved.

To further the present discussion, it is postulated that CSRep should include both voluntary and non-voluntary reporting (a proposition that does not find support in all quarters - see Skerratt and Tonkin, 1982; and Mathews [2]) and incorporate all those aspects of interest to the organisation's stakeholders (Woodward, 1993b). What such a model might include may be established from the suggested attributes of CSRep, in terms of adequately reflecting corporate activities *vis-à-vis* society, as proffered by various authors over the last two decades, and as illustrated in Table 1.

Insert Table 1 Here

It can be seen from Table I that the features most frequently mentioned in the literature sample surveyed are relevance (five mentions out of a possible seven); and objectivity, understandability and comparability (all of which receive six mentions each). Reliability, completeness, frequency .and consistency, are also considered important features in approximately half the cases examined. Consideration of these features then enables a number of issues associated with CSRep to be extracted and explicated. This task is undertaken in Figure 1.

Insert Figure 1 Here

Figure 1 illustrates how the desirable components of CSRep identified in Table 1 give rise, via associated areas of concern or interest, to specific issues which are subsequently discussed in the present paper.

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[1] Many alternative classification are, of course, possible. Thus Gray *et al.* (1995a, p. 50) dichotomise between decision-usefulness, economic theory and social and political theory, studies.

[2] Personal correspondence (8/1/96) regarding another paper by the author in which Reg Mathews commented, "There are many who would argue that to include compliance with mandatory disclosures is to distort the analysis and that the disclosure should be confined to voluntary disclosure - I certainly have that view."

Describing Figure 1 in greater detail, and it can be observed that the desirable/requisite elements of CSRep identified in Table 1 are now grouped into four sets (comprehensive + regular; relevant + objective + consistent; simple + concise; and reliable + comparable + verifiable). The other identified attributes of acceptable/credible and informative are *not* now incorporated on the grounds that only the user of provided information can make such judgments, and such opinions should not be pre-empted.

It is considered the need for CSRep flows from the associated concept of CSRes and from which it is therefore largely inseparable. Figure 1 also therefore considers this related concept, which is founded upon the notion of businesses operating under a mandate from a society that is steeped in its own cultural values (the organisational legitimacy argument), and that because of the principal-agent relationship then assumed to exist, some form of accountability is then owed by the agent (the organisation) to the principal (society). It is suggested at least partial satisfaction of the 'contract' perceived to then be in existence (albeit largely undefined, informal, morally-bound, unstructured and unwritten - see Woodward *et al.* 1996 for further explanation) may occur through a process of CSRep.

It is fundamental to the argument now being advanced that society *does* have valid claims against business (which is then the essence of the accountability argument - see Gray *et al.*, 1996, for an extensive exposition of this concept); the interested parties to whom that accountability should be rendered (by CSRep as at least one mechanism) are the organisation's stakeholders; the reporting should be both comprehensive (but at the same time also as simply-presented and concise as possible) and regular. These are all elements of the *quantity* dimension, whilst the other 'desirable characteristics' (including the ability to compare with other orgnisations) refer to the *quality* dimension; and all this should occur within an obviously-existing financial constraint.

From these postulates we then are forced to consider:

(a) <u>who</u> might be hypothesised to have claims against the company (it stakeholders - debated in Woodward, 1993b);

(b) <u>what</u> should be reported to them (debated in Gray *et al.* 1995b);

(c) is what <u>constitutes</u> CSRep only that which is non-mandatory? Are we dealing with mere 'compliance with standard' or more than this (the "if it's not voluntary, is it, in fact, CSRep?" argument referenced earlier)?;

(d) the problem that the <u>objective function</u> of the company might not be the same as that of (the relevant stakeholders surrogated as) society. This is the "no matter what the company does/reports, it will never be enough" argument;

(e) how are the relevant standards of reporting determined? And if an audit *is* to be performed, who does it?

The issues that consideration of both CSRes and CSRep give rise to are then identified as:

(a) the definitional problem - just what *is* involved?

(b) shifting goal posts - how difficult is it for the company to know what to do in a social context or how to report upon it when it has been done?

(c) lack of a legislative framework - and does it matter?

(d) measurement difficulties - is it possible to develop any set of indicators that can fully (or even adequately) disclose the impact that organisations have on society, as visualised by the stakeholder groups with which those organisations interact?

(e) the auditing problem - what reliance can be placed upon unaudited information, and who, in any event, does the auditing?

(f) the *role* of accountants in all this - to be or not to be involved?

The six areas of concern identified will now discussed. No claim is made that these are the only potential areas of difficulty, although they are probably the most important. Neither is any attempt made to prioritise them - not only is the whole subject of CSRep a can of worms, but so are these individual components. Parties interested in the debate will ascribe their own levels of significance to the separate issues. However, in passing it may be mentioned that the space devoted to each of the five concerns to some extent reflects their popularity in the literature. This fact may itself perhaps be taken as a crude indication of level of academic (at least) concern with them.

2. Issue One-the Definitional Problem

The inherent difficulties in debating the corporate social dimension may initially be illustrated by considering the problem of definition i.e. just what *is* CSRep? - leaving aside for the moment the problem of how corporate social activity should subsequently be reported.

Many, many definitions have been forthcoming over the years in an attempt to describe the nature of the relationship between business and society. Perhaps this is because, as Anshen (1974, p. 234) has commented, precise definition is difficult since no two corporations are the same, and whilst we may be able to recognise social responsibility when we see it (rather like 'beauty' perhaps9.), it is difficult to define it ahead of time. McDonagh (1992, p. 9) considered it possible we are actually dealing with two separate and distinct procedures: firstly, the measurement of social costs and benefits *(social accounting* - addressed by Lewis and Owen, 1989 - although see response by Woodward, 1989); and, secondly, the measurement and disclosure of social information *(social responsibility disclosure).*

What is certain is that there is no common definition of the overall concept (Guthrie, 1983, p. 1). Puxty (1986, p. 100) has drawn attention to the lack of a consensus as to how social accounting should be expressed, in addition to the doubts about its level of comprehension, its ability to contain unequivocally true information, and any claims of valid legitimacy. Such doubts may explain why Burke (1984, p. 100) has suggested that a precise definition should be avoided.

Not to be put off, however, many authors have made the attempt and we have therefore been presented with definitions of *social performance measurement* (AICPA, 1977, p. 3); *social disclosure* (Anderson and Frankle, 1980, p. 467); *social auditing* (Blake *et al.,* 1976, p. 3); *(corporate) social responsibility* (Bowman and Haire,1976,p.ll;Brooks,1986,p.211;HumbleandJohnson,1978,p.7;MasonandMaxwell, 1975, p. 42); *corporate social performance* (Brooks, 1986, p. 7); *social (responsibility) accounting* (Estes, 1976, p. 3; Mathews, 1984, p. 204); *social responsiveness* (Glautier and Underdown, 1986, p. 483, quoting Wilson, 1974); *corporate social accounting (and reporting)* (Guthrie, 1983, p. 4; Mirza, 1987, p. 35; Saw and Claerhourt, 1990, p. 21); and *corporate social orientation* (Aupperle, 1991, p. 271) - this last as an attempt to incorporate both CSRes and corporate social performance. Zenisek (1979, p. 361) drew on the work of Sethi (1975) to make a distinction between social *obligation,* social *responsibility* and social *responsiveness.*

Whilst it might very well be these different definitions refer to differing aspects of the overall topic area, the proliferation of descriptors is nevertheless confusing. In addition, the authors involved frequently either do not bother to define their terms, presumably on the assumption their readers know in some intuitive fashion what is involved, or do so in such a woolly fashion that one is left confused as to quite what it is they are writing about.

An example of the latter would be *Gray et al.'s (1995*a, p. 55) view of CSRep (having accepted, "A prerequisite for any research is some definition of the thing to be researched - Gray *et al.,* 1995b, p. 81), which they find 'supported' by Neimark (1992, p. 100) as:

'Forming part of the symbolic universe of language, signs, meanings, norms, beliefs, perceptions and values, through which individuals and institutions define themselves and are defined by others. Companies use their accounting to construct themselves and their relationships with others as they strive to create and maintain the conditions for their continued profitability and growth."

It is very difficult to see this as a definition of CSRep. (Indeed, with no clues provided would one know *what* it purported to define.?).[3]

Basic elements of the terminology are discussed by Gray *et al.* (1987, pp. 4-8), and a quick summary will be attempted here:

Social responsibility - is the responsibility for actions which do not have purely financial implications and which are demanded of an organisation under some implicit or explicit identifiable contract.

Social accountability - is the responsibility to account for actions for which there is social responsibility under an established contract.

Social reporting - is the process of providing information designed to discharge social accountability.

Social accounting - can have two meanings. The first means the presentation of financial information on the costs and benefits of an organisation's social activities. The second, less common, meaning is of the regular presentation of a formal social report by the accountable organisation.

Social audit - is the most misused of all the terms. Many authors use it as synonymous with social reporting, whereas the word 'audit' has connotations of independent attestation. The expression can also mean reports produced on a company's social (or anti-social) activities by an outside organisation (for example, the reports by *Social Audit Ltd* in the 1 970s).

A further addition to this list identifiable in Gray's recent work (Dey *et al.*, 1995), might now be:

Social bookkeeping - the process by which an organisation defines, assembles and collates the data necessary to prepare a 'social account'.

[3] Gray *et al.* (1995a) also potentially do Neimark no great service by in addition mis-quoting her. Neirmark was talking about annual reports whereas those authors attribute her observations to accounting.

It is easy to criticise these explanations of terminological differences. For example, under 'social responsibility', the use of "demanded" would appear to leave no place for voluntary activities undertaken by an organisation; and why does there have to be a "contract"? Under 'social accounting', what is the situation if the report is sporadic rather than "regular"? Nevertheless, the Gray *et al.* categorisation remains a useful one in terms of highlighting the potential differences between expressions frequently used synonymously.

Bauer and Fenn (1973) avoided the problem of marginal terminological differences by indicating they could not see that the question had much significance (p. 38), (a point supported by Epstein *et al.*, 1977, p. 2, and more recently by Puxty, 1986, p. 104), although they subsequently attempted a definition of *social audit* as "a commitment to systematic assessment of and reporting on some meaningful, definable domain of a company's activities that have social impact" (p. 38). Many would see this more as a definition of *social reporting*.

Abt (1977) attempted to define *corporate social responsibility* in terms of what it includes, and distinguished between:

(a) areas of widespread agreement,

(b) areas of majority agreement; and

(c) areas of minority agreement.

The fact that Abt saw only a majority (category (b) above) obeying *all* laws is, perhaps, potentially disturbing - it certainly fits with the example of Bauer and Fenn's (1972, p. 69) mention of the automobile company which proclaimed it was 'voluntarily' complying with California state law!

Anshen (1974) also avoided the problems inherent in specifically defining corporate social responsibility and, like Abt, settled rather for an indication of what should be included in a comprehensive definition:

> "(It) should include dimensions of agreement, enforcement, comprehensiveness, precision of measurements and records, opportunity for and feasibility of corporate action, and support for extracorporate public opinion" (p. 95)

The definitional choice of Epstein *et al.* (1977, p. 2) indicates the actions measured have to be *voluntary* and undertaken for the benefit of *other than shareholders*. These seem strange exclusions, representing thereby a restricted view of what comprises CSRep, although the first point is supported by Deverson (1986, p. 44), Kast and Rosenzweig (1985, p. 156), and Linowes (1972, p. 59); and the second by Shanks (1978, p. 1).

The reality appears to be that many writers are talking about the same thing, despite their different definitions. Amongst the various offerings, those which would appear to best describe the concept of CSRep are (ignoring the titles actually given to them by their developers, and despite the fact that none is considered comprehensive enough for present purposes):

"A systematic attempt to identify, analyse, measure (if possible), evaluate, and monitor the effect of an organization's operations on society" (Blake *et al*,1976, p. 3):

"... including concern for the impact of all a corporation's activities on the total welfare of society" (Bowman and Haire, 1976, p. 11);

"the measurement and reporting of information concerning the impact of an entity and its activities on society" (Dobbins and Witt, 1988, p. 382); and

"The measurement and reporting, internal or external, of information concerning the impact of an entity and its activities on society" (Estes, 1976, p. 3).

Summary of section

Gray *et al.* (1995a) have commented CSRep, "is neither practised systematically by organizations nor able to claim either universal recognition or universal definition" (p. 47). There is no doubt no single definition has not yet been produced which incorporates all the elements the (admittedly superficial) survey of the literature (refer back to Table 1) that has been undertaken for present purposes has identified. However, the definitions selected as favouring the present writer's orientation (and thereby, it is accepted, introducing an element of personal bias) possess the two attributes of (a) corporate activity in some way benefiting society; and (b) subsequently reporting on what has been done.

3. Issue Two - The Goal Posts Keep Shifting

Many writers have commented upon the 'moving target' nature of social responsibility.[4] Thus Anderson (1977) for example, thought "Social targets are moving targets, changing quickly in both priority and substance. What was 'not required' five years ago is 'expected' today and will be 'legally enforced' five years from now" (p. 32).

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[4] An unknown reviewer, commenting upon an earlier version of this paper, suggested things are actually more complicated than this i.e. it's a question of 'playing on different pitches' as well as of the goal posts shifting on the pitch *we think* we are playing on (Cooper and Sherer, 1984).

what should be looked at by *the company)* that much more complicated. They commented:

> "Roughly, the decision as to what to audit has to be determined in one of two ways. Either the top corporate executives, on the basis of their interests and their perceptions of the concerns of their constituents, must make the choices, or some kind of survey of the relevant constituencies must be conducted. A good case can be made for either approach; it is largely a question of what purpose a company has determined for the audit" (p. 41).

Churchill (1974) saw the movement of corporate actions from being considered socially responsible to becoming what is normal and expected of the corporation occurring through legislation. Thus what might be considered 'social' today would become merely 'economic' tomorrow. This would give rise to "a tendency to account for such activities in economic terms and a tendency not to worry too much about separating socially related actions from purely economic ones, since in all probability they will either go away or blend into the economic mainstream of the firm" (p.6).

Abt (1977) considered the 'moving target' problem to be somewhat overstated, and saw the difficulty as more conceptual than practical:

> "Dynamic control theory and feedback control systems oriented to continual error reduction both demonstrate the feasibility of homing in on 'moving targets'. Furthermore, both theory and practical experience indicate that frequent crude error-correction signals are much more effective in goal-seeking guidance and control systems than are infrequent but precise correction signals. The analogy applies in social evaluation research as a system for guiding social policy. Social action can be better guided by frequent, crude, formative evaluations of social needs and opportunities than by infrequent, precise, and summative evaluations" (p. 187).

This is not the only instance of Abt belittling the difficulties associated with CSRep (Woodward, 1993a, p. 36), and one could be excused for siding with such as Glautier and Underdown (1986, p. 476), who considered social costs and benefits both to be a function of social perception of what is 'good' and 'bad' about business activity, and that opinions with respect to neither are constant. Thus measurement becomes difficult

Different expectations are held by society of large organisations compared with small, and Dowling and Pfeffer (1975) hypothesised that, "Size increases the problem of organizational legitimacy and hence elicits more stated concern with socially relevant goals" (p. 134). With corporate growth, therefore, an organisation might find that society's perception of what constitutes 'appropriate' behaviour on its part changes.

Perhaps the best expression of the moving target concept is Bradshaw's (1978):

> "(It) is like traveling toward a mirage in the desert; as you creep, walk or run toward your objective, it shifts its position, changes its appearance, or recedes toward the horizon. If you are committed to the chase ... you go on - but with shaken confidence that the perfect realization of corporate social responsibility will ever be reached" (p. 19).

Summary of section

Acceptance of the 'moving target' nature of social responsibility automatically leads to recognition that it becomes difficult for the company to know what to do in a social context or how to report upon it when it has been done.

4. Issue Three-the Lack of A 'Legislative' Framework

The problem identified in this section is linked to that of 'moving goal posts'. since part of the difficulty is the lack of a comprehensive 'legislative' framework (i.e. pseudo accounting profession - as well as governmental) indicating both the *nature* of a company's social responsibilities and prescribing *how* those responsibilities should then be reported. From the myriad of aspects that could validly be held to constitute CSRes (see Woodward, 1995, for a comprehensive list), the only legal, or indeed accounting profession obligation to report, presently incumbent on UK companies (as identified by Gray *et al.*, 1995a), is certain information relating to employees (including pensions, arrangements for consultation, employment of the disabled and ESOPs), plus charitable giving and relationships with South Africa. To this should obviously be added political giving and much information relating to shareholders. This stakeholder group's interests are invariably ignored in the literature (Woodward, 1993b) and find no place in Gray's restricted view of what comprises 'social'.

Humble and Johnson's (1978) survey of chief executive attitudes towards CSRep envisaged legislation on social reporting occurring within ten years (from their time of writing), so that boat has clearly been missed. *The Corporate Report* (ASSC, 1975, p. 57) also predicted an increase in legislation dealing with pollution (which has happened), health and safety (also true) and "socially beneficial requirements" (where not a lot would appear to have occurred).

Brooks (1986, p. 94) saw a place for legislation, but considered pressure on executives from peers, customers and society in general as equally important, whilst Ackerman (1973, p. 91) presented an argument (not necessarily his own), which suggested that social expectations of business behaviour become legitimate only when the government requires compliance, so to the extent that penalties for non-compliance are exacted, a social issue is converted into an economic one and can then be managed just like any other business problem. This introduces the contentious debate about whether something can still constitute an aspect of social responsibility once it becomes a legal requirement, although this issue will not be debated here.

However, Abbott and Monsen (1979) believed CSRep is undertaken specifically in an attempt to counteract the belief that many business actions are *illegitimate* (Parsons, 1960; Gross, 1978). Parket and Eilbert (1975, p. 6), equally, saw social reporting as a defence mechanism - as a response to the barrage of criticism levelled at business, but also as an aversion to government regulation and prescription (for a recent paper discussing these issues, see Maltby, 1996). Expenditures self undertaken were seen as preferable to more odious measures which government might be led by business critics to impose. This latter point received support from Anshen (1974):

> "To the extent that initiatives are not forthcoming on the business side, they will almost certainly be generated on the government side by social pressures acting through the political process to create legislative and administrative responses. This is not a Prediction with a low order of probability" (D. 246).

Not everyone considers that legislation is either necessary or desirable. As eminent an authority as Puxty (1986) has claimed "no adequate case exists that can justify social accounting standards" (p. 95. See also p. 104), whilst Tinker (1984,p. 59) has drawn attention (via Stigler, 1971, p. 3 and Peltzman, 1976, p. 211) to the dangerous possibility of a single economic interest (industry) dominating any accounting regulatory process. Medawar (1976) quoted Geoffrey Chandler, at the time a director of Shell International (from *The Guardian*, 5.1.1973), that voluntary standards will always tend "to be less than a responsible company will do under its own volition and more than an irresponsible company will do without coercion" (p. 393).

Summary of section

The desirability of legislation in this area would obviously have to be based upon the idea of market failure having occurred. Adoption of a 'public interest' approach would then suggest regulation should occur. On the other hand, use of a 'private interest' approach would argue contrarily.[5] From the brief survey undertaken

[5] The author is indebted to Paul Klumper for bringing this particular point to his attention.

above, the weight of opinion would appear to favour the first position rather than the second.

Two advantages perceived by Anshen for a legislative framework enforcing social performance (1974, p. 7) are:

(a) criticism for unpopular corporate decisions would be avoided; and

(b) competitive equality in investment and operating costs between companies would be maintained.

Referring back to the elements of CSRep identified as important in Table 1 supplied earlier and a further advantage can be perceived:

(c) a mandated framework for CSRep would enable greater comparability to occur between the CSRe performance of different organisations.

5. Issue Four - The Measurement Problem

Within CSRep, the measurement of costs and their associated benefits presents both conceptual and practical problems - although for Medawar (1976) this represented only one of a set of problems facing different involved groups, with each group looking no further than the end of their respective noses. Charnes *et al.* (1972) suggested mathematical modeling as a way out, whilst Oliphant (1971) complained at the lack of a set of indicators that could fully disclose the impact that organisations have on the society in which they exist. Perhaps Horn's (1980) proposal for the use of social indicators (echoed by Parke and Peterson, 1981) has some merit, whilst the application of cost-effectiveness analysis (King, 1970) could perhaps help companies decide on which issues they should concentrate their endeavours.

Someone as brave (foolhardy.9) as Abt (1977) considered measurement was always possible, hence his claim that:

> "In every case imaginable, either the direct market price of a particular social benefit or cost can be determined ... or where there is no market price involved, the market worth can be determined by shadow pricing" (p. 30).

However, since when applying his CSRep model to his own firm, Abt Associates Inc., Abt found in all cases:

> "market values were not available to generate a consumer surplus differential between market value and cost, (so) the cost of the (research

and evaluation) work (undertaken by the firm) was assumed to be its worth" (p. 150),

one is obviously forced to question his sincerity.

Deverson (1986) saw the measurement problem as only one of several issues inhibiting the ability of accountants to report the broader social activities of the enterprise. He listed

(a) inadequate measurement techniques;

(b) lack of a consensus as to the nature and scope of the topic; and

(c) doubts as to the validity of attempts to identify social actions as separate from the rest of enterprise activity.

Churchill's (1974) approach was to attempt to examine the relevance of accounting theory for the measurement of social costs, from the point of view of the concepts and conventions of:

* entity	* continuity	* realization
* matching	* consistency	* materiality
* conservatism	* freedom from bias	* relevance

He encountered many problems in attempting this exercise (whose relevance Abt 1977, p. 189 dismissed largely anyway). A useful observation from Churchill was that whilst one set of social costs might be relevant for one purpose (such as making informed decisions), another set might be required for another purpose (such as reporting on the activities of the corporation). Support for this contention can be drawn from Engledow (1978), who specified the different information requirements of the various stakeholder members both inside and outside the organisation, against the background of their different attributes and attitudes.

Churchill (1974) discerned two major accounting differences between *economic* and *social* measurement:

(a) economic benefits are recognised year after year, whilst social benefits are not. "Perhaps a more elegant way of stating it is that the discount factor on the benefit side of social measurement is high and discontinuous, approaching infinity in the periods after which the social gain is achieved" (p. 13); and

(b) the concept of 'entity' is changed from the business alone to the business *and* it affected constituency.

The American Accounting Association (1971) pointed out the difficulty managers of organisations might have in determining what to report to society. The AAA considered both owners and managers to be interested in maximising an objective function which might not be the same as society's. To the extent these functions *are* different, society may desire information about business activities beyond that of other interest groups, so the problem for executives is - what to measure (p. 186)?

The crucial aspect of this problem is the probable expectation (on the part of recipients of corporate social reports) that benefits, as well as costs, will have been reported in monetary amounts. This is difficult, since whilst in many cases the 'sacrifice' can be so measured (amounts donated to a hospital; money spent on hiring and training the handicapped), the related 'benefit' (additional hospital bed capacity; number of handicapped employed), is mainly non-monetary (AICPA, 1973, p. 54).

The difficulties discussed above have led to all sorts of defects being apparent in the reports that companies have produced, summarised by Gale (1978, p. 59) as:

(a) they are highly aggregated and lack explicit statements of the assumptions used;

(b) they appear to be confined by a desire to conform to traditional accounting concepts. Efforts to make information "quantified, monetized (and) computerized" (Butcher, 1973, p. 28 - what has become known as the 'McNamara fallacy'. See Gray *et al.*, 1990a, for a further comment), make their interpretation difficult; and

(c) measurement problems prove so difficult that the majority utilise a cost approach which is unlikely to be reflective of the desired *qualities* to be measured.

Monsen (1973), in a conference paper entitled *Is Social Accounting a Mirage* (Patrick, 1978) poured cold water on the whole idea of there ever being developed meaningful kinds of social accounting anyway. Whilst he regarded the idea as merely "a romantic notion" (p. 110), he nevertheless thought there was little doubt it would become increasingly popular since it provided companies with such an effective public relations tool. Demers and Wayland (1982, p. 59), equally, thought the distinction between social responsibility and advertising is often somewhat blurred. Interestingly, Dewhurst (1989) considered this to be the very reason why the 'social audit' supplements published by many companies in the early 1980s became less frequent towards the end of the decade - accountants never saw them as part of their audit check.

> "Corporations soon realised that what was not being checked on could be enhanced. Broad, all embracing, statements of their huge financial commitments to people and the environment were made. The Social Audit degenerated into a huge PR exercise. It lost its validity and with that its force" (p. 8).

Summary of section

The Corporate Report (ASSC, 1975, p. 57) suggested that an attempt to disclose the impact of an entity upon society and the environment was impractical in the absence of generally-agreed measurement mechanisms. It is likely the situation has not drastically changed over the intervening two-decade period.

6. ISSUE FIVE - AUDIT

The last observation leads naturally to a consideration of the audit aspects of CSRep.

Even if the measurement problem could be satisfactorily resolved, the problem of auditing the results would remain, although it has been suggested this "is putting the cart before the horse, since an audit pre-supposes that methods of measurement and standards for judgment exist" (Anon. 1974, p. 671). It also pre-supposes that audit is a good idea.[6]

If it is accepted that the nature of CSRep means that much of the information reported to interested parties is in a non-monetary form (there is no reason why it should fit into "the acceptable financial accounting box" [Anon. 1972 p. 91]), what reliance can be placed upon it if it is un-audited? The AICPA (1977) also was concerned that within the CSRep domain:

> "There are no equivalents of generally accepted accounting principles, general standards of presentation, standard definitions and terms, or generally accepted auditing standards" (p. 254).

Humble (1973) thought that, given insufficient insight to even define all the problems of CSRes, let alone measure all the outputs, the 'social audit' was never

[6] It needs to be indicated what type of audit is being suggested here. This is not more compliance with stadard, since although that is part of what is involved, companies should be encouraged in their CSRep activities to always exceed legally-imposed minima. But any reporting over and above that legally required should also be verified by an independent, and appropriately-qualified authority, to th extent possible.

likely to be anything like the financial audit, whilst for Lessem (1977) the audit problem is one of only many facing organisations that want to attempt CSRep (see Figure 2).

Insert Figure 2 Here

Lessem considered the lack of an agreed auditing framework to vet company's social declarations provided an incentive for companies to report only the 'good' and not the 'bad' (p. 293). As he commented:

> "After all, a profit and loss statement must publish the red as well as the black. Imagine if a company only published its areas of profitable operation within an annual report, and merely omitted to mention any unprofitable sides. The resulting, distorted profitability figure would be adjudged deceptively misleading" (p. 282).

An additional danger identified by Lessem was the potential attraction be companies available - Scovill Manufacturing was the only self-critical example he had come across. That company's *social action report* presented a list of social assets and liabilities in four categories: employment opportunities, environmental controls, community involvement and consumerism in, as a corporate executive conceded, an "admittedly imperfect attempt to report on our corporate social action" (Beresford, 1974, p. 41).

It is also worth investigating who actually carries out the audit, of course, in the context of other relationships with the company possibly existing. Stephens and Owen's recent work (1996) suggests true independence is rarely in evidence.

Francis (1973) (although actually writing about social programmes in the public sector) found no evidence to suggest that the accountant has some unique experience that qualifies him/her to attest to the integrity of'social' data. She thought that to argue otherwise would be to contend that either:

(a) the design of a system to detect and record events is, on the whole, independent of the reasons for observing and measuring those events; or

(b) the ability to design a system to detect the logical consequences of the available initial facts implies an ability to design a system that can uncover the basic truths that give rise to the observations.

Francis considered "both propositions are totally without foundation" (p. 252), although it is worth noting the scathing criticism to which her entire article was subjected by McRae (1973).

It is, however, likely that some aspects of CSRep could be audited with no great difficulty. Owen (1984), for example, has suggested the following could be feasible:

(a) ensure that a satisfactory system of internal control is in existence to safeguard the quality and reliability of the social information produced;

(b) ensure that the definitions employed by the company for significant indicators are acceptable, and, in cases where several interpretations are permissible, to require the definition employed to be specified;

(c) verify that figures used in the social report agree with those in the financial report; and

(d) ensure the comparability of methods and measures used over time, and that any changes are fully explained and the effect quantified.

Gray *et al.* (1986) favoured a relatively straightforward 'compliance with standard' approach.

summary of section

As the AAA (1971, p. 196) pointed out, if non-financial measures are to be reported, there are many questions concerning what will be audited, who will do it, who will bear the cost, and what influence the auditors themselves might have upon the methods of reporting, report contents, etc.

7 Issue Six-Whether to Involve Accountants

7.1 To be or not to be?

The role of accountants in CSRep has become very much an issue of the 1 990s, particularly with regard to ecological (the so-called 'green') reporting, although there is some suggestion that national culture is a significant feature of the ethical considerations that underpin attitudes towards CSRep in different countries (Karnes *et al.,* 1990). So this is another area where there is unlikely to be a 'single' solution. The debate extends beyond mere questions of the involvement of the accounting profession in the preparation and auditing of corporate social reports, to include more tenuous issues such as the extent to which accountants, by the *very way that they measure* corporate financial performance, might be said to have actually contributed, for example, to ecological degradation (Beams and Fertig, 1971; Gray, 1991, Maunders and Burritt, 1991; Gray 1995) or at least to have largely ignored the ecological and other social consequences of their decision-making models (Birnberg and Gandhi, 1976; Dierkes and Preston, 1977; Milne, 1991).

In the same way as Mintzberg (1983), having asked: can social responsibility work, does it work, and should it work, and having summarised the overwhelming evidence that it can't, doesn't and shouldn't, nevertheless concluded that it must, a case could perhaps be made out for the involvement of accountants, on the grounds they are as qualified as any professionals to undertake the task. As Gray (1990a) has pointed out with regard to environmental accounting, "accountants have long relied on the judgment of other specialists and experts" (p. 68), and presumably there is no reason why they should not continue to do so wherever skills' shortages are identified. Nevertheless, in his more recent work (Gray *et al.* 1992), Gray does seem to recognise a reluctance on the part of accountants to become actively involved certainly in environmental accounting, identifying "a reactionary tendency amongst accountants (which) will effectively prevent the accounting profession from being any sort of driving force behind greener organisations and information systems" (p.2).

Lehrnan's recent work (Lehman, 1992), whilst not directed at CSRep *per se*, nevertheless does address itself to the question of the accountant's ability to fully embrace the social implications of what s/he does, in her belief that accountants are generally lacking in political and social acumen from having been subjected to rote learning and a detached educational experience. This gives rise on Lehman's part to the thought that "the accountant as a caring and knowledgeable socially oriented citizen is virtually an unknown species" (p. 2).

In the UK, the major professional accounting bodies have expressed an increasing Interest in the social aspects of accounting, particularly 'green' issues (see Adams,1992; Carey, 1992; Phillips, 1992). The Certified body's sponsorship of Gray's 'greening' monograph (Anon. 1990a; Gray, 1990b) is a good example, although both CIMA (1990) and ICAEW have also been involved (CIMA, for example, having established a working party to develop practical guidance for its members on how to address the management accounting implications of new environmental legislation and requirements [Gray and Gray, 1990, p. 34]). Changes in examination syllabi to reflect the growing interest in the subject have been announced (Anon. 1991), although little real progress appears to have been recorded in this area. A more promising manifestation is the appearance of social accounting upon the teaching agenda, with some evidence now emerging of the subject being included in undergraduate accounting syllabi (Post and Andrews, 1992; Blundell and Booth, 1988; Humphrey *et al.*, 1992; Owen *et al.*, 1994).

The debate concerning the involvement of accountants in aspects of CSRep, both 'professional' (Anon, 1990b, 1990c) and 'academic', is heated and has now been raging for same time. As summarised by Anderson (1978a, p. 39), there are two radically differing opinions concerning their role. The conservative view is that accountants have neither the training nor the experience to deal with social measurements. The opposite view is that it is the responsibility of the accountant to become actively involved in this very activity. Both sides of this argument will now be examined.

7.2 The 'anti' argument (or reasons for the Lack of Accountants' Involvement)

Much of the argument against accountants becoming involved in CSRep centres around the difficulties with the task and hand. The question is therefore couched in terms of "are accountants 'up to' its demands?" This is the approach taken by Benston (1982), who suggested (p. 102) that accounts could best express their social responsibility by forbearing from becoming involved in accounting for it! (although he was taken to task for his comment by Schreuder and Ramanathan, 1984a, 1984b). Owen (1981, p. 44) attributed the failure of *The Corporate Report* (ASSC, 1975), which recommended further study in the area of social accounting, to the concervative attitude of the accounting profession, which seemed to find the idea of wider disclosure of relevant information too daunting a prospect (for a detailed potential rationale, also see Hussey, 1976).

Birnberg and Gandhi (1976, p. 7) thought the conditions under which accountants could assist would require to be carefully qualified, whilst Colantoni *et al.*, (1973, p. 286) appeared to support Seidler's (1972) view, which questioned the ability of accountants to measure indirect effects of either an economic *or* social variety.

Mathews (1984) is noted for his division of CSRep into two parts- *social responsibility accounting* (comprising "attempts at measuring, in monetary terms, the total cost of running an organisation in its existing form" - p. 209). Mathews (1985, p. 139) considered that whilst accountants might competently deal with many aspects of SRA, they should be wary of becoming involved in TIA. Brooks (1986, p. 65) went further, to suggest that formal mechanisms for the measurement of social performance have not been developed and this non-development itself poses a serious threat to the maintenance of accounting's area of expertise.

Gorman (1991, p. 3) attributed the reluctance of accounting to integrate social responsibility and reporting systems into its mainstream activities to the profession's:

(a) perception that its first priority is to develop the traditional accounting model to its fullest extent;

(b) failure to recognise the need for and importance of social responsibility disclosures: and

(c) inability to mentally break out of the financial accounting 'box' into which it has placed itself (a point made years before by Seidler, 1973, p.16).

Support for this theme of a general lack of concern by accountants regarding the issues involved is found in Van den Berg (1976, who actually talked about corporate social *accounting),* who considered it stems (p. 52) from:

(a) the difficulty of measurement and skepticism about measurement techniques;

(b) the lack of attention to the effects of social change; and

(c) the question of legal ownership - many of the resources considered in CSRep are not 'owned' by the company in any legalistic sense, unlike the assets described or enumerated in the balance sheet (pre SSAP2 1/FRS5 in the UK, at least).

Some other writers have adopted the tack that whilst it is appropriate for accountants to be involved in the CSRep process, this can only be credible if they receive assistance from other professionals. This is the view adopted by McRae (1973, p. 93), Anshen (1974, p. 13), Laughlin and Varangu (1991, p. 48) and AICPA (1977). The last of these commented (p. 259), for example, that there is no reason automatically to assign responsibility for CSRep to the accounting group, or to any other single group for that matter. A warning was also sounded concerning the ability of the accountant to *audit* these non-accountant contributions, in that "no one professional group ... has the skills, interest, and public recognition to carry out such a task on its own" *(ibid., p.* 260).

7.3 The 'pro' argument (or why Accountants should be involved)

The 'pro' argument is perhaps best summarised by Brummet (1973b) who, having argued that accounting must be concerned with all spheres of organisational activity, considered accountants were the most qualified to deal with its CSRep aspects:

> "Accountants should be aggressive participants in the development of social accounting without any thought of preempting any other groups. There are not, I think, too many groups clamoring for primacy in this area" (p. 15).

Anderson (1978b, p. 50) also considered accountants should be involved - they can play a big role, he thought, both in developing meaningful social programmes and in measuring their effect. Such thoughts are echoed by Brooks and Davis (1977, p. 45)

who thought the necessary leadership *must* come from the acknowledged experts in the measurement of accountability and disclosure - the accounting profession; by Gorman (1992, p. 10), who considered accountants have the necessary skills, and all that is required is to stimulate the profession to do what it must in order to fulfil its mandate to serve the public; by Akinyele (1991, p. 2), because he thought accountants would be very good at generating the information systems necessary; by Siegel and Lebensbaum (1977), since accountants ' "analytical and evaluative skills can make a significant contribution"; and by Van den Berg (1976, p. 52), who considered that a CSRep system prepared without the assistance of accountants would have limited success or usefulness.

As Steeds (1976) put it a few years ago:

> "The profession will always react to changes in social values because society will not permit it to lag too far behind. But it is much more exciting and rewarding to be in the vanguard" (p. 79).

Blake *et al.* (1976, p. 47) suggested that since accountants prepare the financial statements that appear in annual reports, their experience and training should be drawn upon to prepare any non-financial statements required by CSRep, whilst Marlin (1973), opined that:

> "Until accountants become fully involved, social responsibility will remain a cliché, sprinkled liberally onto speeches, press releases and annual reports" (p.42)

Brummet (1973a) was worried that accountants "appear exceptionally modest concerning the contributions that they may be able to make" (p. 346) and counseled that they "should be aggressive participants in the development of social accounting without any thought of preempting other groups" *(loc. cit.)*.

Despite this encouragement, we should perhaps nevertheless all take heed of West Churchman's (1971) warning that the idea that numbers alone can ever give the final answers is a "silly notion" (p. 21), and that such numbers should only ever be assigned to social events (and therefore CSRep?), *if* that is considered the way forward, and *if* it is done with humility and humour.

Summary of section

In reality, whether or not accountants are the best qualified professionals to undertake CSRep is a contentious area. Figure 3 represents a flow-chart approach to this question, based on ideas proposed in Gray *et al.* (1987, p. 16).

Insert Figure 3 Here

Figure 3 suggests accountants' involvement depends upon:

(a) a willingness to be active participants; and

(b) the need for training if skills' shortages become apparent.

8. Overall Assessment of the Situation

Weighing the arguments in the previous section, and it would appear on balance that accountants should be involved in the CSRep process, albeit with substantial assistance from other professionals where skills' shortages are identified. Why, then, has so little practical support for such a stance been in evidence?

A number of writers have suggested that CSRep poses problems in terms of determining the nature, scope, objectives, etc. of the topic, and these somewhat 'simplistic' approaches are summarised in Table 2. Deverson (1986) is probably the most articulate of these.

Insert Table 2 Here

At a somewhat more sophisticated level, Lessem (1977, p. 285) has suggested the development of CSRep has been thwarted by a combination of factors. Some are due to company politics, secrecy and defensiveness; others are the result of a lack of commitment and intellectual rigour. Yet more emerge from the stranglehold of conventional wisdom and a lack of imagination in becoming extricated from it; finally, others arise merely because it is still 'early days' (still true in the mid- 1 990s?).

Demers and Wayland (1982, p. 58), on the other hand, attributed company reluctance ta cli.sclose social involvement to three factors:

(a) the absence of universally accepted scales and standards makes interpretation difficult;

(b) uncertainty as to reaction - will the information revealed be used against the company by media and pressure groups?; and

(c) having a poor social performance - disclosure may lose more points than it gains.

To these should perhaps be added (Estes and Zenz, 1973, p. 34):

(d) the reluctance to publicly disclose the results of tentative and sometimes embarrassing efforts at CSRep.

A list of seven reasons, including some of the above, was provided by Gorman (1991, pp. 2-3), whilst Felix (1978, p. 2) suggested that just what should be reported is a very unsettled and difficult topic. For Engledow (1978), the crucial aspect was that social accounting is "one of the most expensive information generating processes that businesses have yet faced" (p. 104). This is perhaps an extension of Hoffman's (1989) warning regarding ethics (and ethics surely lie at the root of any serious attempt at CSRes and its subsequent reporting? - Fleming, 1987, contains a good critique of work in the area) that "behaving ethically can cost dearly" (p. 47). The idea of excessive cost of preparation being a bar to progress would seem to be rejected by Dobbins and Witt (1988). However, their claim that:

> "Much of the information required for the compilation of a social account ... will already be available to management in conventional financial accounts. For the rest, most can be gathered with relatively little effort and minor modifications" (p. 393),

is perhaps just a little too *blasé* to be taken seriously. Also, 'cheap' corporate social *reporting* does not necessarily mean inexpensive corporate social *responsibility*.[7]

Clearly, culture is also a related issue, causing an organisation to act responsibly because its actions "are encouraged by the culture and its values and signaled as acceptable by all levels of management" (Isabella, 1986, p. 191). It has been suggested recently that corporate governance may be perceived similarly, since this is seen as describing both the structure and the process of organisational control, both within the organisation itself and *vis-a-vis* the external environment, thereby determining the firm's objectives, policies and strategies and hence establishing its legitimacy as a social entity (Windsor and Preston, 1988, p. 45).

An opposite view has been expressed by Mathews (1987), whose research indicated it could not be concluded codes of ethics demonstrate either (a) social responsibility, (b) a corporate culture which promotes anti-criminal behaviour, or (c) self regulation (pp. 128-129).

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[7] Puxty (1986) extends this points even further, by indicating the argument for CSRep has not shown it necessarily leads to greater CSRes "as the result of information inductance, or that the information provided to users is needed by them" (p. 105).

9. Suggestions For A Way Forward

Whilst an overall conclusion in respect of a topic that remains a can of worms is fraught with difficulty, it might perhaps best be suggested that if the elements of 'successful' CSRep identified earlier in Table 1 are found acceptable, then implementing all facets of what is there suggested means several issues remain to be resolved before companies can unambiguously report on their social actions to (their perceived) stakeholder interest groups. Confusion yet remains over what CSRes is; how it should be measured; how it should be verified; and just who should undertake these tasks.

But all is not gloom and despondency, and it should be possible to make progress in respect of all of these issues, even if not immediately, and with potential varying degrees of success. Table 3 and Figure 4 together suggest a possible approach to the identified problems - Table 3 indicating a possible solution for each of the six problem areas this paper has identified and then suggesting implications which might flow from adoption of those solutions; whilst Figure 4 suggests the level of difficulty which might be associated with implementation of each proposed solution and the likelihood of success in attaining it.

Insert Table 3 Here

Insert Figure 4 Here

Probably the aspect most easy of resolution in all this is the definitional problem, which can potentially be 'solved' by the taking of greater pains to specify the definition within which a researcher is working. This would then lend greater credibility to any conclusions that might be formulated, even if the chosen definition is not universally accepted. It could nevertheless be some time before such a 'universally acceptable' definition is forthcoming, and the question of who should formulate it (practitioners? academics? government.9) as yet remains unanswered. However, incorporating the Table 1 considerations previously identified into a definition of corporate social responsibility <u>and</u> its reporting (CSRR hereafter, which combines the twin elements of both CSRes and CSRep considered essential for a composite view of the topic area) suggests it is concerned with:

> **The obligation of a business to recognise the valid claims upon it of all its stakeholder members and to respond to those claims in an appropriate fashion given the financial constraints to which the business is subject,**

which covers the CSRes aspects. To incorporate the CSRep issues involved, it might be hypothesised there should then be added:

Subsequently to comprehensively and regularly report to all relevant stakeholders, how those claims have been discharged in a relevant, objective, understandable and consistent fashion, and in a manner reliable enough such as to permit comparability between organisations.

The difficulties associated with identifying quite what society expects from business in honouring its social obligations indicates a need for enhanced data bases such that information regarding corporate activity is collected on many fronts and is then available when a shift in social perception of 'appropriate' corporate behaviour indicates additional and/or different information now needs to be released. In some cases it might be that the establishment of such data bases involves a mere 'tweaking' of the existing MIS. In other cases more fundamental change might be indicated, bringing to the fore considerations of cost and value for money.

The lack of a legislative framework might, or might not, be considered a problem. If progress can be made by subtle (or not so subtle!) stakeholder encouragement, or by the development of greater innate philanthropy on the part of corporate executives, or, even failing both of these, because enhanced social responsibility on the part of the corporation is perceived to benefit the 'bottom line', then legislation *(de jure* or *de facto)* might well not be considered necessary. If encouragement *is* perceived to be necessary to move things forward, the big question will then arise - does the 'legislation' come from government (as seems now virtually guaranteed on the environmental front, for example), or will it be left, as in the case of so many other aspects of corporate reporting, to the accounting profession to develop a set of
appropriate 'rules'? Then one might want to note, for example, the (partial) attribution of the failure of value added reporting in the UK to move beyond the embryonic stage achieved in the 1 980s, to the lack of a relevant SSAP providing the guidance which potential participants required (Woodward and Another, 1990).

Measurement and verification are always likely to remain the most difficult issues to resolve. Inputs are invariably easier to deal with than outputs, since so many of the potential 'benefits' are subjective rather than objective. The actual ability to specify *qualitative* results is likely to be high, but with much doubt attaching to the accuracy of such declarations. Their audit will always be difficult given the lack of precision to which such qualitative declarations are bound to be subject. The development of refined measurement mechanisms would appear to offer some scope for the mitigation of such obvious difficulties.

On the other hand, in those areas where financial *quantification is* possible, it is likely to lead to a fairly 'accurate' picture being painted (within accounting's - to accountants at least - accepted limitations). The only problem then, of course, is that the areas where such evaluation is possible are likely always to remain in the minority, and it may only be non-accountants (accountants being all too aware of the limitations of numerical representation) who in any event would be prepared to accept the efficacy of the resultant numbers as adequately depicting 'reality' .

Between the two qualitative (narrative) and quantitative (financial) measurement possibilities of course lies the third alternative of physical (numeric, although nonfinancial) measurement (Woodward, 1995).

To imagine that accountants should not be actively involved in the whole process, even if in necessary association with other specialists, would be a depressing scenario for all those of the breed, especially in academe, who have over the years contributed so extensively and with such enthusiasm to the CSRR debate. Such continued involvement is essential if substantial further progress is to be made. Accountants have much to offer the advance of CSRR, both in terms of assisting in the development of solutions to the problems this paper has attempted to identify, and subsequently in applying those enhanced tools to the actual reporting and verifying process. To ignore this vast body of expertise and experience would surely be foolhardy?

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Figure 4 - Representation of Level of Difficulty (in achieving) and Likelihood of (eventual) Success across the Six Problematics

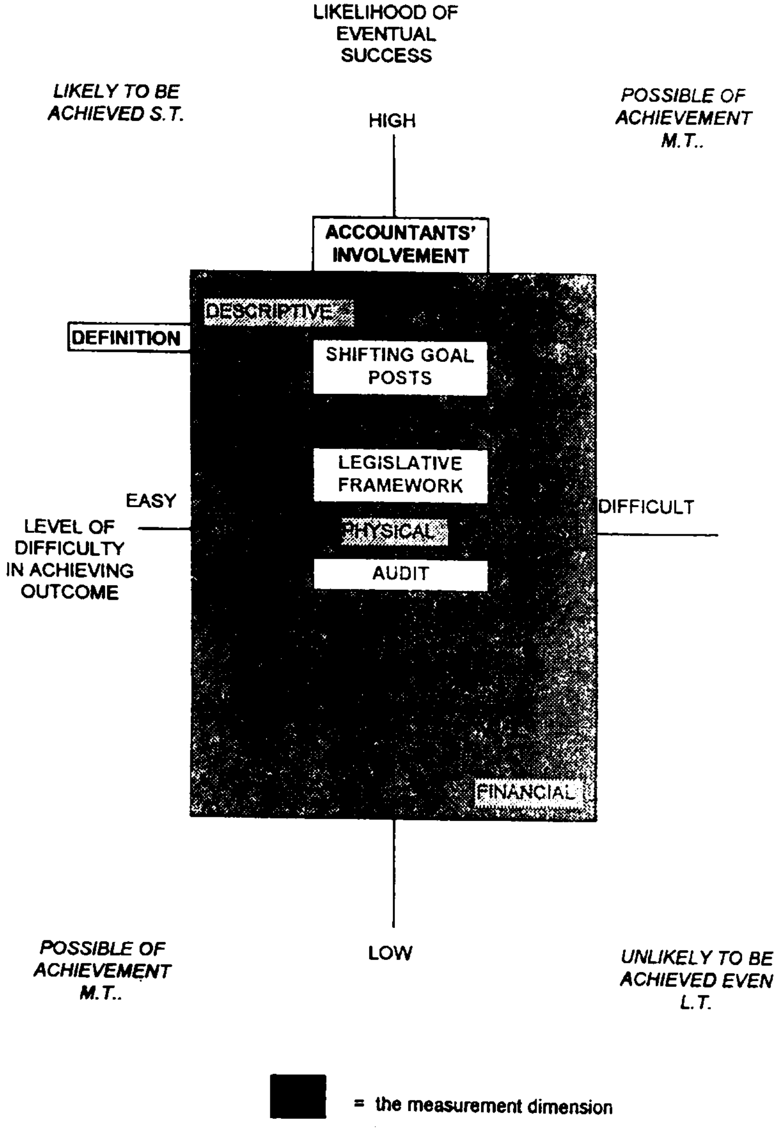
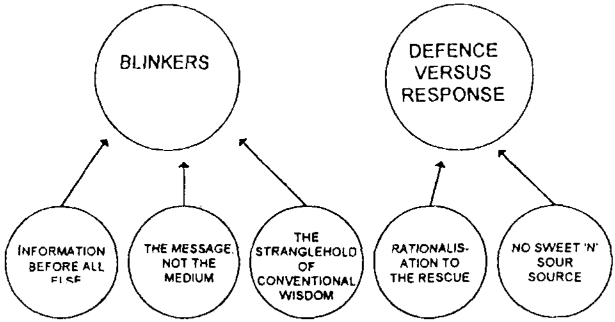


Table 1 - Desirable Characteristics/Attributes of Corporate Social Reports

	ASSC (1975)	Estes (1976)	Abt (1977)	AICPA (1977)	US Dept of Commerce (1979)	Brooks (1986)	Gray *et al.* (1987)
Relevant/Useful	x	x	x		x		x
Objective/Free from Bias	x	x	x	x	x		x
Reliable	x		x				x
Acceptable/Credible			x			x	
Understandable/Clear	x	x	x	x		x	x
Informative			x				
Simple/Concise		x	x				
Complete/Comprehensive	x	x					x
Timely/Frequent	x	x				x	x
Comparable	x	x		x	x	x	x
Consistent				x	x	x	
Verifiable		x					
Total No. Aspects	7	8	7	4	4	5	7

Figure 2 - Four problem categories of CSRep



Social reporting is as much about personal psychology as objective information processes.	Form of presentation can influence perceptions	Social issues are seen as peripheral to the mainstream of the company's business	a) responsibil-ities are claimed to be automatically exercised b) the primary social responsibility is making profit c) business is legally bound <u>not</u> to be socially responsible	Reporting is always 'good' and never 'bad'

Source: Compiled from Lessem (1977)

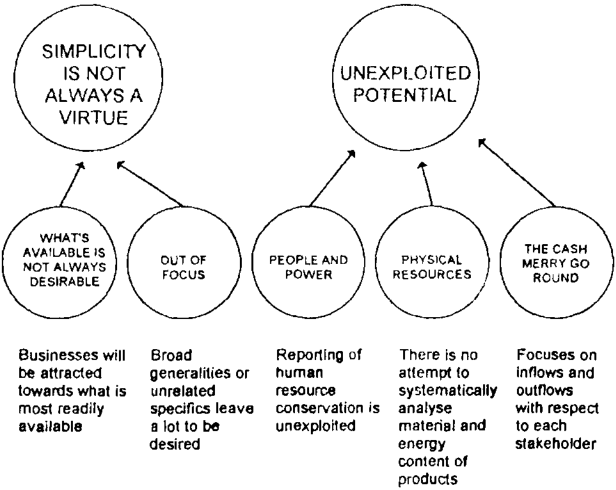
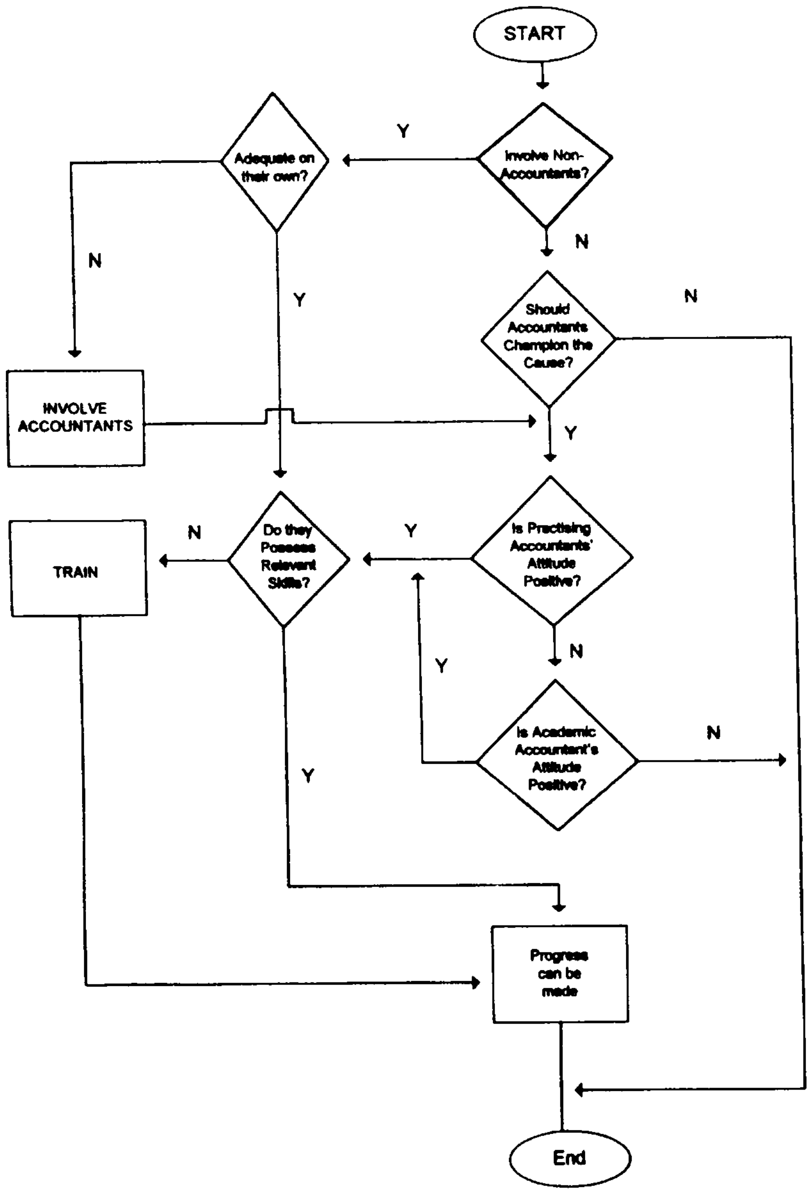

SIMPLICITY IS NOT ALWAYS A VIRTUE
UNEXPLOITED POTENTIAL
WHAT'S AVAILABLE IS NOT ALWAYS DESIRABLE
OUT OF FOCUS
PEOPLE AND POWER
PHYSICAL RESOURCES
THE CASH MERRY GO ROUND
Businesses will be attracted towards what is most readily available
Broad generalities or unrelated specifics leave a lot to be desired
Reporting of human resource conservation is unexploited
There is no attempt to systematically analyse material and energy content of products
Focuses on inflows and outflows with respect to each stakeholder

Table 2 - Reasons for the Lack of Progress

Problems in Determining	Estes (1976)	CIPFA (1978)	Brockhoff (1979)	Glautier & Roy (1981)	Deverson (1986)	Glautier & Underdown (1986)
The nature of the topic				x		x
The scope of the topic						x
The objective of the exercise	x	x			x	x
The manner of reporting					x	x
The standards of reporting	x			x		
A relevant theory			x	x		
Appropriate procedures/ measurements	x	x	x		x	
To whom to report	x					
Lack of regulation		x	x		x	

Figure 3 - Whose job is it?



Source: Compiled from Gray, et al. (1987)