

ABSTRACT

CORPORATE SOCIAL RESPONSIBILITY REPORTING STANDARDS UTILIZATION AND INFLUENCES ON THEIR ADOPTION

Julie Beckel Nelsen, B.A., M.B.A.

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Many organizations disclose non-financial operations through a formal corporate social responsibility (CSR) or sustainability report assessing how the firm's actions impact the environment, society, and economy. These publicly available reports offer detailed data to stakeholders, and they can guide companies to improve operations, reduce costs, and advance sustainability. Yet, no required disclosure or disclosure method exists for U.S.-based firms, and comparison and evaluation of impact without a standard are problematic.

Using Minnesota's Fortune 500 firms as the sample, this study aimed to determine the state of reporting CSR using a standard and determine the influences to adopting CSR reporting standards. An interpretive paradigm and stakeholder theory served as the study's theoretical framework.

The researcher used the thematic document analysis method to investigate each firm's use of standards. Results showed four themes in the way these organizations reported CSR practices. The CSR-reporting themes included: (a) firms reporting/not reporting CSR, (b) firms reporting/not reporting CSR using a standard, (c) firms reporting CSR using more than one standard, and (d) firms disclosing/not disclosing a CSR standard in the firm's annual report.

The second part of the study used the grounded theory and constant comparison method to explore CSR practitioners' influences in selecting CSR reporting standards. Interviews with 19 CSR practitioners generated the disclosure adoption model. This model illustrates that CSR practitioners perceive five primary forces on adopting CSR disclosure standard(s). The model explains that CSR practitioners experience five simultaneous influences: (a) internal stakeholders, (b) external stakeholders, (c) mindset, (d) measurement, and (e) context. These influences simultaneously influence the reporting standards adoption process.

The study concludes that CSR standardized reporting remains fragmented, making the process of understanding and comparing difficult for all stakeholders. The study's derived disclosure adoption model offers practitioners a diagnostic tool to investigate obstacles to adopting CSR disclosure standards to be strategic in their decision-making processes.