

Master Thesis

The Influence of National Culture in CSR-Reporting

A Cross-Cultural Study of Denmark and France



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1. SUMMARY.

Information and knowledge about companies' corporate social responsibility activities has great focus in business today. Stakeholders demand knowledge about this, and the company provides this through their annual CSR-report. The report serves as communication between the company and the stakeholders. This makes the CSR-report an important document for companies today.

This thesis treats the question if CSR-reports differ in the process of forming the CSR-report and if the content of CSR-reports differ between countries. The effect of national culture is a concept that is important to understand in today's globalized business world.

The theoretical framework for this thesis was built around stakeholder analysis in relation to CSR-reporting together with the national cultural theories of Gert Hofstede and Edward T. Hall.

The research method was built around a cross-national case study of six companies: three Danish companies: TDC, DONG Energy and Novo Nordisk and three French companies: Sanofi, Veolia and Pernod-Ricard.

The primary data collection for analysis was gathered from qualitative semi-structured interviews with the CSR-report managers in the six companies. In addition, two CSR-consulting companies were interviewed, one from Denmark and one from France. The secondary data consisted of the annual CSR-reports from each company together with public information and academic literature to support the research.

The result of the investigation of the reports and the interviews shows both similarities and several differences in the way the CSR-reporting is being approached in Denmark and France. The countries have the same structure of building up their reports. Both countries have a stakeholder approach to reporting. The differences were seen in the way the CSR-managers and the CSR-reporting companies think about different segments in the reporting process. Examples are that the Danish companies show negative attention to the use of international standard frameworks for reporting, where the French companies shows positive responses.

Furthermore, Denmark always express future goals and ambitions whilst France never to. These findings are supported by cultural theories to be caused because of the differences in the national culture between Denmark and France.

The conclusion of the study is twofold: similarities between Denmark and France's reporting practices were seen and are present. However, the main conclusion is that there are several differences in CSR-reporting that can be explained by the differences in Danish and French national culture. Several significant reporting practices correspond with the national culture theory of the two countries. This means that national culture does have an effect on how CSR-reports are set up and what they contain.

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2. Introduction.

The concept *corporate social responsibility* (CSR) came to be known several decades ago in the business world. It is a concept that deals with the responsibilities that a company has towards the world in which they operate. Years ago a business was a business and had as objective to earn money and grow bigger. As time has gone by, corporations have become more personalized and are expected to behave in a responsible manner towards the climate and treating people with respect. Managers, clients, media etc. care and have an opinion about a company's operations in the world and the environment, thereby generating responsibility. CSR exists because the market and the people demand for it (Scalet & Kelly, 2009).

Big as well as small companies today comply with CSR-activities. In 2010 it was estimated that 10.000 participants in 145 countries organize themselves to abide to the UN Global Compact (UN Global's homepage) which is an international framework used to guide companies in being socially responsible. This shows that the need to be socially responsive is spreading throughout the world. The motives to perform CSR are varying. Campbell argues that the driving factors behind companies performing CSR are the demands and the pressure from the stakeholders including consumers, the general public, investors etc. Additionally, managers believe that demonstrating CSR will raise the financial performance of the company (Campbell, 2007).

When companies are performing CSR-activities they also would like to be able to communicate their actions, thereby giving rise to the CSR-report. CSR reporting is the way in which the company expresses to the stakeholders and the general public, which CSR-activities they are engaged in and have performed (Golob & Bartlett, 2007). CSR-reporting benefits companies because the company expresses that they care about transparency and links CSR with social legitimacy (Mobus, 2012). It has become vital to report about CSR because it promotes best practices of the company in addition to the constant improvement of a company's performance (Chaarlas and Noorunnisha 2012).

In the last decade CSR-reporting standards frameworks have become introduced in reporting practices (Tschopp, Wells, & Barney 2011, Fifka & Drabble, 2012). These are tools that help the companies reporting. Using such a tool, helps to guide a company in how to make a report. Also, it makes it easier to compare CSR-reports between companies. A study has shown that

reporting practices has improved in their quality over time, in that in that they provide more information and have become easier to understand (Adriana, 2011).

What is interesting today is whether or not the globalization influences how companies report across international borders. Several studies have shown that the country of origin impacts of how a CSR-report is framed and written (Fortanier, Kolk, & Pinkse, 2011, Young & Marais, 2012, Chen & Bouvain, 2009, C. Adams & Kuasirikun, 2000). This is understandable if we pay attention to cultural studies. Geert Hofstede et al. (2010) have performed a study in the 1970s that has revealed how different nationalities across borders act, behave and perform due to different cultural background. This study provides reason to believe that patterns of different behaviors also exist in behavior of businesses, and in this specific case in CSR-reporting practices. It is human beings that develop the report - hence it is logically understandable to assume that these people react and behave in order to their cultural heritage. If a culture has the tendency of being skeptical towards others, they might make greater effort to be transparent themselves. If one culture is known for having a relaxed relationship towards authorities, they could be expected to act liberally, seeking fewer approvals from upper management. These cultural factors beg the question if certain attributes can be equally noticed in written reports.

It is argued that reports are dependent of a country's institutional setting (Nikolaeva & Bicho, 2010). The national institutional setting depends on the national culture (Scott, 1985). For example, one can consider a study of a country's preferences to market financing over bank financing from 2010 (Aggarwal & Goodell, 2010). This study showed that the preference of financing method was related to the level of how much a culture depends on the power from the top management (called power distance. This is one of the theorists Geert Hofstede's determinants which shall be explained later) in the country (Aggarwal & Goodell, 2010). Therefore it will be interesting to investigate if CSR-reports can be dependent of national culture in the way the reports are developed and written. In today's world, the current international reporting standards have been internationally agreed upon. Therefore it must be investigated if globalization actually has eliminated national differences, making reports today appear more similar to one another across international borders.

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2.1. Research question.

There is little doubt that our world is becoming more and more globalized. However, throughout my extensive readings surrounding CSR reports, I've found claims that despite this increasing globalization, CSR reports do still vary from country to country. This being said, I find no literature that have brought cultural theories into consideration when observing differences among CSR-reporting. We are all aware of the fact that people from different countries and cultures express themselves differently. We live, speak, behave and act differently when we cross international borders. Are these behaviors and thoughts dependent of our cultural background? Are these differences prevalent in a company's CSR-report? As mentioned, some studies have been dealing with cross-national studies of this kind. These studies have been good and solid, an example, is the cross national study performed by Golobb and Barrett about reporting differences between Australia and Slovenia. This study showed that national culture influenced the motives for CSR-reporting and also for the content of CSR-activities in the reports: the Australian reports paid more focus to management and financial issues unlike the Slovenian reports that paid more attention to employees' wellbeing, the local community and the environment (Golob & Bartlett, 2007). The example here mentioned consists of two countries that are not close geographically, which is often the case when many cross-cultural studies have been performed. This makes it maybe easier to accept that there are differences, because of the long distance of the countries.

For this reason my study will be a cross-cultural study of Denmark and France. I wish to investigate if two countries, relatively close to each other, have differences in CSR-reporting methods that can be explained by the cultural differences between the two countries. Denmark and France are both considered part of Western Europe, both member countries of the European Union and both countries who share many business exchanges between them. This gives reason to believe that they should be quite similar from a business perspective. However, they are two countries with very different national settings: Denmark is a small Nordic country where France is the largest country in Europe and of Latin origin. Argued by Gert Hofstede in his cultural study (Hofstede et al. 2010) the two countries are very different in several cultural aspects (this will be looked over later in the thesis). Similarly, the American anthropologist Edward T. Hall also finds very different patterns between Denmark and France, into which I explore further. This gives reason to ask oneself if this influences the way the countries are

setting up their CSR-reports. If it is the case that business reports differ because of national culture it is important that companies all over the world are aware of this factor. When we don't understand how others are doing things, we often tend to ignore their practices or dislike them (Loosemore & Lee, 2002). International frameworks are being formed and used, and therefore we must know, if differences in CSR-reporting depend on national differences so that we can use these standards most efficiently. Otherwise we might not adapt or use the frameworks correctly or compare CSR-activities countries between correctly. Understanding differences will increase good practices and transparency because it will leave less room for doubt.

These reflections lead to the following research question:

Do CSR-reports and the process of CSR-reporting between Denmark and France vary because of the countries' cultural differences?

2.2. Thesis outline.

The thesis will start with a literature review to provide an overview of what has been said about CSR-reporting up until now. Hereafter follows the theoretical part and the methodology of the thesis. The thesis relies on two key theories: The first is stakeholder theory that shall explain companies' reasons for reporting in general. The second... will present national culture theory covered by the theory of Geert Hofstede and of Edward T. Hall. These two theories shall explain why companies might report differently about CSR even though the companies have the same primary objective of reporting.

I will describe what CSR is today and how it is understood and used/applied in the business world. This will lead into a section about CSR-reporting in general, what it is, why and how it is performed and how companies are approaching this concept in their business strategy today.

I will go through the main international standardization frameworks that exist for CSR-reporting. It is important to understand what kinds of legislation, trends and methods exist in this area. It will shed light over how countries, no matter practices and cultures are adapting these standards and how countries respond to the laws that exist.

From here, I will move from theory to practice. I will perform semi-structured interviews with the people responsible for the CSR-reports in companies in Denmark and in France with the

help from an interview guide. The questions will consist of the companies' reporting practices. The aim is to analyze if there are differences in the way the two countries think about how to make a CSR-report and if these differences can be explained by the national culture theory. I will then analyze and discuss my findings to be able to answer to my research question, while also addressing the limitations of my research.

The thesis will end with a conclusion and suggestions for further research in this area that can bring even more light to this field of study.

3. Theoretical framework.

3.1. Literature review.

Corporate social responsibility reporting, or sustainability reporting has been growing since the mid 1990s (Christofi, Christofi, & Sisaye, 2012). However, up until the late 1980s the concept and practices remained a low priority for most companies (Gray, Kouhy, & Lavers, 1995). The reason might be, as Lee Preston stated, that there was a lack of systematical theoretical methods of how to approach this concept (Lee E. Preston, 1981). In 1995, as Gray, Kouhy, & Lavers argue, the CSR-reporting still was most commonly found in the annual financial report, and at that time there was still very little research towards CSR-reporting (Gray et al., 1995). Max B.E Clarkson, who writes his article in the same year, finds the same observations and proposes a new kind of framework that will bridge the gap between the company and its stakeholders, that will lead to further reporting practices (M. E. Clarkson, 1995). The development of the reporting practices on the international level was characterized by no external or even internal reporting in the 1970s. In the 1980s reporting became present but not well recognized and in the 1990 reporting then finally got structured by the impasse of the framework for reporting practices "Global Reporting Initiative" (Hess, 2008).

3.1.1. Reporting as a mean to create credibility.

There are several opinions among authors why CSR reporting is becoming a growing trend today: this can be that companies want to gain credibility towards the public (Mobus, 2012), to increase legitimacy (Adams, Hill, & Roberts, 1998, Nikolaeva & Bicho, 2010), that they want to be as transparent as possible (Kolk, 2010, Leszczynska, 2012, Hys, Hawrysz, Hys, Opole, & Hawrysz, 2012), pressure from external institutions (Nikolaeva & Bicho, 2010), pressures

from the internal institutions (Hedberg & Malmberg, 2003), pressures from the national or international institutions (Young & Marais, 2012), governments efforts to encourage reporting (Tschopp et al., 2011) or demands from the company's stakeholders (Gray et al., 1995, Nikolaeva & Bicho, 2010, Tschopp et al., 2011) . Wheeler and Elkington argue that reporting did not start as a result of stakeholder demands, but rather because the company's chance to gain on competitive advantages in this field by being a first mover (Wheeler & Elkington, 2001). Despite it's origins, CSR reporting is a big part of the company's business strategy today and has increased in level and number (Smith, 2007) and in details included (Leszczynska, 2012).

3.1.2. The rise of reporting standards.

As a result of the increase in companies reporting, a mixture of standards and frameworks, such as the Global Reporting Initiatives, ISO standards AccountAbility, has become developed (Smith, 2007). These have as goal to help companies to organize and compare CSR-reports (Fogliasso C, 2012). The literature discusses in great detail the usefulness of these reports. The academic elite do not agree if these are an advantage to utilize or not. There are those in favor of thinking that standardized frameworks gives opportunities for international communication on sustainability (Lamprinidi & Kubo, 2008) and that the frameworks help companies to be more structured about reporting and thereby increasing support to social responsibility and cooperation (Nikolaeva & Bicho, 2010). Also, as Othman et al. says, it is useful because the frameworks are voluntary which increases the trust toward the firms that use them (Othman & Ameer, 2009). Even if the extent of the frameworks are often quite large and extensive, some authors think it's difficult to compare companies reporting among them (Hussey, Kirsop, & Meissen, 2001). Others think that or that companies do not get the correct method of disclosing information using a standard framework (Hess, 2008). These are examples of matters that have been discussed in the literature. Other things to reflect upon are how the information about CSR is presented and communicated. Isenmann discussed the benefits of using the internet to communicate CSR-activities (Isenmann & Lenz, 2002) and Wheeler et al. discussed online reporting as a meaningful tool too, however, that the quality of it often is bad (Wheeler & Elkington, 2001).

3.1.3. National culture and CSR-reporting.

Yet another issue in the literature about reporting on sustainability is the discussion about how and if national culture affects reporting practices. Vormedal and Ruud's article from 2009 about reporting practices in Norway, criticized the country's practices for not been solid and informative enough, saying that the "culture does matter" (Vormedal & Ruud, 2009). Sams et al. claimed that national culture is assumed to have a negative impact on the decision making process in relation to reporting and that managers are affected by their culture, which is reflected in the reports (Sams, Ospina, & Khan, 2013). Many other articles regard reporting practices in relation to a specific country. Hys et al. discussed CSR-reporting in Poland (Hys et al., 2012), Aldama in Latin America (Aldama, 2012), Paul et al. the development of CSR-reporting practices in Mexico (Meyskens & Paul, 2010) and reporting practices have been discussed in Denmark (Rikhardsson & Waterhouse, 2000), Ireland (O'Dwyer, Unerman, & Hession, 2005), in Jordan (Abu-Baker and Naser, 2000), in Italy (Noci, 2000), in Sweden (Hedberg & , Malmborg, 2003) and France (Delbard, 2008) just to mention a few. Authors have different opinions whether or not a country's culture has an influence on how companies account for their CSR-activities. Fernandez-Feijoo claims that reporting is affected by national culture because behaviour and understandings are formed in people's home country (Fernandez-Feijoo, 2012). In contrast, Kolk et al. claim that differences in CSR-reporting due to different national cultures are of lower importance in reports than the time a country uses a standardized framework (Fortanier et al., 2011). To test for these differences, cross-cultural studies have been performed. Adams and Kuasirikun (2000) did a study of CSR-reporting practices in the United Kingdom and Germany. They found that more German companies publish CSR-reports than did the UK companies. Also the German companies had developed those reporting habits much earlier than the UK did (C. Adams & Kuasirikun, 2000). Consequently the authors found difference between the two countries, but they never conclude if these differences could be due to the two countries institutional settings or to their cultural origin. I found this critical and as a lack of investigation from the authors, since some of the differences in their reporting practices could be due to differences in cultural background of the countries. Suzanne Young and Magalie Marais (2012) study the reporting practice differences between France and Australia. They find that CSR-reporting practices are more transparent in France and that French companies report more in general. Furthermore they found that Australian companies are more likely to report about ethics, the local community and finance

in their CSR-reports, where France is more likely to report about human rights and labor issues. The authors explain this with the reasoning of the two countries different market economies which is a result of the cultural differences (Young & Marais, 2012). The cross-cultural study of Ursa Golob and Jennifer L. Bartlett (2006) which I mentioned on page 4 looked at CSR-reporting differences in Australia compared with Slovenia, and shows also differences in CSR-reports due to the national culture.

However, none of the studies analyze their findings in relation to the cultural theories of Gert Hofstede's and Edward T. Hall, to explore if eventually differences between the approaches to CSR-reporting can be explained because of differences in cultural behaviors. The theory of Hofstede is useful because it explores in depth a wide range of factors in many countries. Hall's theory is narrower, yet good because he gives very explicit examples that help the researcher to understand the meanings of his cultural view. Together the two theories capture cultural understandings at a high level.

3.2. CSR-reporting.

A sustainability report provides the medium through which companies are able to communicate their activities to shareholders, stakeholders and society in general (Paolo Tenuta, 2010). A CSR report covers a wide range of different topics. These include environmental issues, health for the public, labor conditions and human right activities carried out by the organization (Tschopp et al., 2011). By reporting CSR-activities the company will be able to demonstrate what they stand for. Through the CSR-report they express the values of the company. The report is a way for the company to show the stakeholders and the interested public in what aspects of social commitment and engagement on which the company focuses (Berthelot, S., Cormier, D., & Magnan, 2003). This is a useful report for the company as it serves their primary interest in making the public aware of what kinds of activities they participate in in the fight towards a sustainable business environment. The report is also a way in which the company is able to demonstrate its emphasis on transparency (Deegan 2007). Furthermore, reporting is strategically useful for putting pressure on stakeholders and on other business in doing the same (Paolo Tenuta, 2010). The company is the foundation in a puzzle of people and communities that work together. The management of a company have suppliers they must handle with care as the company's success depends on their existence. Often the pressure to satisfy and answer to the stakeholders influences in the manner in which the report

is shaped. Pressures from stakeholders can influence how the report is shaped to give the stakeholders satisfaction (O'Dwyer et al., 2005). In addition, CSR-reporting can benefit the company internally as it forces the company to reflect upon its development over the previous year (M. E. Clarkson, 1995). Similarly, it forces them to think about future goals and how to deal with changes both within the organization and external in society. Ultimately, these exercises in reporting will result in raising the overall value of the firm. (P. M. Clarkson & Richardson, 2011).

3.2.1. Transparency, legitimacy and credibility

The overall objective of reporting is to communicate the company's actions and increase transparency (Mobus, 2012; Pallisserry 2012). What is important is that the public can rely on the information given in the reports. "Greenwashing" is a concept that can occur if the company is not being honest in the reports. The term "greenwashing" is when firms are trying to manipulate the public to think they are doing better than they actually are (Mobus, 2012). A concern that Janet Luft Mobus (Mobus, 2012) has about the CSR-reporting process is the missing regulation. There is no legal or feasible way to regulate the reporting methods today. However there exist a range of tools to help companies make reports. These tools are guidelines that help companies on how to report and on what kind of subjects. The frameworks are internationally recognized. These guidelines however, are not mandatory, allowing any company can adapt the standards. I will proceed to explain below what these are.

3.2.2. The United Nations Global Compact.

"The United Nations Global Compact (UNGC) is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption" (<http://www.unglobalcompact.org/AboutTheGC/index.html>).

The United Nations established the Global Compact in the year 2000. It is the largest corporate initiative in the world to date and it has the goal to unite business practices in one whole thought to manufacture good business practices.

The thought is that by following the principles of the Global Compact, companies will create sustainable business around the world. They will be role models for other businesses and they will be the driver of sustainable globalization.

The Global Compact currently consists of 10 principles (to a start it was nine, but the principle of corruption has later been added) for doing good business (see appendix 5 for all 10 principals).

It is a 100% voluntary to join the Global Compact's principles. However, if companies decide to join, they have the obligation to respect all of the ten principles all the time. As it is written on the web page of the Global Compact: "The Global Compact is global and local; private and public; voluntary yet accountable."

(<http://www.unglobalcompact.org/AboutTheGC/index.html>).

3.2.3. The Global Reporting Initiative.

The Global Reporting Initiative (GRI) is a framework that helps companies report about their corporate activities. It is a nonprofit organization stands behind the framework. It has as objective to help companies to form the CSR report.

The purpose of the GRI-framework is to make CSR-reporting a habit and as commonplace as the financial reporting.

The GRI was launched in 2000 (<https://www.globalreporting.org/information/about-gri/what-is-GRI/Pages/default.aspx>) and have since been redeveloped in 2002. In 2006 the latest update was certified: the G3 version. This again had an updated version (the G3.1) in March 2011 with additional guidelines about how to report on gender, human rights and local community-related routines. There is a fourth version currently in the process of being written. The overall goal with the GRI-framework is that it seeks to create a sustainable global economy – through reporting practices. The organization behind the GRI thinks that this can be fulfilled through reporting about sustainability – environmental, human, economic and governmental policy. The thought is that companies will try to perform better if they have to monitor and report on their performances.

The purpose of the GRI is to give companies specific steps to develop their CSR-report. The key word of the framework is standardization. It has been developed so that companies all over the world can adapt the framework. This makes companies and stakeholders (and the public, if they should be interested), able to compare reports.

GRI have six core elements in their way to approach a good policy for implementation (see appendix 6 for all six elements).

The GRI framework is a 50 page-long document with additional 145 pages of additional application levels. If a company decides to report towards the GRI-framework, it is not obligated to report towards all of the application levels. The essential 50 pages – *The Framework* have basically only 2 steps: (with several subsections)!

Step one is defining the report: defining what kind of control is requested, designing the quality of information reported, and the boundary. The topics that the company wants to report upon must be selected and what they want to include from the framework.

Step two is “Standard disclosure”: the basis of content in the report must be decided. Furthermore, when reporting about strategy and profile of the company the management approach and performance indicators must be decided upon as well as management approach and performance indicators. (See Appendix 12 for further details about GRI.)

3.3. Stakeholder theory.

It is inevitable, when talking about companies, not to focus on the company’s stakeholders.

The stakeholders of a company have been defined as “any group or individual that affects or is affected by the achievement of the firm’s objectives” (Freeman 1984: 46)

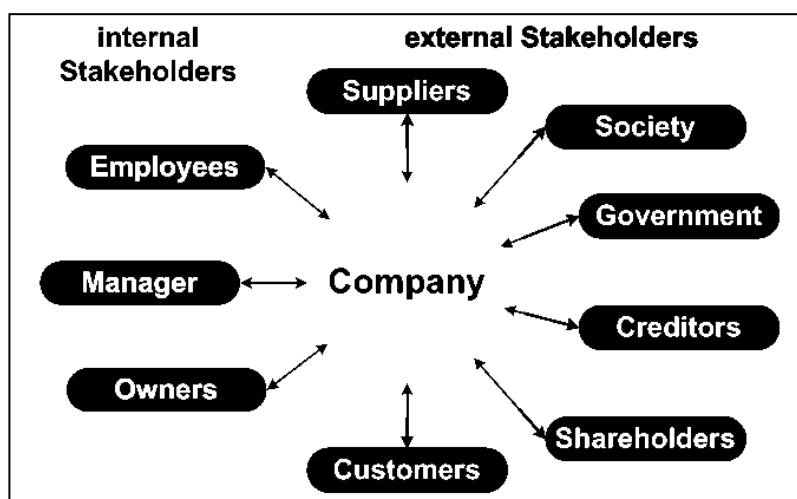


Figure 1. Stakeholders.

Source: <https://www.boundless.com/accounting/introduction-to-accounting/overview-key-elements-business/business-stakeholders-internal-and-external/>

The definition above is very broad, but it has its strengths in being so because stakeholders are quite numerous. Any group or individual can be considered a stakeholder i.e: suppliers, owners, government, customers, competitors, media, employees, NGO's. etc. as long as they have a vested interest in the company (Driscoll and Starik, 2004).

The stakeholders are different from shareholders – the former covers only owners and people with direct financial influence in the company. (Definition from <http://www.investorwords.com/4527/shareholder.html>).

The fundamental idea of stakeholder theory is that a company is affected by more than just the owners and those who put money into the company (Freeman, 1984),(T. M. Jones & Wicks, 1999) – This is in contrast to the earlier idea: Milton Friedmann only considered the shareholders as influencing the company (Friedmann, 1970). Today, the stakeholder theory focuses on the purpose of the firm and who is influencing the strategy of the company (Schlierer et al., 2012, Jones & Wicks, 1999). To create value for the company, the company must take into account the needs of its stakeholders (Schlierer et al., 2012). This must be considered in reporting as well.

3.3.1. The role of stakeholders.

R. Edward Freeman is the father of the stakeholder theory with his work “Strategic Management: A stakeholder approach” from 1984. His philosophy is that a company acts from a rank of ethical principles and that these principles must be handled in relation to the surrounding environment. Today, stakeholders are even more important than before, because most companies, and definitely large companies operate in a very broad scope and most of them, if not all, work internationally. The company is in contact with the stakeholders every day, working across borders. This influences the nature of their relationship: can the stakeholders be reason for troubles in the company and can the company handle troubles, that arises because of meeting with other business cultures?

If the management of the company succeeds in creating a positive relationship with the stakeholders, the stakeholders can bring profit to the company, because they then work *with* the company and not *against* it (Collins & Usher, 2004).

In his article, Freeman emphasizes that: “Managers must develop relationships, inspire their stakeholders, and create communities where everyone strives to give their best to deliver the

value the firm promises” (Freeman 2004: 364). Writing reports is demanding in this aspect, because the stakeholders are the ones that are the end target of the reports: the companies know that, through good reporting, that they are the ones that read the reports and therefore the ones that can create value to the firm (Schlierer et al., 2012).

3.3.2. Stakeholder interaction.

Thomas Donaldson and Lee E. Preston (Donaldson & Preston, 1995) explain the stakeholder theory as a descriptive theory. It is a theory that serves to shed light over the fact that there are several actors, numerous actors in a corporation that interact with each other. The companies will be forced to think about this in their reporting: who need what kind of information and how can we provide the best for all of the stakeholders? The company and the stakeholders interact constantly and push each other to perform better all the time (Donaldson & Preston, 1995).

3.3.3. Stakeholder theory in three different aspects.

The stakeholder theory is one theory but is divided into three main parts. The three different aspects are:

- A) The descriptive part: stakeholder theory describes characteristics and behaviors in a company and how managers should behave towards its stakeholders.
- B) Instrumental part: stakeholder theory identifies connections between the stakeholders and the stakeholder and the characteristics of profitability, growth and innovation in a company.
- C) The normative part: refers to and are all the norms of the company towards the stakeholders. Describes that managers often behave in a certain way because of the stakeholders

It is important to precise that stakeholder theory is *one* theory. The three aspects are very close related and overlap in signification. Egeles-Zandén and Sandberg (2010) explain the descriptive aspect as the aspect that describes behaviors of the relationship managers/company. The instrumental handles identification of connections or *lack of* connections between stakeholder management and how the management will realize the objectives. The normative, they describe as “how the world ought to be” (Egels-Zandén & Sandberg, 2010). This means, this aspect interprets the function of the stakeholder/management relation.

Gilbert and Rasche (Gilbert & Rasche, 2007) point that the three aspects are useful to take into consideration when dealing with standardized ethics (which is part of the case for my thesis in relation to CSR-reporting), because they link reporting standards with the stakeholders' interests. Some examples of the questions that arrive are as follows : How is the company facing the interests of the stakeholders (descriptive part)? Will the outcome be like this-and-that if the company report in the stakeholders' interest (instrumental part)? Is the company behaving in one way because of a demand from the stakeholders (the normative part)?

There is not only one of the three parts existing in a company. They all exist but some might have a stronger influence or become more apparent in one company than the other when forming a CSR-report.

3.4. CSR-reporting and stakeholder theory.

The stakeholder theory is well supported by several authors (Gray et al., 1995 ;Ambrose, Iii, & Jonas, 2011; Golob & Bartlett, 2007) to explain many aspects of CSR reporting.

Stakeholders today are fully integrated in the company and decisions depend on the stakeholders wishes (Reynolds & Yuthas, 2007). The reason that stakeholders are important is that they can set the agenda as expressed by Gray and Kouhy express it: "Stakeholder theory is (typically) explicitly bourgeois in that the world is seen from the perspective of the management of the organization who are concerned strategically with the continued success of the company" (Gray et al., 1995). The stakeholders are seen as a tool to keep the company in continuous success. Gray and Kouhy express it: "their [the stakeholders'] approval must be sought and the activities of the corporation adjusted to gain that approval" (Gray et al., 1995). This means, according to these authors, that the company needs the stakeholders opinion about the annual CSR-report if the company wants to succeed. This makes the company dependent on the stakeholders a great deal when developing the CSR-report. Reynolds and Yuthas have the opinion that stakeholders have the right to participate in the development of the report (Reynolds & Yuthas, 2007). This can be done, they propose, by concretely inviting different parties of stakeholders' to participate in meetings about what the company expects from the stakeholders towards the outcome of the CSR-report. If the company is attentive to the principles of this stakeholder's view, they do put themselves under an enormous amount of pressure. It is difficult and demanding for managers to make a CSR-report that fulfills all of the

stakeholders' wishes. If the stakeholders have a very strong position towards the company and have a lot of power over it, because the company depends to a large extent on this particular stakeholder, the company must accommodate them (Gray et al., 1995). There is, so to speak, a power relation between the stakeholders and the company that in the end can decide how the CSR-report will turn out.

The report serves as a link in the marketing process (Sweeney & Coughlan, 2008) as it can be used as a tool to communicate all of the activities in the company throughout the past year.

Gray and Kouhy (Gray et al., 1995) say that the stakeholders are, seen from outside the receivers of this report, but they are, as argued above, also the ones who determine what and how the company is communicating.

The companies themselves are also directly aware of the influence the stakeholders have over their activities and the way stakeholders participate in all of the actions of the company, including the CSR-report. This is argued by Sweeney et al. when they claim that: "The annual and CSR reports highlighted that CSR was defined and described by reference to their responsibility to a variety of stakeholders"(Sweeney & Coughlan, 2008).

3.4.1. CSR-reports as the image of the company.

CSR reports are used to create a positive picture of the company and its activities towards the stakeholders (Ambrose et al., 2011). Therefore the companies frame a report where they capture stakeholder's interests.

MaryAnn Reynolds and Kristi Yuthas (Reynolds & Yuthas, 2007) express a list principles for good communication between stakeholders and managers. They argue that good communication between stakeholders and managers makes good reports. The factors that stakeholders and managers must keep up with for this to exist are the following (from (Reynolds & Yuthas, 2007) p. 57ff):

1. Generality
2. Role taking
3. Autonomous evaluation
4. Transparency
5. Power neutrality

The five principals express that the company must include stakeholders when taking decisions on how they chose to develop a CSR-report. “Generality” is about inclusion of stakeholders in the decision of design and content of the report. Role taking and autonomous evaluation are about mutual agreement about needs and wants the two parties between. Transparency is important to communicate between the two parties, to increase trust. Trust is important to increase the level of quality of the report. Power neutrality can hinder trust, because if it does not exist, stakeholders put pressure towards the managers, the managers will tend to get defensive. Therefore, it is optimal if stakeholders and the company communicate about their relation toward each other. This is meant as they must be clear what role who takes. These 5 points are meant to serve as the ideal way to reach a good report. I will then investigate if these 5 points are equaled important in Denmark as in France. If they are not, I will investigate if national culture is the explanation in these differences.

3.5. National Culture Theories.

Today people travel as they have never done before. Holidays, business, student trips, etc. all contribute to giving a smaller, more accessible feel to the world. With the convenience of train and flight departures around the clock and relative availability of tickets for a great part of the population, all kinds of people are travelling and moving around the world. We constantly explore new countries, peoples and cultures. With exposure to new cultures, inevitably brings rise to new debate and discussion. This is becoming ever-noticeable in the modern world. Even by travelling a short distance, there are big differences in how people live and do just the smallest things in their everyday life. This is embedded in the culture of the country and thereby imbedded in the people growing up in this culture.

Culture is difficult to define. It is vague and it is used in several senses. National culture, business culture, culture inside a country, culture to a specific people that have no country of their own or the culture of an individual. My project in this thesis is to look at if national culture affects CSR-reporting, so whenever I use the term culture, it will be in the context of a national culture unless otherwise specified. Culture is a of sort social anthropology that discusses the science of human societies. It deals with how people act and the patterns of how they feel, think, and behave (Hofstede, Hofstede and Minkow 2010).

According to the online dictionary “Business Dictionary” the definition of national culture is: “the set of norms, behaviors, beliefs and customs that exist within the population of a sovereign nation” (<http://www.businessdictionary.com/definition/national-culture.html>).

We can then conclude quite quickly, that it is something that affects people and how people live and make choices. But is this only something visible when people interact on a friendly basis when travelling or mingling in daily life or does national culture have an influence in all of the aspects of life – in business life as well?

3.5.1. Geert Hofstede.

Geert Hofstede along with his son Gert Hofstede, and co-author Michael Minkow is one of the leading scientists in culture theory. His international bestseller “*Cultures and organizations. Software of the mind*” in a version revised from 2010 will form one half of the cultural theory for my thesis. The other half will be covered by the national culture theorist Edward T. Hall.

Hofstede claims that “No group can escape culture” (Hofstede et al, 2010 p.12). A group will always form a common understanding or foundation amongst a group of people. Danes, Swedes, French, and Americans have from just being born and raised in their home country, habits and values that are rooted in their national culture. It is clear that no national culture is exactly the same as another. There are inevitable and obvious differences between people, cultures and countries.

The national culture theory is about how we explain different behaviors and different practices according to, and as a result of national culture. Hofstede studies how countries differ in identity and values, and in national institutions (Hofstede et al, 2010 p.22). These are three aspects that are all rooted in history and therefore difficult (not impossible though!) for people to change. It implies, that people very often, don’t actively think about their behavior or changing their behavior, because how they act can be attributed to cultural identity that has been ingrained with them since childhood. The true reason why countries differ in acting, thinking, behaving, and feeling, is established by history. History creates institutions, and institutions are shaped in a country to fit these particular national norms.

Everything, even economy too is influenced by culture, as Hofstede says: “Economic systems are not culture free” (Hofstede et al, 2010 p.24). This can be argued from the device that it is

people that dictate, conduct, and form businesses. Through business, best practices are created and values are imbedded in it. Hofstede says hereafter: “Managers and leaders, as well as the people they work with, are part of national societies. If we want to understand the behavior we have to understand their societies”. (Hofstede et al, 2010 p.25). We must understand the national culture in order to better understand differences in business behavior.

3.5.1.1. Hofstede’s 4 dimension model for analyzing differences in national culture.

Hofstede conducted a study performed in great detail in the giant computer company IBM in the late 1970s. He wanted to explore national differences in different countries through a business environment. This study has become a globally accepted study of cultural differences and in explaining (business) behaviors and how they differ when people are from different countries.

The four dimensions are as follows:

- Power distance
- Individualism vs. collectivism
- Masculinity vs. femininity
- Avoidance of uncertainty

3.5.1.2. Power distance.

This first aspect is used to analyze and explain how different countries handle the fact that people in society are unequal. There are differences which mean that people inside the same country are not “equal”. Different kinds of jobs mean that some have more power in a company than others. For example, as we do not all earn the same amount of money in our paycheck, salaries also make people different. Some have power or status for being good athletes, some because they are a big movie stars, etc. Others are born into power and being different from others without having earned it e.g. royalties. The PDI tell about how the population of a country behaves towards people with different status and what kind of relationship they have to hierarchy. High levels of hierarchy in a country and in a company means that it becomes more difficult to reach managers and leaders. Employees only talk to people with the same status as themselves and therefore the level of collaboration between different status layers decreases.

Hofstede defines power distance as follows: “the extent to which the less powerful member of institutions and organizations within a country expect and accept that power is distributed unequally” (Hofstede et al, 2010 p.61).

Hofstede found in his study that:

- the more north the country is situated the lower PDI
- the smaller the country is the lower PDI
- the more wealthy the country is the lower PDI

These three things points to the conclusion that Denmark has lower PDI than France: Denmark is smaller, Denmark is situated more north and Denmark is richer than France (source: <http://www.eu-oplysningen.dk/fakta/tal/BNPcapita/>).

This is also concluded in Hofstede’s table of PDI (table 3.1 page 58-59). We here see that there is a great difference between the Danish and the French culture in the level of power distance.

3.5.1.3. Individualism vs. collectivism.

The second parameter of Hofstede’s cultural dimensions is how individual or collective people from different countries act and behave.

Hofstede et al. defines the concepts as follows: “Individualism pertains to societies in which the ties between individuals are loose: everyone is expected to look after him- or herself and his or her immediate family. Collectivist, as its opposite, pertains to societies in which people from birth onward are integrated into strong, cohesive in-groups, which throughout people’s lifetime continue to protect them for unquestioning loyalty” (Hofstede et al, 2010 p.92).

Looking concretely at Hofstede’s study, he classifies countries into being either individualist or collectivistic. There seems to be a strong relation between a country’s wealth and its degree of individualism (Hofstede et al., 2010 p.94). Rich countries are being more individualistic and poor countries are being more collectivistic. Individualistic countries consist of people who will most likely act to fulfill their own interests (Hofstede et al., 2010 p.119). An individualistic company will have their own goals of the center of their activities and their activities will be about getting what the company wants!

According to Hofstede's points Denmark and France are quite similar in the individualism index meaning, they are both individual countries (see table 4.1 page 95 Hofstede et al. 2010).

3.5.1.4. Masculinity vs. femininity.

The third dimension is masculinity and femininity. The definition of this aspect is as follows: "A society is called masculine when emotional gender roles are clearly distinct: men are supposed to be assertive, tough and focused on material success, whereas women are supposed to be more modest, tender and concerned with the quality of life. A society is called feminine when emotional gender roles overlap: both men and women are supposed to be modest, tender and concerned with the quality of life" (Hofstede et al., 2010 p.140).

The aspect is about feelings and how feelings are a result of people's behaviour. This covers and pertains to all aspects, at home, in social relations, in politics, and in the workplace. People can be told how to behave but what they actually feel and how they actually want to behave is coming from the innate.

Masculine countries are more occupied with earnings, recognition, advancement, and challenge where feminine countries are more occupied in creating good relations with their boss at the workplace, having good cooperative skills, nice colleagues, and employment security (Hofstede et al., 2010 p.139). Feminine society includes others in decision making and they tend to negotiate and compromise when conflicts come about (Hofstede et al., 2010 p.167).

According to the Hofstede's index (table 5.1 page 142-143) France is a masculine culture and Denmark a feminine one. By this, we could then expect that reporting practices in France have more details on future goals than Danish reports and that French reporting practices are more aware of having good evaluations of the report to obtain recognition for their work.

3.5.1.5. Uncertainty avoidance.

The fourth dimension of Hofstede et al. is about how people deal with and tolerance ambiguity and the unpredictability. Feelings of uncertainty are something we have acquired and learned from the cultural heritage from where we come (Hofstede et al., 2010 p.189).

Hofstede et al. define uncertainty avoidance as "the extent to which the members of a cultural feel threatened by ambiguous or unknown situations" (Hofstede et al., 2010 p.191).

Hofstede produced his study of this character with the Irish psychologist Richard Lynn to show that some cultures are more anxious than others (Hofstede et al., 2010 p.196). People from countries with a high level of uncertainty avoidance can come across as busy and aggressive. They avoid ambiguous situation and they look for structure in the company where they work that can make the everyday clear and predictable. They like standardization. People from countries with a lower level of uncertainty avoidance can come across as taking things easy, but controlled. They are also open to take a chance, open to switch job, and taking part in actions where they don't know what will happen (Hofstede et al., 2010 p.198).

The uncertainty index (table 6.1 page 192-194) tells us that France scores very high compared to Denmark. This could make us expect reporting practices from France to relate to standardizing methods. By using them, companies know that they do and feel more secure. In Danish companies we could expect companies to switch reporting methods and be open to take part in practices they don't know as well.

Tabel 1. An overview over Denmark and France in relation to Hofstede's cultural aspects:

	DENMARK	FRANCE
Power distance	Low	High
Individualism (vs. collectivism)	High	High
Masculinity (vs. femininity)	Low	High
Uncertainty avoidance	Low	High

3.5.2. Edward T. Hall.

Edward T. Hall was an American anthropologist and a cultural theorist. He has published several books about culture and intercultural studies. To investigate my study I will focus on his theory and observations in his book "Understanding cultural differences. Germans, French and Americans" (1990) co-authored with Mildred Reed Hall.

Hall's focus area in the cultural study is focused on communication between people from different nationalities. His principles are that every action and interaction is dependent on

communication. This is my reason for utilizing Hall's theory, as this thesis explores the question of Danish and French companies communicating their actions differently in their CSR-report. By using his theory, one can reach a point of understanding how different cultures communicate and what makes them communicate differently. These reports serve as means of communication from the company to the stakeholders and Hall's theory can help to explain differences in content and process of forming reports. The parts that combine a whole, a report, will be different in different settings. The trick is to understand how the parts that generate the final unit are constructed.

3.5.3. High context culture.

Hall's theory builds around the fact that cultures exist in two different contexts: high context culture (HC) and low context culture (LC).

Hall defines HC as follows: "A high culture communication or message is one in which most of the information is already in the person, while very little is in the coded, explicit, transmitted part of the message" (Hall 1990:6).

Hall defines Japanese, Arabs and Mediterranean like the French, for being HC cultures.

HC cultures seem as warm in personal relations because they often have small personal boundaries and speak openly and a lot with others (Hall 1990:7).

3.5.4. Low context culture.

Hall's defines low culture as a "low context communication is just the opposite; i.e., the mass of the information is vested in the explicit code" (Hall 1990:6). This means that people from a low culture, feel the need to explain more, to give more reasons for doing what they do.

Examples of people characterized as this context are Americans, Germans, Swiss, Northern Europeans including the Scandinavian, hence Danes.

It's important to note here that Scandinavian people belong to the same group as the Americans and as Germans. The Danes are not explained in details in Hall's book. However, since the Germans and the Americans are, and defined as being LC cultures, I presume that when Hall speaks about LC cultures Denmark can be used as example too of this culture.

LC cultures are characterized in that that they divide their daily life into parts. Work is one thing, personal life is another thing, and often they do not mix or overlap. This means that they

often have to explain more. Friends need detailed explanations about people at their friend's work, since in many cases they don't know the people themselves.

Low context people can seem cold and reserved. They need time to let others come close and keep their distance when it comes to new relations (Hall 1990:7).

3.5.5. Differences in time and information.

A large and significant difference between HC and LC cultures are the understanding of time. HC cultures work on polychronic time and LC cultures work on monochronic time (Hall 1990:16). Working on polychronic time signifies that people are capable of doing many things at one time, whereas monochronic is the opposite: people prefer to do one thing at a time, have schedule and follow this (Hall 1990:16). Information sharing differs also between HC cultures and LC cultures. HC cultures aims to give much information and keep everyone informed about their actions (Hall 1990: 17). On the other hand, we expect LC cultures to give scarce information. This is not a sign of not being transparent or hiding something; it is simply because LC cultures do not see the need for sharing everything with everybody.

3.5.6. The understanding of past and future.

HC cultures are often focused on about their past. Historical facts and stories are important in these cultures and play a bigger role than the future does (Hall 1990: 17). This is related with the polychronic understanding of life. People in polychronic time spheres have a hard time planning ahead, because they are willing to change plans in last minute (Hall 1990:89). They focus about what already accomplished and what goals have already been fulfilled. On the other side, people from LC cultures and with a monochronic time view, plan ahead because they by most often stick to the plan and do not expect changes in their schedule.

3.5.7. France as example of a HC culture.

France is used as a specific example country in Hall's cultural theory experiences. He observed that people like the French, belonging to a HC culture have a tendency toward autocratic behavior (Hall 1990:105) and they like patterns. They are formal about rules and regulations and give the impression that they like to adhere to them. This is quite interesting, because Hall later explains that people like the French tend to "get around the law" if it does not suit them. The French are maybe keen partial to patterns because of the fact that they have a low level of trust (Hall 1990:109): they know from themselves that if there are no patterns, it would be even

worse! Hall also defines the French as resistant to change and with a high reluctance to risk taking (Hall 1990:116). Furthermore, he finds people in HC cultures as taking care of their own in the way, that they like in business cases handling all the data themselves. This makes good sense, because he also states HC cultures, especially the French, as cultures being suspicious in general towards others (Hall 1990:109).

As pointed out, Hall's theory only gives concrete examples of the French and not the Danish in his work. As already defined earlier, Denmark belongs to the opposite context culture than France, namely LC, and therefore we have good reasons to presume that the Danish to react in the opposite way in general.

3.6. Critique of cultural theory.

The theory has to be applied critically. Cultural generalizations will result in stereotyping. Stereotyping is a dangerous practice because there will always be deviants from the general observed average. Hofstede assumes that one nation is one homogenous whole population (M. L. Jones, 2007). He does not distinguish between varieties of a population inside its national borders. Regarding the theory of Hall, it must be kept in mind that he did not make a study on a great number of countries. Furthermore, both Hofstede's and Hall's work are not up to date in the sense that time changes how people live and react to things. The indexes of Hofstede's masculinity/femininity and uncertainty avoidance has been said to give the result they did, due to political factors at the time. Factors like these changes over time, and can have result in changes, that changes the countries behaviours (M. L. Jones, 2007). In spite of this, many authors are of the opinion that the work of both Hofstede and Hall were relevant and *still* are today (Bond, 2002, Schilling & Kozin, 2009) . A recent study by Holtbrügge et al. found consistency between intercultural email communication and Hall's theory which shows that his theory can be useful in today's communication forms as well (Holtbrugge et al., 2012). This supports my argument in believing that Hall's theory is acceptable to use as a theory in today's world. This will be here I will investigate if it is true together with the cultural theory of Hofstede to understand if differences in acting and behavior in the way Danish and French companies reflect about writing a CSR-report, can be explained by cultural theory.

3.7. Legal requirements for CSR-reporting in Denmark.

Since 2009 it has been a legal obligation for the 1,100 biggest companies in Denmark to report about their CSR-reporting practices (Danish Business Authority homepage). The companies must include the following three points in the report:

1. CSR policies, including any standards, guidelines and principles for CSR used by the business
2. How the business translates its CSR policies into actions, including any systems or procedures used
3. The business' evaluation of what it has achieved as a result of CSR initiatives during the financial year and any future expectations

If the business has no CSR policy, this must be explicitly disclosed

Source: *"Corporate social responsibility in Denmark. Impact of the legal requirement for reporting on CSR in the Danish Financial Statements Act"* The Danish Ministry for Economic and business Affairs
http://www.dcca.dk/graphics/publikationer/CSR/CSR_and_Reporting_in_Denmark.pdf

Starting this year, 2013, the companies also have as specific duty to report about the climate and human rights (The Danish Ministry for Economic and business Affairs).

The goal behind the idea of making it a legal requirement for businesses to report about CSR-activities, is that the Danish government sees CSR-activities as a national necessity to engage in as, "Governments need to promote CSR and motivate businesses to engage in it as an integrated part of their business strategy" (Minister for Economic and Business Affairs, 2010) and the report continues: "This can be achieved by governments creating policies and frameworks in active dialogue with stakeholders" (p.2)

3.8. Legal requirements for CSR-reporting in France.

France has also developed legal requirements for their CSR-reporting issues: The law "Grenelle 2"¹ from July 2010 states that companies with: "The decree (*Grenelle 2*) establishes the principle of reporting term for all companies with more than 100 million euro in total assets and more than 100 million euro of turnover excluding taxes and more than 500 employees from year January 1, 2013" (Institut RSE management). These are the new legal terms of

¹ The law can be found in the French Governments homepage:
<http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000022470434>

conditions, as it has been a legal requirement to report for a smaller number of companies from 2011 and a larger number of companies must do so from 2016.

The companies must include in the reports:

1. Explanations about the policy of the company and its subsidiaries in favor of sustainable development and CSR
2. Statements the requested information that has not been informed about and why not
3. Explanations on what standards it complies
4. establish specific reporting requirements that are traded on a regulated market

Source: Institut RSE management: <http://www.institutrse.com/actualite-rse/actualites-de-la-rse/note-dinformation-sur-les-conditions-du-reporting-rse-loi-grenelle-2.html>

4. Methodology.

There are two major kinds of approaching a research: The deductive and the inductive approach.

In the deductive approach the researcher works from the general statement to the more specific. A general theory is tested and is used to draw conclusion to a specific case (Ankersborg, 2011). The deductive approach has as method to discuss existing theory and then test it hereafter to conclude to a specific case. Theory and literature are the way to reach an answer to the research question.

The second approach, inductive approach, differs from the deductive approach in that it works from the specific to the general (Ankersborg, 2011). By using or studying specific data, such as interviews, statistical dataset or surveys, the researcher concludes to a general tendency.

The inductive approach is the path that characterizes my work. From the data obtained, I will draw conclusions to see if my data point to a general trend in this CSR-reporting area.

4.1. Philosophy of science in management research.

Underneath every academic research are the reflections of the philosophical positions that help to conduct and formulate the research. It has as mission to argue and debate the findings. Furthermore, it helps how to reach the findings as well as how to suggest using different research designs (Easterby-Smith, Thorpe, Jackson 2008). Two main branches of philosophy

of science are positivism and social constructivism. The two does not outline one another, but a single research will most often slope towards one of the two.

The positivism is based on the idea that the world must be seen objectively and conclusions to a theme or a statement cannot be drawn solely upon through feelings, reflections or intuition (Easterby-Smith, Thorpe, Jackson 2008).

A later philosophical view is social constructivism. In this view, reality is not objective and does not come solely from external factors. It implies that reality can be real even when found through people and their opinions, behavior and actions. The social interaction that exists between people gives reality to the meaning. The researcher creates knowledge and thereby creates a reality, by listening to people's statements, thoughts and feelings (Easterby-Smith, Thorpe, Jackson 2008). Reality to a theme is obtained through human actions in different situations.

The social constructivism corresponds with how my research will take form. Through interviews with different actors in different companies, I will use their thoughts, feelings and statements to analyze and draw conclusions to my theme – my reality. The details hereabout will be developed further below. The element that is important is that it is *my reality!* As a researcher driven by social constructivism I draw my conclusions through my eyes. I have them supported by the theories picked out but it is still my interpretations. The social constructivism has an element of personality and it can bring the analysis to a higher level, as people must learn and develop through other people's actions. This could cause, may some argue, biased observations and conclusions. Firstly, I make a cross-cultural study where Denmark is one of the countries being analyzed and I am Danish. Some might say that I could favor responses from Denmark and put Denmark in a better light. Or the contrary it could be thought that I would favor France because for some reason I no longer live in Denmark and would put France in a better light. Personal opinions and interpretations will inevitable be a part the analysis, but as long as the researcher analyzes in relation to the applied theory the danger of biased conclusions are reduced.

4.2. Data.

To obtain information and knowledge to my research I will make use of two kind of data gathering forms. The first one is referred to as secondary data collecting. This includes

scientific articles, publications etc. Through libraries and the database of CBS's library I have been able to gain access to this kind of data.

The other one is referred to as primary data collecting. There are several kinds of primary data gathering methods and quite a few ways to obtain the information needed for a research. The two main data gathering methods are categorized as the quantitative and the qualitative approaches (Easterby-Smith 2008).

The quantitative approach has as quality that it is useful to gather a large number of data from a large population and measure reactions – often by statistical methods hereafter. This makes comparisons easier to identify and make (Patton, 1990). The population is often randomly selected.

The qualitative approach is useful when the researcher would like gauge and understand the feelings and reactions from persons and from a limited number of cases.

Patton says that “qualitative methods permit the evaluator to study selected issues in depth and detail” (Patton p.13) and “quantitative methods typically produce a wealth of detailed information about a much smaller number of people and cases (than of quantitative)” (Patton 1990: 14). This is exactly my motive for choosing a qualitative study: I have a limited number of companies and I want to interview experts from the companies to get to know their reactions, feelings and opinions about a selected theme: the CSR-reporting method of the company.

A qualitative study can be approached through different ways including: in-depth, semi-structured or open-ended interviews, direct observations or written documents (Patton 1990). The interview-method is a good tool to get to know the opinions, feelings and knowledge of the people interviewed to the specific theme. It permits the researcher to get an understanding of the respondent point of view and more importantly *why* the respondent has this point of view (Easterby-Smith 2008).

It is important to remain focused and to selectively and carefully choose who to interview as it can become easy to lose track of the original research target. Keeping focus will guide the researcher to find the right people to interview. My primary objective is to look at cultural differences between Denmark and France in CSR-reporting practices. I have clearly chosen to

interviews with the CSR-reporting manager in Danish and French companies. I have selected companies that I know are making CSR-reports and then contacted them by e-mail and telephone. I have then decided to focus on the companies that are useful to my study: companies that make CSR-reports in their home country. I came out with interviewing three companies from each country. Additionally, I made interviews with a CSR-consulting firm in each country.

Tabel 2. List of companies and persons interviewed:

DENMARK

Company	Novo Nordisk (N)	TDC (T)	DONG Energy (D)
Type of company	Pharmaceutical	Telecommunication	Energy
Person interviewed	Bjørn Von Würden (BW)	Jette Smidth Lund (JS)	Ida Krabek (IK)
Job title	Programme Manager, non-financial performance	Corporate Social Responsibility manager	Stakeholder relations officer

FRANCE

Company	Sanofi (S)	Veolia (V)	Pernod-Ricard (P)
Type of company	Pharmaceutical	Water supply/waste management/transport service	Distilled beverages
Person interviewed	Grégory Lamory (GL)	Pierre Alain Mahé (PM)	Patrice Robichon (PR)
Job title	Manager CSR Function Network and Emerging Topic	Project manager sustainable development	Scientific advisor representative for sustainable development.

CSR CONSULTING FIRMS	DENMARK	FRANCE
Company	GLOBAL CSR (GB)	Tennaxia (TX)
Person interviewed	Sine Gyrop (SG)	Bertrand Desmier (BD)
Job title	CSR adviser	Advising Director

I have chosen not to differentiate between sectors, in order to insure that the study remains a more broad cultural focus and not a focus on differences between sectors. The choice of companies and the type of questions will give me the tools to answer my research question.

4.2.1 .Design of research.

In order to pose the right questions it is important to be aware of the purpose. Design and analysis of the research comes from the purpose. Patton lists 5 kinds of purposes (Patton 1990): 150):

- 1) Basis research: to contribute to fundamental knowledge and theory
- 2) Applied research: to illuminate a social concern
- 3) Summative evaluation: to determine program effectiveness
- 4) Formative evaluation: to improve a program
- 5) Action research: so solve a specific problem.

Once the category and the purpose have been defined, the researcher can start to develop the set-up for the interview. My research belongs to the first category. This means that that the questions must be composed of theoretical standards in the research field. Therefore I developed my interview guide from my theoretical frame. I have divided the questions in sections that correspond with the theories: the first is an introduction about CSR and CSR-reporting in general. Then I have a made questions that cover the theories of reporting, international standardizations and about the theory of the stakeholders. From the questions I

can withhold the answers from the managers of the CSR-reporting team in the companies and see if any trends can be identified between the French answers and the Danish answers. I will hereafter analyze this with use of the cultural theory. By this method of questioning, I cover all the areas that are important in relation to my study. The interview guide is to be found in appendix 1.

When conducting the interviews, it is extremely important to keep focus and to maintain a good atmosphere to get the respondent to feel comfortable throughout the interviewing process (Patton 1990). I have taken this into consideration by performing the interviews where the managers felt most comfortable, at their workplace. I also chose to perform the interviews in the respondent's mother tongue - the interviews with the French have been performed in French and the Danish interviews in Danish. This allows for a better chance for getting as good and trustworthy answers as possible, as the manager is not presented with the same difficulties in finding words, as he or she might have had if the interview was performed in English. The interviews have been recorded using the computer programme Audacity. This ensures that no words are missing – which could be the risk if the researcher only took notes on paper during the interview.

4.2.2. Coding data

After the interviews have been performed the challenge is to make sense of all the data collected in an analytical way. Patton expresses that every research is unique and must be treated as a single research of its own: “Because each qualitative study is unique, the analytical approach used will be unique” (Patton 1990: 372). By this citation of Patton, we understand that there is no rule for how to analyze. But there are patterns of how to approach the analytical part. Patton suggests that the way to analyze depends on the purpose of the study. As stated above, my research is a *basic qualitative research*. To analyze this kind of data Patton suggests: “The analysis (of a *basic qualitative research*) will be heavily shaped by the theoretical framework within which the study is conducted” (Patton 1990: 373). Therefore, my method in approaching the analysis is to compare my answers from the persons interviewed with my theory. To reach possible understandings of the findings, it is required to analyze the data collected. Listing and categorizing the data is called coding (Moghaddam A, 2013). Through coding, the researcher will be able to conceptualize the core issues of the data collected. This is done through thorough observations from words and sentences of the

qualitative interviews. Coding the data will help the researcher to draw organized pieces of information that can lead to conclusions upon the theory applied. The essential thing to obtain a good analysis is to make a strong and coherent description together with direct quotations so that the reader can see the point of the data obtained (Patton 1990: 430).

4.2.3. Approaching the analysis.

This is my approach for the analysis. The concrete way of my analysis was first to read the reports from the 6 companies and observe how they were written, the way they were built up, which kind of information they held and how they were presented. After this, I began to have a better understanding if and how the Danish and French reports were different. I listened carefully to the interviews (which are to be found in a digital version as an appendix of the thesis) over and over again while taking notes for each question of each interview. Then I compared the interviews from the Danish and the French CSR-managers to see if the answers were alike or different from each other. Where there were similarities and where there were differences I marked as points of reflections to the analysis.

4.3. Limitations.

My study is about if differences in CSR-reporting due to national cultural environments exist. I investigated these differences in a cross-cultural comparison between Denmark and France. I have therefore only considered Danish and French companies in my study. My goal was not to test the companies CSR-activities or -strategy, but only the reporting method. The scope and time period of the thesis writing have in itself caused limitations. These include factors as including more theory and getting access to more companies. I acknowledge the limited sample size of companies, but I also think that it will be possible to draw significant conclusions from the dataset in spite of this, because I have interviews with some of the biggest, and therefore I assume trendsetting, companies in Denmark and France.

4.4. Reliability and validity.

A research study must be trustworthy in order to be of any kind of use. The degree to which a study can be considered reliable can be measured if the case studied produces the same result when repeated (Golafshani, 2003). The validity is of the research measures if what actually was intended to get carried out. In other words, we must be able to rely on the fact that if we did

this study with more companies and in a somewhat different way, we would find the same patterns.

I have chosen to make interviews with some of the largest companies represented in Denmark and France. By doing this, I hope to increase the validity of the study in the sense that I expect these companies to set examples for other large companies. Together with the backdrop of literature and the applied theory, where we see clear patterns, consistent with the theories, it is acceptable to assume a high degree of reliability and validity. This is in consideration of the reservations listed previously above under “limitations.”

5. Data presentation.

In this section I will present the observations from the interviews I have performed with the 6 companies and the 2 CSR-consulting firms. I will start by presenting the CSR-reports from the Danish companies and the French will follow after.

5.1. The reports from the Danish companies.

5.1.1. *Novo Nordisk*².

Reporting at Novo Nordisk is integrated with the financial reporting. Accounting for CSR is part of the annual report and in general CSR is integrated in every part of the company: The annual report is to be found on the webpage and in a printed version.

Written on the homepage of Novo Nordisk’s sustainability page is the following mission statement: “We believe that a healthy economy, environment and society are fundamental to long-term business success. This is why we manage our business in accordance with the Triple Bottom Line (TBL) business principle and pursue business solutions that maximize value to our stakeholders as well as our shareholders”. Already at the start they make it very clear that they have a stakeholder approach. They go on by explaining: “Long-standing engagements with stakeholders are vital for building trust and understanding in a variety of issues. Reaching out to stakeholders helps reconcile dilemmas and find common ground for more sustainable solutions. It also helps in monitoring trends that can affect our future business. By involving

² Source and reports: http://webmedia.novonordisk.com/nncom/images/annual_report/2012/Novo-Nordisk-AR-2012-en.pdf
<http://www.novonordisk.com/sustainability/online-reports/online-reports.asp>

stakeholders in our decision-making processes, decisions are better founded and solutions more likely to succeed.”

Furthermore, the front page of the online page for CSR-reporting presents different parts of Novo Nordisk’s CSR-approach where the user can click between the different subjects. Users can better understanding and specification on topics such as the ISO26000 guidance standards, the stakeholder engagements, the UN Global Compact etc. These guides give the reader a very good outline of the different parts of the reporting of Novo Nordisk all together. The webpage also contents small interactive games to play about sustainability dilemmas “to understand in practice” as written on the homepage.

Looking at the report itself, the reader is firstly presented with the reporting priorities for Novo Nordisk: Access to health, responsible business practices, the employees, environment and climate change, communities, and bioethics. It becomes quite clear that approach to reporting is to look inside the organization: what is the particular business, what ought to be told in this regard and what must be communicated to the stakeholders. Furthermore, Novo Nordisk hereafter reports about the climate, the community in general and about the working conditions for the employees: “Social responsibility so also about ensuring a healthy workplace for the employees“(p.21).

The reasoning of Novo Nordisk’s to report is: ”because it strengthens competitiveness” (p.21). The report contains an example of CSR-activities in form of an article on page 38-40. Later in the annual report, at page 95, the social responsibility performances are listed in tables. The reader gets the a clear idea of what Novo Nordisk perform of CSR-activities, which means that their strategy of integrating CSR-activities in the total annual report mostly has succeeded very well. Other than the annual report, Novo Nordisk refers to additional reports online where the GRI-standards and the UN Global Compact-principles are explained in details.

5.1.2. TDC³.

The CSR-report of TDC exists only in an online version. It is integrated in the annual report. An additional report about sustainability exists where TDC more explicit explain their

³ All citations are from the homepage of CSR of TDC: <http://annualreport2012.tdc.dk/menu/csr/focus-areas/social-partnerships>
<http://annualreport2012.tdc.dk/menu/csr/statutory-report/corporate-social-responsibility-2012>

reporting methods in relation to GRI standards. TDC has also signed up to the UN Global Compact. The CSR-reporting issues in the annual report start on page 89 – after the financial and management part.

The report exists only in an online version and it is easy to find information about the CSR-activities. TDC starts to explain the CSR-approach: “Our approach to Corporate Social Responsibility (CSR) therefore starts in our business areas and reflects our ambition to actively use our core competences and strengths to promote sustainable development in society. Our focus on CSR also supports our business by ensuring awareness of the needs and expectations of our stakeholders, by reducing TDC's exposure to risks, and by supporting innovation and enhancing the company's reputation in society. Our strategic approach to CSR thus allows us to create value for both society at large as well as our business”

(<http://annualreport2012.tdc.dk/menu/csr/statutory-report/corporate-social-responsibility-20129>).

It is clear that they take a stakeholder approach when reporting. Just by their core competencies mentioned above, they speak directly to the stakeholders. The report firstly covers the CSR-activities that influence their business. This is observed in performing better in the digital world, promoting better IT-knowledge in schools, and promoting telemedicine and welfare solutions in Denmark. Hereafter they cover climate and environment and recycling: “we aim to make old mobiles available for recycling and reuse, to benefit both the environment as well as users in developing countries”.

Employee well-being and the people working for TDC take a great amount of space. They are very proactive in their report to tell about their work for having more women in leader positions and about hiring foreigners and handicapped. They report about their social commitment in Red Cross, fund raising to humanitarian projects participating in cancer programs by giving money, and working voluntarily.

5.1.3. DONG⁴.

The CSR-report of Dong Energy exists only in an online version. CSR-key figures are present and a part of the annual report as an integrated report. In addition to the annual report, DONG Energy has a homepage about sustainability and a separate report that account for the GRI-indicators and the principles of the UN Global Compact.

The key areas addressed in the DONG report are about clean energy, access to energy, a competitive society, people matter, business integrity, transparency and recycling. It is very text heavy, maybe too much to get the reader through each topic. However, it is very easy to click around to find results of CSR-performances, objectives, what's written on employee well-being, customer safety and climate and environment.

The company mentions social responsibility towards customers and employees. The report demonstrates a strong emphasis on transparency, a theme that remains consistent throughout the reporting.

In their section "our approach" we see that DONG Energy is highly driven by stakeholders' visions and expectations: "Our focus on CSR also supports our business by ensuring awareness of the needs and expectations of our stakeholders" and they go on to "continue to seek dialogue with our stakeholders on our most important social issues. As an example, in 2012 we invited NGOs to participate in a round-table discussion about DONG Energy's activities, with topics including future flexible energy demand and sustainable biomass. The stakeholder dialogue feeds into our responsibility work, which is presented at <http://www.dongenergy.com/EN/Responsibility/Pages/responsibility.aspx>".

The report primarily is about the core competencies in the firm as they express at the start of the report: "Our approach to Corporate Social Responsibility (CSR) therefore starts in our business areas and reflects our ambition to actively use our core competences and strengths to

⁴ All citations are from the homepages of CSR of DONG:

http://www.dongenergy.com/SiteCollectionDocuments/investor/annual_report/2012/DONG_Energy_Annual_Report_EN.pdf

http://www.dongenergy.com/SiteCollectionDocuments/CSR/GRI/2012/DONG_Energy_GRI_2013_Web.pdf

<http://www.dongenergy.com/en/responsibility/downloads/priorities/pages/default.aspx>

promote sustainable development in society”. Secondly, the report’s content is about employees’ safety and well being in the workplace. Similarly to other companies, transparency, carbon dioxide, and future growth are also key elements in reporting. The report clearly caters to stakeholders and their wishes and expectations.

5.2. The reports from the French companies.

5.2.1. Veolia⁵.

The report of Veolia exists online and in a printed version. They have signed and are committed to the UN Global Compact principles (p.8). They use the international guidelines of ISO14004 as a reporting tool. Aside from or other than the information on the internet, they do not have any additional reports or brochures online about CSR-activities.

The report is constructed around the key subjects such as, managing corporate responsibility, managing societal performance, managing environmental performance, managing social performance, managing responsible purchasing and appendixes. The company primarily reports about their core activities. In addition, they go on to report about “classic” CSR-issues as the environment in general, the employees’ and health, and safety policies. The company states their mission in the introduction as follows: “Above and beyond meeting our regulatory reporting obligations, our indicators, included in our contracts and relevant to an area’s specificities, follow economic, social and environmental aspects. This transparency reflects the positive approach we take everywhere in the world, to the benefit of all our clients and stakeholders”. They mention transparency and their stakeholders as their primary motivation for publishing these reports. The company reports mainly to meet the demands of their stakeholders as the company acknowledges that “our stakeholders, clients, suppliers and civil society as a whole expect us to have a keen understanding of their needs and to provide them with effective solutions”.

⁵ Source: <http://www.veolia.com/veolia/ressources/documents/2/11983,2011-CSR-Performance-Digest.pdf>

5.2.2. Pernod-Ricard⁶.

Reporting on CSR activity is integrated in the annual report. Other than this, they have included on their international homepage, a whole separate domain dedicated to CSR. Here the reader can read about the CSR-strategy of the company and get a detailed description about the four priorities of Pernod-Ricard, responsible drinking, share the culture, social entrepreneurship, and environment. We see that the company report and care about reporting about their core activities and the environment in general too. In the introduction they mention that: the respect for stakeholders is a key aspect of Pernod-Ricard's commitments. Pernod-Ricard makes efforts to build relationships and trust with the stakeholders as they express in the report. Furthermore, they mention that transparency with its shareholders and partners are a key goal in itself. They report by using the applying the standards of the ISO26000 framework (<http://pernod-ricard.com/872/csr/csr-strategy>).

The report includes interviews about CSR-activities and a section of how to provide growth, with a strong focus on stakeholder and employees: This policy "relies on the respect of all stakeholders, and more specifically building a trustful relationship with employees". The stakeholders have very high importance in the company's reporting practices: "Pernod Ricard is mindful of taking their expectations into account and forging a constructive and concerted dialogue with them (the stakeholders)" (p.91).

The reporting of Pernod-Ricard also, like Veolia and Novo Nordisk relies on the triple bottom line: "In 2010, Pernod-Ricard reaffirmed its commitment to the concept of Corporate Social Responsibility through its new CSR platform that covers economic, social and environmental aspects" (p. 91). Aside from the annual report and the reporting on CSR on their webpage, Pernod-Ricard publishes the book of references which covers numbers in detail about the CSR-performances. Furthermore they have published the brochure "Respect" which also explains the CSR-activities in more detail than is done in the annual report.

⁶ <http://pernod-ricard.com/80/csr>
<http://pernod-ricard.com/872/csr/csr-strategy>

5.2.3. Sanofi⁷.

Sanofi has only an online version of their CSR-report. As Grégory Lamory refers to this as “protection de l’environnement oblige” (protection of the environment commits)⁸! The CSR-report can be downloaded in a PDF file. They are a member of the UN Global Compact.

The report is separated from the annual report. Sanofi does, like Novo Nordisk, report on the basis of the triple bottom line which it (The CSR Direction) “coordinates major initiatives in connection with Sanofi’s economic, social, and environmental responsibility across all our entities” (p.9)

The focal points on which Sanofi reports are the patient, ethics, people, planet, and the CSR performances of Sanofi. In the introduction the report states that “each time we respond to a challenge, we also try to seize a business opportunity and mitigate risks to ultimately find solutions that improve our overall performance as a responsible corporate citizen. This approach brings benefits for us, for patients, and for many other stakeholders” (p. 7)

It is clear to see that the report is centered on the inner circle of interests, the patients, and that the company is highly focused on the stakeholders when reporting. As can be noted on Page 8, Sanofi explained they are “committed to responding to the needs and expectations of a wide range of stakeholders, particularly those in the healthcare field... We strive to constantly listen to our stakeholders”

The report communicates the message of the company’s initiatives to have happier employees, about employee rights and the overall atmosphere.

5.3. Presentations of responses from the interview guide.

The interviews provided interesting observations from both countries regarding their CSR-practices. I will now proceed to present the findings and will then move into more commentary and analysis on the findings. The interviews gave interesting observations and from both countries about the CSR-managers. The full length of the interviews is to be found in the CD that is joined with the thesis. I will here give a summary of my findings.

⁷ <http://en.sanofi.com/csr/csr.aspx>
http://en.sanofi.com/Images/32419_CSR_Report_2012.pdf

⁸ E-mail correspondance May 15 2013

The Danish companies have strong opinions about incorporating and integrated CSR as important subject matter in their companies. They view the CSR-report as a way to integrate the activities because it is the platform of communication. They want CSR to be part of the business culture as a whole. CSR is an important feature in today's business world. This concept is clearly expressed by all companies.

The French companies all talk about CSR-reporting as being a strategy for communication and hereby replying to the demand of stakeholders. Both countries do express difficulties in communicating the CSR-activities. The Danish managers do not appear to place as important as an emphasis on CSR as the French managers do. It is much more important for the French managers, who organize CSR-activity days one in a while.

5.3.1. Observations from the interviews

The Danish companies express that they report because of reputation and in response to the law, as the French also express. Furthermore, the French express that they report to formalize things and to make their actions more transparent. Additionally, the French companies all indicate that they report for recognition. With regard to the law, the French are much more positive in general to make CSR-reporting mandatory than the Danish are. There seems to be no particular pattern in how the countries think about integrated or individual reporting. The answers are mixed between the countries and they all see advantages and disadvantages in both forms of reporting. They all claim that integrated reporting leaves less space for stories and for plentiful information about CSR-activities which must be considered when choosing the report format.

5.3.2. Similarities the countries between.

The two countries are very similar in their belief on why to make CSR-reports. As mentioned above, the goal is to communicate the CSR-activities, to be transparent, to be a good example and to respond to the law etc.

A feature that is very clear from both countries is the relationship between CSR-reporting and the stakeholders. The CSR-managers from both countries express a very high engagement with the stakeholders when writing a CSR-report. They all say that the CSR-report is the way the company can speak directly to the stakeholders. The countries take the stakeholders' thoughts, ideas and wishes into consideration when putting the report together. Both France and

Denmark say that the stakeholders are the ones for whom the report is written. The report is the way the companies can communicate with their stakeholders. The idea with the report is to create dialogue through the report with the stakeholders of the companies.

The two countries are also very in tune to the structure and how to put a report together. They all have the triple bottom line as the ground layer for reporting. Both countries tell that reporting force the companies to be structured. When gathering the information to the report, it forces the companies to be structured internally to get a picture of the company as of what they do and how they perform. Furthermore, it forces them to structure the relationship with the stakeholders how they would like and identify who are the important stakeholders. Both Denmark and France says that making a CSR-report make the companies think about their actions in the year gone by and if they have succeeded in their actions.

5.3.3. Differences the countries between.

The managers of the companies do express differences in their reporting practices. One of the most significant differences is that Denmark and France have very opposite ideas about the use of international standardized frameworks. They both use some kind of framework like ISO and GRI, and they are both a member of the UN Global Compact. However, their opinions of the usefulness differ significantly. France is very open an accepting to the framework but Denmark is not. All of the French CSR-managers see standards as serving as a guideline, which is a good thing. All the Danish CSR-managers see standards as rigid and not necessary to make good CSR-reports.

The countries also have very different opinions on their ethics in reporting. The Danish CSR-managers feel a great responsibility to report but they feel no such pressure. The French express the opposite mentality. They express no such responsibility to report but they do feel a pressure for make good CSR-reports because others do and therefore they feel a pressure to follow up and be better! The interesting thing is that the countries also differ in how they gather inspiration to their reports from other companies. The Danish often use other companies' reports as inspiration. The French do not express such a strong relationship with others in this regard, as they are more occupied with their own performance. The French look inside and not externally when it comes to gathering inspiration. On the other hand, they are

much more outward looking when it comes to how they get evaluated their report. The French prefer having external parties evaluate their report.

The last big point where there is a difference in the Danish and French reporting is that the French never express their future goals and ambitions. On the other side, this is a point that the Danish companies feel very strong about.

It is obvious from the interviews and from reading the reports that the Danish and the French have similarities in their reporting practices, but that they also have many significant differences.

5.3.4. Observations from the consulting firms.

The two CSR-reporting consulting firms that were interviewed to talk about companies reporting practices also gave interesting insights.

The Danish consulting firm GLOBAL CSR expresses that the CSR-reporting consulting firm thinks positively about that CSR-reporting is mandatory for large enterprises and that they'd like it to be for even a larger scope of enterprises. The same comes to the fore of the French CSR-reporting firm team. But here again the difference is seen between the willingness to adapt frameworks as GRI and ISO-standards, that the Danish side here too is not a fan of contrary to the French. The Danish do think that a framework as the UN Global Compact is useful, but do not appreciate frameworks such as the GRI and the ISO standards. The Danish CSR-reporting consulting firm sees these as too extensive and not very applicable. The French CSR-reporting consulting firm is very fond of these standards, as they see it as a big help for structuring a company's CSR-report. I shall come further into these difference points of views of why there might be these differences between Denmark and France in the analysis section.

We have learned that the Danish and the French both stay very true to their stakeholder approach. The Danish consulting firm confirms that they find that the Danish companies have very strong relations with the stakeholders – even too strong. They saw with pleasure that the companies were more occupied with writing a CSR-report for the sake of the transparency and information in general, and not to please the stakeholders. The French CSR-reporting consulting firm is more skeptical about if the French companies really have as strong a stakeholder approach as they say. I will go deeper into this in the analysis and the discussion.

5.3.5. French skeptics, Danish confusion.

In general the French consulting firm is skeptic towards the CSR-reporting practices in France. They express that CSR-reporting still is new to the French, that France did not welcome the law Grenelle 2 very well and that the companies still have a lot to learn in this subject of matter. Therefore the French consulting firm is positive to international standard frameworks, because this creates the frame for good reporting.

This seems to some extent to be the case in Denmark too, expressed through Sine Gyryp from the Danish CSR-reporting consulting firm. She says that the companies in general wants to do a good job in reporting, but it up until very recently has been not very well defined what good reporting is. Therefore the companies have had difficulties in defining what good reporting is. The French CSR-reporting consulting firm thinks that networking and inspiration of other companies' reports should be a high priority for the companies, but again, does not think that it is. In Denmark, Sine Gyryp express that she thinks this already as a high priority from the companies. They see it as necessary for making good CSR-reports.

All the observations from the data gathered gives reason for going deeper into the significance of these and explaining why we see differences in the observations from the Danish and French data.

6. Analysis.

The next section will analyze my findings in relation to the applied theory. This will make me capable to finding patterns and deviates from the data collected in relation to the theories. Step one in the analysis is to analyze Denmark's reporting practices in relation to stakeholder theory. Step two is to do the same with the reporting practices of France in relation to stakeholder theory. I will then discover if Denmark and France both relate to this theory when forming CSR-reports. Part three of the analysis, is to analyze the two countries reporting practices in relation to national culture theory against each other.

6.1. Part 1: Denmark's reporting practices.

6.1.1. Stakeholder analysis.

The three Danish companies have a strong link with the stakeholders when they make CSR-reports. The three aspects that Donaldson and Preston (1995) divide the stakeholder theory into

(see page 19) correspond to a large extent to the relationship the companies have with the stakeholders when they compose the CSR-report. The descriptive part - how the company is facing the interests of the stakeholders - is an aspect that all the companies care about. Expressed through Ida Krabek, she says that: "We must handle what our stakeholders' opinions are and what they care about" (D1min02). She also states that the stakeholders are the ones that shape the decisions about the report (D30min30). Here we actually move to the instrumental aspect. This is because Ida Krabek, who says that the report is scoped by how they believe the stakeholders like it to be. They try, in DONG Energy, to identify the company/stakeholder-connections and to use this to achieve a certain outcome: a good report that answers the expectations of the stakeholders. By taking the stakeholders interests into the decisions making, the company form the report and then expect a certain outcome: increased value for the company. Stakeholder theory focuses on how managers meet the expectations of the stakeholders: IK: "The stakeholders are the ones that scope the reporting and the ones that gives ideas about what to perform better" (D30min30). The theory also focuses on how managers can use this to create value for the company. This is the idea of all of the three Danish companies regarding the stakeholder relations: IK: "it (CSR-reporting) is about that we must handle, what are our stakeholders opinions and what is important to them and then what this has of influence of value to our business" (D00min59). This statement corresponds also with the key instrumental aspect of stakeholder theory. The companies know that their own value and their own success depend on a good relationship with the stakeholders: JS: "our group of stakeholders is very big, it is all Danish people, and we try to focus on everyone" (T27min30). Again, we see a point of view that corresponds with the instrumental aspect of stakeholder theory: TDC here identity their stakeholder group and reflect about how their connections with this group are.

6.1.2. Stakeholder focus.

The companies also react in relation to the normative part or in other words, the norms towards the stakeholders. The companies behave in a special manner towards the stakeholders: they listen to them; they take their opinions into consideration when forming the report because the stakeholders demand it: "(we have) a responsibility towards the stakeholders. Our customers have a right to know what kind of company we are, and also the politicians as stakeholders and the official Denmark and society in general I think" (T31min27). The Danish companies are

very focused on the expectations of their stakeholders and of the needs of the stakeholders. This is standard behavior with regards to operating in a normative way. We see this when Bjørn Von Würden says: “We have a stakeholder approach... a couple of years ago, two years ago, we made a new climate strategy and there we made a stakeholder panel and what came out of this was included in the report” (N27min00). The company interprets, from dialogue with the stakeholders what their needs are and then they act upon it.

6.1.3. Stakeholder communication.

Regarding the list of principles by Reynolds and Yuthas (2007(see p. 23)); the three Danish companies also follow this logic to some extent. Role taking is clear in the Danish companies: “We have a good dialogue... we have that... but it’s not that we go out and ask the stakeholders about this before...” (N26min54). Transparency is something the companies strongly emphasize and is a goal of the reporting in itself. IK: “You could not imagine cutting off CSR-reporting that being in the name of transparency” (D39min39). BW: “the idea is that we must be as transparent as possible” (N17min20). The companies include stakeholders’ decisions in the reporting process and through informative communication as BW expressed earlier.

Generality on the other hand, is only partly covered by the Danish companies, as Novo Nordisk do not include the stakeholders in the decision making process up to the making of the report. What is interesting is that Sine Gyruup from the consulting firm GLOBAL CSR disagrees in the way companies include their stakeholders’ interests in today’s CSR-reporting practices: “Yes they (the companies) do include the stakeholders, but we disagree with the way they scope their report. The companies report about what the stakeholder want to hear and what they think makes sense. This way to report is not satisfactory” (GB6min50). Sine Gyruup at Global CSR is totally against the stakeholder approach. It does not change though that the companies want to keep this approach for CSR-reporting.

6.1.2. Deviants from the stakeholder approach.

Even though the companies have a strong association to the stakeholder theory, they also vary from it. The companies do not follow the logic to the fullest: Where the three companies do not follow the principles of Reynolds and Yuthas is the point of autonomous evaluation (point three, page 22). None of the companies invite the stakeholders directly to set the agenda for how to write the report itself: “It is not that we go out and ask (the stakeholder’s opinions)

because it is such a legal tight document” (N26min56). It is not a priority. Whether or not the Danish companies are affected by power neutrality (no. 5, page 22) is difficult to know from the information gathered. More studies in this field would be necessary to know. But this does not change the fact that the Danish companies react in the accordance to the stakeholder theory when they account for their CSR-activities.

We have seen how Denmark corresponds very well to the stakeholder theory. The Danish companies are very aware of the role of their stakeholders and they pay very much attention to stakeholders. This is easily understood by reading the reports of the companies and even more supported by talking to the CSR-reporting responsible managers from the companies.

6.2. Part 2: France’s reporting practices.

6.2.1. Stakeholder analysis.

By studying the reports of the French companies, it is clear that they have, similarly with the Danish companies, a strong stakeholder approach towards their reporting practices. In the reports of Sanofi, Pernod-Ricard and Veolia, the companies all mention their stakeholders in the introduction to the report. This gives the reader the impression from the start that the report is scoped by the stakeholders and written to talk to the stakeholders.

6.2.2. France toward Donaldson and Preston.

The French companies analyzed in relation to Donaldson and Preston (1995)’ three part method brings following examination:

The French companies comply with the descriptive part in the way that they are giving attention to the stakeholders and their interests of the stakeholders throughout their report. Grégory Lamory from Sanofi says: “How it works is that obviously it’s based on listening (to the stakeholders) and we contact out distributors as an example and then they themselves contact us, which means that they include directly the stakeholders too” (S54min08). Patrice Robichon say the same and Pierre Alain Mahé too: “We consult them (the stakeholders), when we must form the report” (V25min40). This is descriptive stakeholder theory: they look at how they want the scope of the report to be formed and scoped and take the stakeholders’ visions into the consideration of how to make the report. But as said in the theory, the aspects can overlap and this last citation can also point to the instrumental aspect. This is because Pierre Alain Mahé here also describes and identifies the connections that are between his company

and his stakeholders. Another aspect where we see that the French comply with the instrumental part is expressed by Pierre Alain Mahé: “we must satisfy our stakeholders” (V35min12). The company takes the interests of the stakeholders into consideration to expect a certain outcome of better relations that will give better results. The French companies, according to the CSR-managers, take in general the stakeholders interests into consideration about reporting on CSR, because as Grégory Lamory says: “It’s a strategic choice because it’s a growing demand from our stakeholders” (S4min00). Again, the stakeholder demands something, the company identifies the demand and reacts to it. This also overlaps with the normative aspect: *how it is supposed to be*: to interpret what the stakeholders demand and then offer to respond to it. These statements all point to that the company’s desire to keep a good communication level with the stakeholders because they see that it will bring value to the company. Why else would it else be so important for them? The companies see a way, through reports that speak to the stakeholders, to increase overall profit in general in the company.

6.2.3. Dialogue as a strategic choice.

The normative vision is also about the norms and rules that exists between the stakeholder and the company. The company is clearly the ones setting the rules, deciding to keep the dialogue, and they do this because as Grégory Lamory expressed, it’s a strategic choice! Keeping a dialogue with the stakeholders about their wishes make the company believe, that it will get some value out of it.

There is a different point of view towards the stakeholder/company-relationship: according to Bertrand Desmier from Tennaxia the French CSR-reporting consulting firm, there are certain difficulties in the relationship between the stakeholders and the companies. He thinks that the companies only *express* their cooperation with the stakeholders, but do not in reality, carry it out: “The stakeholders are not very well consolidated at all” (TX9min02). There is a big miss match of the perception within the companies and outside the companies of the collaboration and relationship between the stakeholders and the companies. BD continues by stating that, “Many companies say that they have identified their stakeholders but when you scratch a little bit you see that this is just a self judgment from the company’s side” (TX9min09). This does not change the idea that from reading the reports and listening to the CSR-reporting managers interviewed, the companies give the impression of having a strong focus on stakeholder relations and remain attentive to the importance of including the stakeholders in the reporting

practices. Whether or not they then succeed in creating the link to the stakeholders might be of less importance, as long as they keep trying to and improve over time. Bertrand Desmier clearly thinks in a normative manner: he interprets how he sees the function of the stakeholder/company-relation and then claims how he would like it to be. He wants it to be different than it might be, but this is then something to work on.

6.2.3. Stakeholder communication.

Regarding the list of principles of stakeholder communication between the company and its stakeholders by Reynolds and Yuthas (2007(see p. 23)); it is noticed that the three French companies comply with these to some extent. They do what they can to have a good and strong communication about their CSR-strategies: “We try to a maximum to communicate to our employees what CSR is...but it is a concept that is difficult to spread out” (S12min11).

Concerning generality and role taking (point 1+2 page 23), by reading the reports and by listening to the interviews, we learn that the French companies include the stakeholders’ visions to make the content of the report. Patrice Rpbichon expresses this clearly: “We have a mandatory exercise to interview our stakeholders about it...just to say...we could not ask about their opinions if we do not consult them” (P39min33). At Veolia they have a network called Critical Friends through the one they get inspiration to the report from the stakeholders about the reporting practice and where they gather information to the report (V25min23). Reading the reports, it is clear that the French companies consider their particular area of work and consider how the roles of the stakeholders fit this. The companies must know the roles of the stakeholders to know how to benefit from them. Through Veolia’s network Critical Friends the company has constantly communication with the stakeholders. Pernod-Ricard has stakeholder consulting meetings during the year and Sanofi has discussions with the stakeholders on a regular basis, as Gregory Lamory says (S55min42). By doing this, the companies know the roles of the stakeholders and the role they can take. We must remember as mentioned, that Bertrand Desmier from Tennaxia has doubts about the engagement from the companies towards stakeholder engagement. In spite of his doubts of whether or not the companies work closely with stakeholders he does agree that it is an important point. He believes that stakeholder engagement is the key to good CSR-reporting. He believes strongly in the principles about good communication with the stakeholders. He says: “I think the companies must answer the demands of the stakeholders. If a company comes to this, they can publish

reliable information that correspond with both sides (company/stakeholder)” (TX10min40).

The two organs, the companies and Tennaxia, agree on keeping a stakeholder approach when CSR-reporting, contrary to the Danish side.

6.2.4. Internal communication.

The French companies do not act in accordance to autonomous evaluation (point 3, page 22).

This can be determined, because the companies do not hold meetings where stakeholders participate directly to contribute to the content in the report. The companies gather information to the report mainly on an internal level, where they consult the top management and internal consultants, as said by Grégory Lamory: “It is over a period of time that we get the information... (S34min24)...we have internal consultants that are part of the CSR-team, that treats each subject and take care of the information (to the report)” (S36min10). Same procedure in Pernod-Ricard and in Veolia: “We are the one who choose in the sustainability development department and first of all with the direction” (V16min04). Bertrand Desmier points to the fact that good reporting would be to include stakeholders more: suggests that this would be very useful to approach through the stakeholders: “If the company react to the stakeholders, it means that they are reactive and that opportunities are maybe just in hand, opportunities that will help do the work for the company by being a head in front of the competitors” (TX14min15). Communication, reaction and action are the key to making good reports. It does seem like the companies fully understand this, as they express that they already do this. Transparency is a key goal itself in reporting, also for the French companies. Pierre Alain Mahé expresses, as the other companies do, that, it “is a part of our daily life...it is an art of the question of corruption...we try to make a system to break the fraud” (V18min 55).

6.2.5. Equal relationships.

Principle number 5, page 22 is about the power neutrality. By reading the report and talking to the CSR-managers in the companies, it is difficult to terminate how the companies deal with the hierarchical division between the parties. By analyzing outside of the companies, we get the picture that it might exist in the French companies. Bertrand Desmier thinks the hierarchy is still present: “I think in our culture, not the French culture in general, but the culture of French business, that for a long time the French CEO’s had set themselves up on a pedestal in relation to the stakeholders and thought themselves as being more powerful”. (TX12min29). This does not bring value to a company and must be avoided: good reports demands equal relations

company and stakeholders in between. Even though the French do not have a perfect list about good communication, they do in general seem to have a good communication level with the stakeholders.

An overview about Danish and French stakeholder approach towards the theory can be listed as followed:

Table 3. An overview of Denmark and France's stakeholder relations in relation to stakeholder theory :

Respond to:	DENMARK	FRANCE
Overall stakeholder approach	Yes	Yes
Descriptive approach	Yes	Yes
Instrumental approach	Yes	Yes
Normative approach	Yes	Yes

Role taking	Yes	Yes
Transparency	Yes	Yes
Generality	No (not a 100%)	Yes
Autonomous evaluation	No	No
Power neutrality	?	No (Hierarchy might exist)

Changing stakeholder approach or not:

	DENMARK, Global CSR	FRANCE, Tennaxia
Change in stakeholder relation in reporting wanted	Yes	Yes
Wanted	Less focus on stakeholders communication and influence on CSR-reports	More focus on stakeholder communication and influence on CSR-reports

6.3. Part 3: Cross-cultural analysis.

The analysis of stakeholder relations and CSR-reporting, gives the understanding of the incentives of the companies for making a CSR-report: the companies make CSR-reports because they want and need to communicate with the stakeholders. Both the French and the Danish companies have as primary goal, according to my analysis, to clearly communicate with their stakeholders through the report. This has been proved through the literature applied, through the academics, and the theory, together with the conversations I have had with the CSR-managers in the 6 companies and the 2 agents from CSR-reporting companies.

Concluding this, without looking deeper into how we arrived here, would draw the overall conclusion that Denmark and France have the same objective: they want to communicate their CSR-activities to the stakeholders and that the two countries hereby are very alike. So why do we still see differences in the method on how to write a CSR report? Differences arise when we look deeper into how the companies make the report and what their reasoning is behind how they reach the final goal. As the research questions indicate, I will examine, by culture theory, differences in these practices and ways of doing things are result of the two countries different national culture.

6.3.1. Communication.

Hall's culture theory is about communication. When observing how Denmark and France view the role of communication, we see that Denmark has a low priority about communicating their CSR-strategy. Jette Smith says that communicating the CSR is not something they have a great focus on, and Bjørn Von Würden says that "it's not always important" The French on the other

hand, have the overall opinion that Gregory Lemory expresses: “We do a maximum to communicate to our employees what CSR is”. Pierre Mahé Alain is: “...happy to see that our employees are looking on the information” and at Pernod-Ricard they: “...organize information activities” so that the employees knows the CSR-strategy and activities of the company. We see here that the companies of Denmark in general have a lower focus on communication than France. This is explained by Hall’s culture theory: Denmark is a LC culture where communication relies on a much smaller scale in relation to HC cultures like France. A LC culture does not expresses it selves as much because they do not find it significant to communicate as much all the time. This is in contrast to French HC culture where “information flows freely from all sides” (Hall 1990:9). The Danish companies do not have as great a focus on communicating as the French companies, which as Hall explains are typical for Northern European countries. As mentioned before, it is dangerous to put everyone into same box, but here we actually see that practice follows theory completely. What characterizes French companies is that “the entire form and function of the organization is centered in gathering, processing, and dissemination information” (Hall, 1990: 9). This explains why they have not only reporting in itself as a high priority, but also emphasizing that they communicate as a high priority! It is, according to Hall, because it is in their culture to behave like this. And this is seen here in the reporting context, where France differ from Denmark.

6.3.2. Standardized frameworks.

One of the significant differences we see between Danish and French reporting practices is the approach to standardized frameworks like the Global Reporting Initiative, ISO and the UN Global Compact. All the 6 companies have joined the UN Global Compact. The UN Global Compact is a kind of good conduct in general, whereas the others are direct helping tool of how to make a report.

Concerning standardized reporting frameworks we have learnt that France is very positive to utilize these when writing the CSR-report. Gregory Lamory: “GRI oui, we use it to a maximum...we use it because it is highly recognized and therefore clean...I think it is good because it gives you the ground layer and you can compare (reports) and do benchmark” (S46min15). Pierre Alain Mahé in Veolia agrees: “We use them, we get inspired from them every year. Patrice Robichon says that he think it an advantage to use the reporting frameworks because it is accepted international principles that helps in reporting (P31min04).

Denmark on the contrary does not appreciate the use of reporting frameworks. As Ida Krabek indicates, the country is in “a place where [Dong Energy] no longer need this” (D24min32). Bjørn Von Würden says, referring to the GRI framework that “It gives no value to us” (N24min40). It is the general opinion in the culture as we also hear Sine Gyurup from GLOBAL CSR saying that, “It’s too big and heavy a framework” (GB17min01). Jette Smidth is of the same opinion as Sine Gyurup and says that the frameworks are too extensive, too generalizing, and is not relevant for TDC’s business (T24min08).

The resistance to frameworks from the French companies can be explained by the cultural difference between Denmark and France in Hofstede’s dimension *uncertainty avoidance*, UA (see p. 35). France has a high score, Denmark a low. Having a high score in UA, means that a country has a high level of anxiety. This can cause uncertainty about every kind of action in the company: Do we do well enough? Are we trusted? How do we do to do things well enough? It discusses and emphasizes how people feel frightened about unknown situations. The reporting is relatively new for the French companies as Bertrand Desmier also states: “We are only in the 2nd year of the law. You must know that French companies realized very late that they had to do a CSR-report” (TX14min33). Reporting has come later to France than to Denmark. Therefore, one can say that the French are lagging behind in relation to for example Denmark. Being new to this, not knowing exactly what to do can create a level of uncertainty. Since the French have a high score in the UA-index, we can assume that they are an uncertain people. Hofstede speaks on this that, “People in such cultures look for structure in their organization, institutions, and relationships that makes events clearly interpretable and predictable” (Hofstede p.197). Therefore, they feel they need help to figure out how to do things. This can very well be the explanation for why France is pro frameworks for reporting and Denmark is not as, a framework provides structure and formal patterns. Bertrand Desmier as the representant for also appreciates these frameworks and thinks they bring value to reporting, which is in accordance to culture theory by Hall’s cultural theory thinking: High context countries, like France, needs clearly identified targets, they like supervision and they like patterns (Hall 1990: 104). It is therefore perfectly normal that we see that the French CSR-managers, being in HC culture, worship standardized frameworks like the Global reporting Initiative, the ISO standards etc. By using these, the companies have the patterns to follow that

are characterized by their HC culture. The opposite is the case for LC cultures, and explains why Denmark does not have a preference for using of frameworks.

6.3.3. Risk taking.

UA is also about risk taking and we must expect Denmark, with its low UA rating not to be afraid of risk taking or to take unknown roads decide how to operate on its own. This is also supported by the statements of the Danish companies when they express that they think it gives more value to the company, when they do things on their own instead of following reporting frameworks: “My personal opinion is that this (refers to GRI) is the way Novo should take, because it is...it gives us no value” (N24min20). Ida Krabek also states that, “the disadvantage (about GRI) is that it is so generic as it is, it is really extensive, it demands so much of reporting that the product you get out of it, Is not necessary worth it” (D25min44). This is also held up by Hall’s theory of HC cultures and LC cultures. HC cultures do not like changes (Hall 1009:109). Risk taking is combined with changes, and France as a HC is not expected to make changes in the way they do things. Patrice Robichon says that “our strategy is the same.” The Danish companies have all to changes strategy or structures recently: Novo has recently switched from a separate report to an integrated (N27min31) and Ida Krabek from DONG Energy says: “we changed strategy in 2012 to be more focused and sharp in our reporting practices” (D28min02). This serves as proof that they are willing to try new ways, take risks and are not afraid of changing systems.

6.3.4. Evaluation of CSR-reports by external agents.

Another factor that can be explained by France’s high UA is how the country reacts to having the report evaluated by external agents. In France, this has a high priority and is used by all of the companies explored: ”Yes, yes, yes after the report, we get critiques and notations” (V36min52) and Patrice Robichon says: “yes yes of course” (P46min00). The explanation can be found from Hofstede’s citation: “Family (I’ll here convert it to “organizational”) life in high UAI societies is inherently more stressful than where UAI is low. Feelings are more intense” (Hofstede p.202). This tells us, that France is more stressed because others are constantly judging their performances. By having the job done evaluated (positively!), they can relax because they then know that what has been done is not questioned by others. This factor relieves the stress. A way to remove uncertainty is to make sure that what you do is good! Therefore the preference for having the report evaluated in France is high. The French then

gain a certified approval. According to Hofstede this behavior is typical in cultures where the UA is strong: “Safety or security is likely to prevail over other needs where uncertainty avoidance is strong” (Hofstede p. 216). Having the report evaluated, France feel safe and secure about their work.

The Danish companies, being from a culture with a low UA, express no particular preference for having their report evaluated by external agents (question 22). Ida Krabek says that “I know we have done it before, but this year we don’t. It’s a bit different from year to year” (D35min00), and Jette Smidth says: “we don’t get the product evaluated by others” (T32min).

It is not that the Danish companies do not have their report evaluated at all, we see from the reports themselves that both TDC and Novo Nordisk have their report evaluated by PricewaterhouseCoopers, TDC as the only one not having this done. Also, Sine Gyruup tells that they have companies that ask for evaluation (GB23min22), but it does not seem that important, when listening to the CSR-managers in the firms, whereas the French has very strong feelings about this and have all their report evaluated every year: “We have every year to answer to the notion agencies” (Pernod-Ricard), “we have auditing firms evaluating our reports” (Veolia). This can also be a sign of the French acceptance of the authorities and autocratic behavior, as Hall explains as a characteristic for French culture (Hall 1990:105). They believe in authority and seek to get their approval. Hofstede claims the same and states that countries with high UAI are dependent on expertise from the government etc. and this is how things shall be (Hofstede p. 220). They rely heavily on being evaluated because in their culture, it is simply the right thing to do!

6.3.5. Future goals.

Another point where we see that Denmark and France have opposite methods of what to put in writing in a CSR-report concerns expressions about future goals and ambitions for CSR-activities and missions in the company. This point is significant, because the two countries have such a strong opinions about this in totally opposite directions: Bjørn Von Würden: “...there is a part (in the report of) what we want and how the future looks like” (N21min), Jette Smidth: “We write new statements of objectives” and Ida Krabek: “the report we have now, starts with a list of all our goals and objectives”. The French companies express that they do not write this down and Pierre Alain Mahé explains why: “...if we speak about something

we want to do and then we don't, well, then it creates deception" (V21min). The French companies are very conscious of not creating deception, not to giving reason to create mistrust. This is because the French in general "expect the worse of themselves and other people, which makes them suspicious to everyone" (Hall 1990:109). On the contrary, Denmark is known for having a high level of social trust towards others (Rothstein & Uslaner, 2005). This is one valid explanation of the differences of the countries in reporting about future goals. Another cultural explanation is if we look at Hall's theory: HC cultures, like France, belonging to polychronic time, are cultures that have difficulties in planning ahead because they know that it is very possible that they do not stick to the schedule planned (Hall 1990:89). This explains why France does not express its visions about future goals of CSR-activities. They know they might not reach the goals settled out, and therefore they find it best not to settle them out in the first place. On the other side, LC countries like Denmark like to make plans and stick to them, and therefore they see no problem in settling out their expectations about the future. Being from a LC culture, you most often reach your goals and have therefore no problems talking about them.

6.3.6. Inspiration and networking.

Denmark and France react differently in regards to how they deal with reading other companies' reports to seek inspiration for own reports. None of the French companies let themselves be influenced directly by other companies' reports when forming their own. Pierre Alain Mahé says: "we see that others do, but we don't read others reports go get inspiration...it's not necessary to see what others do" (V29min57). Why have we only now found that they have a high uncertainty avoidance score? From this we could expect them to look for information everywhere to be sure of what they do. Pierre Alain Mahé at Veolia even says that he doesn't care at all how other companies, even his competitors report are formed: "I'm not going to read the report of Suez (Veolia's rival) if they have the same tables of contents, I don't care, I really don't care... it's not necessary to see what the others do" (S29min57). The Danish companies all let them inspire of other companies' reports: "Yes, we look at other's reports every year" and Bjørn Von Würden and Ida Krabek says: "Yes we do inspires us of the reports from others" (T31min).

Bertrand Desmier from the French Tennaxia says, that it is very important for a company to let itself take inspiration from others, making a report without this additional inspiration is just not

possible (TX24min36). Letting oneself be influenced shows openness and even proves useful across sectors it's useful. Then why do the French companies not act upon this? These differences between the Danish and the French companies can be explained by the difference in being a masculine or a feminine country. As a feminine country, you care for the group and take other people opinions into consideration, which is what the Danish companies do, when they prioritize to let other companies' reports inspire them. A masculine country, believes in itself of having best practices and in control of its own work. Hall's theory also explains this with HC France having low team work fortitude: "The French are strongly individualistic...because they don't respond to group pressure they are poor "team players"" (Hall 1990:106). Having no feeling for working in teams or caring for what other's do, they have no interest in looking at others reports to look at others reports. This aspect explains the company's methodology on networking. For example, Danish companies are very partial to networking. At Novo Nordisk Bjørn Von Würden explains that they are part of several networking groups and that, "have a small networking group, a Scandinavian network too" (N29min53). The DONG company is a member of many different networks because it is of great inspiration to know what kind of problems others have in the reporting practices (D33min24). JS agrees and says: "Yes, you see, the small group I talked about, the three of us, we are present at networks to see how other companies who are reporting too".

Networks are used in France too but have in general a lower priority. Veolia and Sanofi do not rely very much on networking and prefer to look inside the company (V28min43) or in similar industries (S56min51). This can be argued, as for about inspiration gathering, be explained with the fact that France to not work in groups and do not find it essential to make good reports.

6.3.7. Pressure.

Bertrand Desmier says that he believes the French companies are under pressure to report. This pressure exists because a good CSR reports makes the company being able to differentiate itself from the rest of the group (TX18h20). The French companies feel this pressure: "of course (there is a pressure) when a company is rated best and we are not, you say, okay, we there is a problem, we must be better, we must be better next year, of course yes there is a pressure" (V34min43). Gregory Lamory agrees (S1h01min) and Patrice Robichon expresses similar feelings, as they also feel strong pressure to do well. According to Hall's theory French

feel under pressure, because they are from childhood part of a culture that demands constant correct behavior, correct answers, and discipline (Hall 1990:106). This is what is expressed through the CSR managers in France. Throughout their entire lives, they have been rated and judged upon their behavior, right from first year in school. It also makes sense in the context of Hofstede's masculinity point of view, as masculine cultures are more occupied with recognition and challenges than feminine countries. To achieve a good recognition for a job done, the work must be at a high level. This kind of demand puts the company under pressure.

The Danish companies do not express feeling the same level of pressure as the French. Bjørn Von Würden says very shortly that: "It (reporting) is just something we believe in" (N32min11) and at TDC Jette Smidth says: "No I would not say that (there is a pressure)" (T31min11). But according to Sine Gyrop, she says that the companies might not feel it, but that this is only because they don't realize that they are under pressure (GB21min02)! Even if it might be so, it is interesting that the Danish companies have such a relaxed feeling towards the reporting. They believe in it, yes, they feel no pressure. It is like it is an integrated part of their business culture that gives not much room for frustrations and demands of what others think about them. Again, it can be a result of the high trust that exists in Denmark, as referred to earlier. When people trust you, you trust them and you are not afraid of what you deliver. The feminine values that Denmark according to Hofstede persists can reason for Denmark's anti pressure feelings. As a feminine country, Denmark does not have the urge to get recognition for the final report as much as a country with masculine values needs.

6.3.8. Similarities.

It is important to notice that despite the differences found in Denmark's and France's reporting practices there are similarities too. From reading and looking into the reports, both countries build up their report by the same pattern. They all have the approach to build up the report around the core activities of the company. Hereafter, all of the companies all report about the climate in particular, the social activities they perform and of recycling. This shows that the countries do operate in the same world, where many subjects of matter are discussed on an international scale. These parts have therefore a place in the report, them being from either Denmark or France.

Furthermore, all of the 6 countries have signed up to the UN Global Compact. This is just another example of similarities despite the globalization. The UN Compact has, unlike other practices as just seen above, found its way to be global accepted. Here, national culture has no role for the countries reporting practices.

7. Discussion.

The analysis brings forth observations that demands reflections and discussion. The introduction to the thesis says that companies make CSR reports because they want to be known as socially responsible because their stakeholders demand this. The objective of the thesis from this standpoint was to see if this respond to the stakeholders, the CSR-report, varies between national borders. Said shortly it was to scrutinize if CSR-reports differ between countries due to the countries' difference in cultures.

7.1. Discussion of the stakeholder approach.

First I would like to discuss the approach or taken by the companies when they write CSR-reports.

In the analysis, we have found that both Denmark and France have a stakeholder approach. All of the 6 companies interviewed make a vast effort to respond to what their stakeholders want to see from them. The company communicates their message this communication through their CSR-report or the CSR-section in their annual report. Here we can ask ourselves what motive of the company has to carry out the CSR-report actually. The authors in the academic literature defend the stakeholder approach in reporting relations by claiming that the report is the company's voice to the stakeholders (Schlierer et al., 2012, Tschopp et al., 2011, Collins & Usher, 2004, Hess, 2008). The analysis implies that this holds true. Table 1 shows clearly that there is a consensus between Denmark and France about how they rely on stakeholder communication when reporting. Both countries take all three parts of the normative, instrumental and descriptive stakeholder theory into consideration in their work with the stakeholders. By this, we can see that there are similarities despite the countries different national culture. The explanation could be that the three parts have become natural in the companies way to interact with the stakeholders. The companies think on how they must face the interests of the stakeholders, the descriptive part. Furthermore, they all think of what they get out if their efforts towards the stakeholders (the instrumental part). They are still a business

that must draw profit of their work. This overlaps with the normative aspect. This way of approaching the work with the stakeholders in reporting is not cultural determined. On the other hand, there is a discrepancy between the objective of CSR-activities and this stakeholder approach: the stakeholder approach takes the interests of the stakeholders as the most important. This result gives rise to the problem, as Sine Gyurup also states, that the company may risk being tempted to prioritize pleasing the stakeholders in the report instead of prioritizing essential and actual CSR-activities. The companies might then identify areas that are relevant to the stakeholders and not to the core CSR-activities of the company itself. This would demand further studies to get to better understand and is not the central point or focus of my study. The essential aim of my research in my research is to observe if the way the company approaches the structure of the report and the content of it, is different in Denmark and France.

That is not the case from the perspective of the companies. Both Denmark and France believes in the stakeholder approach for CSR-reporting. What is interesting here is not then approach itself but why the reporting companies Tennaxia and Global CSR have different approaches to the use of stakeholders. The point is to discuss if this variation is caused by cultural differences between Denmark and France. Through the analysis, we see no particular explanation in theory upon which this difference can be based. Hofstede's 5 dimension model and Hall's polychronic/monochronic time aspect cannot directly explain it. We must here accept that the reporting companies have different opinions that the theories of the thesis do not explain.

7.1.1. CSR-reporting as a result of peoples demand.

CSR is created because people have a demand for it. This was also argued by Patrice Robichon from Tennaxia, who informed us about the companies resistance to CSR-reporting when it first was presented and then later demanded by law. CSR-reporting is an extra expense for the company and even though many companies have good philanthropic intentions, not only revolving around money, the bottom line is that reporting requires expenses in engagement in details. In the report, the companies respond to the stakeholders' wishes and cater toward attaining stakeholder's appreciation of their reports. It is beneficial for the company, because the company then takes care of it's own interests too. The company then gets satisfied stakeholders, and the business runs without problems and without unsatisfied stakeholders. The thought that come to pass is if it's beneficial for the spirit of the term *corporate social*

responsibility in general at a higher level. The question arises “for whom do we report”? Is reporting a tool to ensure a better and more sustainable environment or to gain profit? Of course the goal of a company is to gain profit, but the goal of today is to be able to do this, without compromising the environment of the employees or the suppliers’ health and welfare in general and in the near environment. Also, the interests and the operations in the developing countries where companies often have a big part of their suppliers must be handled in the benefit for CSR and for the company at the same time. I think it is very difficult to change the stakeholder approach, as GLOBAL CSR would like to, because of this! Patrice Robichon has without a doubt a point when he says that the companies still don’t have a clear idea of how to approach reporting in the best manner. Sine Gyruip also expresses this obstacle when she says that the companies do not feel a pressure to report. The two consulting companies express that the companies do not feel a pressure to report, because they still have not realized that there is a pressure to report! The pressure will most certainly grow in the future if the trend of reporting continues as it does now. As this pressure grows, the companies must be able to respond toward it, for the sake of sustainability and for their own sake for creating a valuable company. Hereby the report will be a beneficial way to attract new investors that care about sustainability initiatives.

7.1.2. Stakeholder pleasing.

The danger of the stakeholder approach is that it risks putting the whole idea of CSR at stake, as Sine Gyruip also expresses. When the company’s primary goal of their CSR reports is please the stakeholders, it loses focus on the voluntary responsibility about *caring*. This refers to caring for the triple bottom line: the economic, the social and the ecological aspect of how to make a business sustainable. The companies do say that this is their goal, but if they all the time have focus on to write the reports because of what the stakeholders wants, they only make CSR-activities that pleases the stakeholders. Additionally, what pleases the stakeholders is not sure to be what is best for the environment.

7.2. Cultural discussion.

The essential question for discussion is if the countries’ reporting companies are influenced by their cultural heritage.

In my analysis it is clear that culture has an influence on how the CSR-managers scope and form the report in the different countries. As mentioned in the introduction, several cross-cultural studies have been conducted but without investigating if national culture can be the direct reason for differences in reporting. The analysis of my study implies several differences that suggest being caused by the fact that Denmark and France have different cultures. Reporting is all about communication and communication varies in cultures. Therefore it is very interesting to discuss the communication form from Danish and French side.

The analysis implies that Denmark in general has lower communication forms with other parties when determining the scope of the report. This does not mean that they are worse communicators than the French, however companies from other cultures might interpret it as if they are. This can give the Danish companies problems if they want to work in partnership on the international scene. Missing communication could be interpreted as not being willing to, and then international clients who wants to work with the Danish companies might be scared away, because of the Danish having a cold information style. To improve this, Danish companies must change their communication style. Change in communication demands of the Danish that they realize how they might be interpreted. Changes in communication style demands huge efforts and can only be made if the parties involved are aware of the problem and want to change it. Then one can ask himself, if the Danish companies really have a problem! For example has Novo Nordisk has won prizes several times for having a good report. The other Danish companies do not claim to have problems about CSR-reporting. However, this is the point of view from the companies themselves and not something that foreign CSR-reporting companies have shared an opinion about. Therefore, the Danish companies must ask themselves if they can do better. Improvement must always be encouraged and if communication is emphasized on a larger scale in other countries, it would be a point to improve for the Danish companies.

7.2.1. Culture in reporting content.

Another point for discussion is what the companies chose to report upon. We have come to know that none of the French companies express future goals and ambition in their report. From a Danish point of view, where this is viewed as extremely important, it must seem strange. A Dane coming to work in France would find it odd not to find the future goals for CSR-activities in the report. They might even find the French report as unserious less serious.

A French person coming to work in the CSR-reporting department in a Danish company would find that the Danish talk of things of which they know very little. This can create feelings from the French that the Danish are untrustworthy, when they speak about things they have not yet accomplished. It creates differences and differences create alienation. The analysis implies that the culture of Denmark and France is the explanation for this behavior. I believe this to be very influential and very important because we see that concrete examples of work are determined by cultural heritage.

7.2.2. Culture in reporting framework.

Yet another point for discussion is how the use of reporting frameworks as the GRI, ISO etc. is different in the Danish and French culture. There are indeed pros and cons of both approaches. The Danish companies, which tend to side with the cons have good reasons for not liking the frameworks. The frameworks are indeed very extensive and keep the company locked in a structure that can be useless if they can handle the task themselves. The pros for using frameworks, is represented by the French companies. This can be that using guidelines keeps the company on the right track and that the report is being shaped in one clear way. Also, as many of the companies are using similar methods of reporting, comparisons between companies are possible. The analysis suggests that the differences in preferences are defined by cultural ways of thinking in Denmark and France. As said before, it is dangerous to make conclusions upon cultural behavior, because it is such a delicate subject with many deviants. However, I think we must dare to look at culture as a variant that influence our lives, our behavior, and our business systems. If we keep saying that culture is not a valid cause for differences in business behavior we will keep ignoring the impact it may have, as the analysis implies. Therefore, culture studies and knowledge about cultural differences should be taken into consideration in the context of every company. It is embedded in us and our actions and decisions are therefore a result of it. If we acknowledge this there is a great chance that companies will understand each other's ways of work much better and increase business understanding in general. Several authors have criticized the use of frameworks as the GRI and ISO (Hess, 2008, Dumay, Guthrie, & Farneti, 2010). Hess claims that adapting frameworks like the GRI, reporting becomes empty processes with no possibilities to really change behavior in the corporate sustainability business purpose (Hess, 2008). This is a very relevant discussion because reporting frameworks like GRI are becoming more and more popular in the

reporting world. As previously mentioned, the frameworks provide a good basic foundation and help for guiding the reporting. It is important though, as David Hess also points out, that every company remember that it is facing a unique situation in their single business. Therefore it can lower the quality of a report, if a company thinks they can report as every other company. On the other side, companies that do not use these frameworks and thinks they can handle the reporting on their own, take risks too. They might not be able to report correctly or might miss areas of reporting as other report upon. It is obviously a big decision for the company to make when choosing a method for reporting.

7.2.3. Culture or industry?

It is of great important to discuss the relevance of the cultural influence in general. The aforementioned study of Suzanne Young and Magalie Marais about reporting differences in France and Australia had an interesting finding. They found that countries operating in the same industry across borders adapt the same reporting practices (Young & Marais, 2012). Hereby they say that culture become less important than industry. This seems to be true in their case, but it does not, I argue, eliminate the fact that culture can be as important. My analysis implies that even across industries culture is an important feature in the CSR-managers way of approaching reporting practices.

7.3. Reflection on applied theory.

The theoretical framework has been chosen from what I have found to be the most important theories when having to make a cross-cultural study about CSR-reporting. Through the academic articles investigated I paid particular attention towards the role of the stakeholders from the companies and how the companies are dealing with these in scoping their CSR-report. This theory explains behavior of companies' CSR-reporting practices which is shown in the analysis. The critique of the stakeholder theory, is that it is not as precise as many other theories. It has been criticized for not being specific, for having no concrete suggestion to decision making processes and for having on unrealistic view of how a company operates (Key, 1999). However, Key also in the same article says that Freeman's theory focuses on the actors in the given environment. This was indeed my focus in this thesis. I wanted to investigate how the actors behave in their CSR-communication, the CSR-report, in relation to their stakeholders. This is why the stakeholder theory is applicable in this study. What would have enriched this research would have been to take the institutional theory into the study. I

would have applied Scott's (2008) institutional theory if the scope of the thesis had allowed me to. How a CSR-report is defined, depends also on how the institutional settings in a country are formed (Tschopp et al., 2011; Aguilera & Cuervo-Cazurra, 2004; Chen & Bouvain, 2009). The authors claim that governments, reporting organizations and standard boards are all factors that determine how companies report about their CSR-activities. Since these factors are a strong influence to how reports are being written, institutional settings are very important for the reporting process of a company. Governments and organizations are formed by institutions so the product of these is strongly dependent of the how they themselves are formed. Therefore it would have been an appropriate theory to include as well.

The cultural theories have been chosen because they have a particular international focus, when it comes to national culture studies. They complement each other they support one another, which I think is very important in cultural studies. Only one cultural theory would have limited my possibilities to draw conclusions. I have applied the theory of Geert Hofstede, and Edward T. Hall. This choice is because Hofstede is the most cited and used national culture theorist (Morris & Robie, 2001), and I complement this with the theory of Hall because his work gives very precise insight in two cultures from, according to him, two cultures that are opposite. Cultural studies are a dangerous field, because of the risk of stereotyping, and therefore I find it necessary to have two cultural theories when making cross-cultural studies. Cultural analysis must always be aware of the risk of generalizing. The weakness of Edward T. Hall's theory, in relation to my specific study, is that it only has concrete examples of France and not of Denmark. This makes me conclude things that might be different in reality. This is precisely the reason why I complement with Hofstede's theory, as he included Denmark in his book of theory.

7.4. Reflections of the analytical framework.

It is important to point out that the analysis is not completely satisfactory. Compared to other studies in this area, my study is smaller and fewer enterprises have been investigated. I have focused on three different theories to explain CSR-reporting and differences herein. There could have been used other theories that may have applied as well and other ways to approach the research. Further on, more organizations, NGO's and more employees could have been addressed too. A logic way to take the analysis up to a higher level would be to consult even more enterprises in Denmark and France.

8. Conclusion and further research.

8.1 Conclusion.

The motivation for the study came from identifying a missing aspect of linking cultural differences directly with business behavior. In the literature of CSR-reporting, culture is often seen as a factor that influence the ways reports are shaped (Young & Marais, 2012, Orij, 2010, Van der Laan Smith, Adhikari, & Tondkar, 2005). However, none of the studies investigated or mentioned in my literature review, combine cultural theories with how a company forms its CSR-reports. The outset of this cross-cultural study between Denmark and France was therefore to investigate what the reporting practices are centered around and how the companies approach the reporting process.

The theoretical framework was chosen after having scrutinized reporting literature. One of the most referred to theories was stakeholder theory (Donaldson & Preston, 1995, (Collins & Usher, 2004, Kolk, 2010, Girard & Sobczak, 2011). This theory was then used as means to investigate companies' relation to reporting practices. To clarify the cultural conditions and to relate stakeholder relations in a cross-cultural purpose, Gert Hofstede and Edward T. Hall's cultural theories was used.

In order to test my research question, if national culture influences how Denmark and France make CSR-reports, a qualitative study was performed. Three Danish and three French companies were interviewed for the study. All of the companies were large enterprises and there was no consensus between sectors among the companies. This was a deliberate choice as the study was indented to be a broad country study and not a specific sector study. The companies were interviewed from a prepared interview guide. The annual CSR-reports from each company was read and observed within subjects treated and how they each were set up.

To develop the insight of reporting practices in Denmark and France one CSR-reporting consulting company from each country was interviewed. The purpose was to reach an understanding of how the reporting practices are seen outside of the company. After having performed all interviews, the answers were coded in relation to the theoretical framework and to each other. In this way I was able to make an analysis upon their responses.

At the overall level, scrutinizing the reports from Denmark and France the reports seemed similar in approach and the way the reports are build up. All of the companies report about their core activities in according to national law. Both countries have a stakeholder approach when they write CSR-report. This is seen both in the annual CSR-reports and by the interviews from the CSR-managers in all of the six companies. Here, there are no particular cultural differences. However, the CSR-reporting consulting companies had different opinions in each country. It was experienced that from the Danish side the consulting company Global CSR, had a negative view of companies taking a stakeholder approach when reporting. On the other side, the French CSR-consulting company Tennaxia was in favor for the stakeholder approach. However, the analysis finds no particular cultural explanations of this difference between the opinions of the consulting companies. This is interesting and would demand further research for analysis.

The analysis however finds that there are several significant differences in the countries' reporting practices that can be explained by national culture differences. The main findings are that culture determines how the two countries relate to the use of standardized reporting frameworks. Furthermore, the analysis also found that the expression of future goals in CSR-reports is determined by a country's national culture. These two points are significant knowledge in CSR-reporting because:

1. Standardized reporting frameworks are today's form of reporting and will only become more popular in the future
2. If future goals are significant for one country to express in a CSR-report and not in another, countries that do express future goals will most certainly find something important missing in reports from countries that do not express this.

Therefore it is apparent to conclude that national culture impacts how Denmark and France report about their CSR-activities. Additionally we can conclude that national culture has effect on what the countries report upon. As said in the discussion, it is important to acknowledge that culture is an aspect that affects reporting methods directly. Culture is grounded in all human beings and we cannot escape it or ignore it as a factor of influence.

8.2. Further research.

The question that arises and what demands further research is to what extent culture affects CSR-reporting at a deeper level. Proven now that culture has had an effect in my case studies, it should be taken to the next level. I suggest that more companies should be studied with the same objective as I have done here. This would enrich the material for analysis. Furthermore, it would be interesting to include small and medium enterprises to investigate in a broader business perspective. Then I suggest that a deeper cultural investigation would be set up. It would be beneficial to investigate how the stakeholders from different countries read and perceive the reports. Hereby it would be seen is cultural differences and the differences in the cultural conditions affect the stakeholders view of reports from different countries in the same way or not.

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Global Reporting Initiative home page: <https://www.globalreporting.org>

Investor Words: <http://www.investorwords.com/4527/shareholder.html>

Institut RSE management: <http://www.institutrse.com/actualite-rse/actualites-de-la-rse/note-dinformation-sur-les-conditions-du-reporting-rse-loi-grenelle-2.htm>

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TDC: <http://annualreport2012.tdc.dk/menu/csr/statutory-report/corporate-social-responsibility-20129>

Veolia: <http://www.veolia.com/veolia/ressources/documents/2/11983,2011-CSR-Performance-Digest.pdf>

10. Appendices

10.1 Appendix 1. Interview guide, English.

Introduction. CSR in general

1. CSR – what is that for you? Personally / professionally.
2. Do you get to communicate your CSR out to the public?

Motivations for reporting.

4. For how long have you been reporting about CSR?
5. Why do you report?
6. What do you think about that it is a legal obligation to report about CSR?
7. What are your reflections by having a separate CSR-report or an integrated?

The report

8. How does the ideal report look like?
9. Who write your report, how do you get the information and who decides what to include in the report?
10. How is your report structured?
11. Do you include visions and goals about future CSR-activities in the report?

Standardization - frameworks

12. Do you make use of the international reporting methods? If yes, how/why?
13. What do you think of standardized reporting frameworks?
14. Do you see a change or an evolution in your CSR- activities from before to now? (Change in activities, more/less activities...)

Stakeholder theory

15. Do you consider what kind of stakeholders that have an interest in the company and the CSR-activities when writing the report?
16. Have you got any reactions from your stakeholders about your choice of reporting method?

Institutional theory

17. Do you use networks to get inspiration for the report?
18. Does the government demand something of you in relation to CSR reporting methods?
19. Do you feel responsible to society to report?
20. Do you feel a pressure to report?
21. Do you get inspired from reports of other companies?

Evaluation

22. Do you external persons to evaluate the reports?
23. Do you get responses/critique for your report?

10.2 Appendix 2. Email correspondence with Patrice Robichon Pernod-Ricard

21. jun. 2013 14.55

Bonjour!

J'espère que vous allez bien. Je travaille avec mon mémoire, où j'ai commencé travailler avec l'analyse. Je me permets de vous écrire parce que j'ai encore une petite question à vous poser par rapport votre méthode de reporting. Donc si vous avez le temps de donner une réponse courte j'en serai ravie !

La question est tout simplement *si la méthode de reporting dans l'entreprise a changé ces dernières années ou pas? Si oui, qu'est-ce qu'il a changé ? Vous rapportez d'une manière différente maintenant qu'il y a quelques années ?*

Dans l'attente de votre réponse, veuillez agréer l'expression de mes sentiments les meilleurs.

Ida

Robichon, Patrice <patrice.robichon@pernod-ricard.com>
Til: Ida Opstrup <idaopstrup@gmail.com>

24. jun. 2013 08.43

Bonjour Ida,

La méthode est la même, mais le nombre d'indicateurs a augmenté suivant les recommandation de la GRI.

Bien cordialement,

Patrice Robichon
Group Scientific Advisor

Representative for Sustainable Development

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10.3 Appendix 3. Questions for Bertrand Desmier, director at Tennaxia CSR Solutions Paris and Sine Gyrop, advisor at GLOBAL CSR, Copenhagen.

- * What is the work of Tennaxia / GLOBAL CSR in general?
- * Do the companies of today know how to make a CSR report? Are they unsecure?
- * Do you advise the companies to make an integrated or a separate CSR-report?
- * How do you advise the companies to work with their stakeholders when they shall write a CSR-report? Do they work with the stakeholders?
- * Do you sense that there exist a hierarchy between the companies and the stakeholders?
- * How do you advise the companies to respond to the law of CSR-reporting? How do the companies respond to the law?
- * Do you advise the companies to report towards international standard guidance like the GRI and ISO?
- * Do you sense that the companies are under pressure for making CSR-reports?
- * Do you advise the companies to let them inspire by other companies' reports?
- * Do you advise the companies to have their report evaluated by external experts?

10.4 Appendix 5. The United Nations Global Compact

Human Rights

Businesses should:

- Principle 1: Support and respect the protection of internationally proclaimed human rights;

- Principle 2: Make sure that they are not complicit in human rights abuses.

Labor Standards

Businesses must uphold:

- Principle 3: the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labor;
- Principle 5: the effective abolition of child labor; and
- Principle 6: the elimination of discrimination in employment and occupation.

Environment

Businesses should:

- Principle 7: support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

10.5 Appendix 6. The Global Reporting Initiative

- A multi-stakeholder input: by including as many stakeholders as possible a report will meet the needs of the users better
- A record of use and endorsement: it is important to know who uses the framework to be able to increase the quality of it all the time.
- Governmental references and activities: On the UN World Summit on Sustainable Development in 2002 the GRI has been approved by all governments (<https://www.globalreporting.org/information/sustainability-reporting/Pages/default.aspx>), which make it more reliable and transparent.

- Independence: GRI is a non-profit organization. This also facilitates the increase of reliability and transparency.
- Shared development costs: the costs are shared between the users and the contributors. Costs are kept at a minimum by developing in-house reporting frameworks.
- Bridge-building: Making reports of activities, GRI creates links between stakeholders and sectors in and between companies.

10.6. CDs with the interviews performed.

The CD with the 8 interviews are to be found joint on the last page of the thesis.

The CD contains the interview with:

- Veolia Environment
- Sanofi
- Pernod-Ricard
- TDC
- Novo Nordisk
- Dong Energy
- Tennaxia
- Global CSR (Sine Gyruup)