This is the published version of a paper presented at *IABS 2005. Sixteenth Annual Conference*.

Citation for the original published paper:

Ohlsson, C., Tengblad, S., de Bakker, F., den Hond, F., Turcotte, M-F. (2005)

N.B. When citing this work, cite the original published paper.

Permanent link to this version:
http://urn.kb.se/resolve?urn=urn:nbn:se:lnu:diva-70630
Abstract: This paper reports on comparative research on how textual representations of issues related to corporate social responsibility (CSR) in corporate annual reports from Sweden, Canada and the Netherlands have changed over time. The results show a substantial increase on a number of topics that can be linked to the general CSR-discourse in the 2001 sample in comparison to the 1991 and 1981 samples. The rise in the CSR-discourse appears to be related to a drop in other discourses related to issues of social responsibility regarding the social, economic and political development of a company’s native country.

Keywords: CSR, discourse, annual reports, comparative research, lexicological techniques

Annual reports help managers to shape the impressions that observers of the firm retain; they are intended to create confidence in the company and thus to gain external legitimacy for the firm (Preston & Post, 1975). Current shareholders are to be convinced to keep their shares, whereas
prospective shareholders should be inclined to make an investment. To successfully make use of the annual report to attract shareholders, we argue, the messages communicated need to respond to the values of the shareholders. Annual reports also are important documents for companies to express messages to a wider body of stakeholders beyond the shareholders alone, such as employees, government agencies, interest groups, etc. It has specifically been suggested that disclosures about corporate social responsibility (CSR) help to reinforce organizational legitimacy (Adams, Hill, & Roberts, 1998; Bowman, 1978; Neu, Warsame, & Pedwell, 1998). As such, annual reports belong to a genre were writers write in order to meet the readers’ expectations of what modern and competent top management teams should be concerned about. Rogers (2000: 427), focusing on CEO presentations to financial analysts, even speaks of “missionary work by which upper management frame their corporate facts and figures.” The change of annual reports as text type and their development as a genre can be seen as a result of changes in corporate discourse practices. In short, annual reports are important as strategic communication tools by directly addressing the firm’s principals, aiming to demonstrate how management is effective and efficient in securing the firm’s economic and social viability (Hyland, 1998; Segars & Kohut, 2001).

Often annual reports contain comments to all sorts of developments in the firm’s context. In order to gain approval and legitimacy from shareholder and stakeholder groups the firm deems important, it articulates messages in its reports strategically by responding to values that are relevant to these groups. What is written in annual reports therefore reflects normative values about what constitutes good governance among the company’s public of shareholders and other stakeholders. If, for instance, the general public and the majority of shareholders expect companies to devote a lot of energy to the field of CSR, then annual reports are expected to contain information about CSR.

As firms operate in an increasingly internationalized context (financial and product markets, supply chains), they need to gain legitimacy in this context too, in addition to maintaining legitimacy in the national contexts in which they are rooted. It has been suggested that to some extent, there exists something like a ‘national’ CSR culture (cf. Habisch, Jonker, Wegner, & Schmidpeter, 2004). However, as CSR is also being presented as a philosophy of self-regulation that is aimed to achieve capitalism with a human face in an epoch of globalization, it is to be expected that firms need to find legitimacy at a global level too. Firms’ CSR representations would then be in a delocalized language, moving from a local-situational context to a macro-system context (Alvesson & Karreman, 2000). From this background, we are interested in how firms from different countries represent themselves in their annual reports as being socially responsible, and whether these representations have changed over time. The central question of the paper is hence: How have textual representations of issues related to corporate social responsibility in corporate annual reports changed over time?

For our analysis we selected annual reports from the years 1981, 1991, and 2001 from companies that are based in Sweden, Canada and the Netherlands. We compare developments in CSR discourses over space and time by means of a lexicological analysis, and assess whether corporations have created a discursive space in their annual reports to show how they behave in a more socially responsible way, or whether the rise of a CSR discourse merely replaces or relabels other topics that are related to stakeholder responsibility.
Within management there is a tradition of studying annual reports on CSR related themes (cf. Abbott & Monsen, 1979; Bowman & Haire, 1975). However, the study of annual reports is often limited to content analysis on particular themes, using empirical data from companies rooted in one country (cf. Campbell, 2003; Day & Woodward, 2004). Other studies include Judd and Tims’ (1991) investigation of how CEOs express their companies’ customer orientation through their letter in the annual report, or Segars and Kohut’s (2001) study on the effectiveness of CEO letters. Yuthas et al. (2002) aimed to investigate several ethical characteristics of discourse found in annual reports. However, the use of lexicological techniques for the comparative analysis of corporate texts from different languages is relatively new. Within language studies the study of business texts has only recently started. For instance, Thomas (1997) studied the linguistic structures of management messages in annual reports and how positive and negative messages are communicated differently, and Hyland (1998) focused on meta-discourse of CEOs and how a positive message is manifested in the annual report in order to influence the reader. An underlying purpose of this paper is therefore to also discuss some methodological issues we encountered in tracing development in CSR discourse in annual reports, written by companies in different institutional settings and using different languages.

In this paper, we first provide some theoretical background to our approach. We then discuss our methodology and the datasets. This section is followed by a description of our empirical data: annual reports and the ‘Letter from the CEO’-section therein. In the analysis, we highlight the emergence of a CSR discourse, the apparent shift in geographical perspective, and relationships with stakeholders, as themes that stand out in the comparison. The paper concludes with some notes on the implications of our findings, both concerning their content and the methods applied.

**Discourse and discourse analysis**

To analyze possible changes in the CSR discourse, we examined how firms wrote about CSR issues in their annual reports. We used a linguistic framework of discourse analysis with an emphasis on the lexical level. The use of discourse analysis is widespread and it is difficult to distinguish a generally accepted notion of method when it comes to the field of discourse studies (cf. van Dijk, 1997). The very concept of discourse is also viewed in several ways. Grimshaw (2003) contrasts two approaches to the notion of discourse. In the first approach discourse is seen as “[...] an ideological ‘bundle’, a subculture, or even an arena of special interaction” (ibid., p.27); in the second as “[...] spoken or written text in a language, intended for use in the accomplishment of social ends of users” (ibid., p.27). The study of discourse, according to this second approach, is the study of language in use. In the field of linguistics, discourse is generally seen as spoken or written language – what can be called talk and text – and the focus of discourse studies is on such language in use.

Discourse analysis, then, “is the structured and systematic study of collections of interrelated texts and processes of their production, dissemination, and consumption” (Phillips, 2003: 24). The traditional linguistic way of analyzing discourse can be described as ‘descriptive’. In such discourse studies, ‘background’ and ‘knowledge’ tend to serve as general categories of explanation for language phenomena and they are usually not closely scrutinized or problematized. ‘Critical’ approaches of discourse (CDA, critical discourse analysis, notably:
Fairclough, 1992, 1995), on the contrary, emphasize the context in which discourses are shaped. Here, power and status are key-notions. With the critical approach of this paper, the language use in annual reports is seen in close connection to the firm’s setting, context and (historical) background. In CDA it is emphasized that the discourse itself reproduces what Fairclough calls ‘macro structures’ (1995: 43). Fairclough adopts a three-dimensional conception of discourse: its dimensions are (i) the text itself, (ii) discourse practices of text-production and text-interpretation, and (iii) the socio-cultural practices around text-production and text-interpretation (ibid: 97). In our research, the need for and the production of annual reports, and the development of the CSR concept are seen as socio-cultural practices. The annual report, and the ‘Letter from the CEO’-section therein, is the discourse practice, which of course includes the text itself (the actual discourse). Although grounded within the theoretical frame of CDA, for the purpose of the present paper our focus remains mainly descriptive-empirical. We now turn to pointing out the methods we used for text and corpus analysis.

Text and corpus analysis

Although we are inspired by the CDA-school of linguistics, in this paper we limit ourselves to corpus analysis at the lexical (or word) level. A corpus can be described as a body of text or texts. It can be linguistically analyzed in several ways (cf. Stubbs, 1996). For our purpose, the selected annual reports from the different time-periods were quantified with the help of computer software [1]. Quantification gives us the possibility to sort all words in the texts, either by frequency or in alphabetical order, which enables a range of descriptions, per text and across all different texts from the selected periods. Quantification gives us a tool to compare texts from different years with each other, but it also facilitates standardization of search processes between the national teams. The software can produce an index of all words and also ‘concordances’ of selected words. A concordance is a presentation of a selected word in its context, where the word searched for is centered; this makes it easy to quickly analyze a large body of text than by a method of close-reading alone.

Our method for selecting words has partly been initiated by ‘buzz words’ that can be found in the CSR-paradigm (such as documents from institutions like the European Commission or the UN but also from companies and media), and partly from the lists of word frequency and alphabetical word order derived from the material (for a similar methodology: Piper, 2000). The production of concordances enables the compilation of lists of salient words and clusters of words that constitute a semantic field (i.e. a group of semantically related words with a similar meaning, Lyons, 1995). Because our texts were in four different languages (Swedish, French, English and Dutch), we used semantic fields to ensure that similar phenomena were studied. By using concordances, we were not only able to see how word patterns changed over time, but also to uncover how similar words got different meanings.

An highly standardized research protocol was developed in a pilot study on the ‘Letter from the CEO’-sections of 15 Swedish companies (Ohlsson & Tengblad, 2004). This protocol was followed in data collection and analysis of the annual reports of companies from Canada and the Netherlands. Steps in the protocol consisted in making explicit criteria for which companies to include, the production of text files, the use of concordance software, and how to analyze the wordlists and concordances. During the process, we needed to adapt the initial list of words used
to identify semantic fields, as in different countries / languages different aspects of CSR are highlighted, similar semantic fields around CSR aspects are denoted by different words, and compound are frequently used in Swedish and Dutch, but not in French and English. Thus, results from one country were input for subsequent additional analysis in the other two countries. In an interactive mode, we were eventually able to produce results that have consistent meaning for the comparative analysis. [2]

**Data selection**

The logic of comparative case studies (Yin, 2003) suggests that cases should be sufficiently homogeneous and different along relevant dimensions, in order to be able to make more general inferences about the influence of particular factors. All three countries can be characterized as highly developed welfare states, a context in which the State is expected to play – and indeed does play – an important role in socio-economic policy, as opposed to a context of self-regulation (Pasquero, 1997). Moreover, each country scores very high on the UN ranking list Human Development Index for 2004 (rankings 2, 4 and 5). In these respects, the choice of these three countries is based on a “most similar” research design (Pasquero, 1988). It is to be expected, however, that these countries will differ on many other dimensions influential to CSR representations but relating to national characteristics, including geography (closeness to the USA, relative importance of secondary, tertiary, etc. industrial sectors), types of traditions and institutions (e.g., regarding development of socio-economic policies), and adherence to competing economic unions or trade agreements (EU, NAFTA).

Annual reports have been collected for the years 1981, 1991 and 2001. The selection of years was made in the Swedish pilot study and applied in the other two studies as well. First, this choice was made in order for each of the three decades to be represented at a 10-year interval, and secondly for the economic conditions to be about the same. The three years selected were all downturn years. 1981 was a year plagued by the effects of the second oil-crisis. In Sweden this year preceded the large Swedish devaluation that took place in the autumn of 1982; in Canada and the Netherlands this was a period of economic depression as well. 1991 was a very problematic year for the Swedish economy and the unemployment reached very high levels. The Canadian economy also suffered from a recession in 1991, as did the Dutch economy. Finally, in all three countries, 2001 was characterized by weakened demand, severe problems in the IT sector and political instability in the wake of the terror attacks on September 11, 2001. The initial selection of years thus appeared suitable for our purposes.

The main condition for selecting companies is that they have been listed at the Stockholm Exchange, Amsterdam Stock Exchange/Euronext [3], or the Toronto Stock Exchange throughout the entire period. We have also strived to include the largest of the listed companies in each country, measured by numbers of employees and by capital assets, as such companies receive large media attention and are more scrutinized by the general public than smaller companies (Adams et al., 1998). Therefore, a well-known company can be expected to adhere to external expectations to a larger extent than very small companies on the stock exchange. [4]

For Sweden and Canada, the sample for analysis consists of the ‘Letter from the CEO’-sections these annual reports contain. There are no legal requirements that a special letter from the CEO
should be included. Nevertheless, there are strong expectations that an annual report of a major company should start with such a letter from the CEO or the board of directors (Skulstad, 2002). Its theme is always the affairs of the company of the previous year from the author’s/the CEO’s view and often also an outlook over the near future. Their structure and form are usually quite similar. Several firms did not have a ‘Letter from the CEO’-section, but rather a ‘Letter from the Board’; in such cases we used the ‘Letter from the Board’. These texts have been analyzed to identify CSR representations. In 1991 and 2001 all the selected annual reports contain CEO letters, but several annual reports in the 1981 sample lack such a CEO or Board letter. This can been seen as a part in the development towards more elaborated annual reports.

The Dutch case contains a different dataset. As CEO letters were not as generally available in these reports, we performed our analyses on the Director’s report, i.e. the non-financial part of the annual report. After all, CEO letters are likely to emphasize certain aspects of the corporation’s policy and affairs but this needs to be substantiated and explained in the report. Looking at entire reports therefore might result in even richer accounts of the development of the CSR discourse as relevant aspects are treated in greater depth [5].

Table 1 provides a brief overview of our data set.

<table>
<thead>
<tr>
<th></th>
<th>Sweden</th>
<th></th>
<th></th>
<th>Canada</th>
<th></th>
<th></th>
<th>the Netherlands</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of letters</td>
<td>11</td>
<td>15</td>
<td>15</td>
<td>11</td>
<td>16</td>
<td>16</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Number of annual reports</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>18</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Average number of words in texts</td>
<td>1.100</td>
<td>1.050</td>
<td>1.400</td>
<td>1.750</td>
<td>1.350</td>
<td>1.700</td>
<td>4.900</td>
<td>4.300</td>
<td>8.600</td>
</tr>
</tbody>
</table>

Our sample of texts shows that from 1991 to 2001 the average length of text analyzed increases. This reflects a broader trend that annual reports gets longer over time, as more information and text is being added, in addition to just the legally required (financial) information. In line with longer annual reports and the introduction of new types of information, the reports in 2001 have been stylized and printed in a manner that almost resembles glossy magazines.

Results

Following the results of our analyses, we present our findings under three themes: the emergence of a CSR discourse, a shift in geographical perspective, and relationships with stakeholders.

Emergence of a CSR discourse

By analyzing the concordances derived from the annual reports, we distinguished four distinct semantic fields in the CSR discourse: CSR as a distinct phenomenon, the ethics and moral values associated with CSR, environmental issues, and sustainability. In Table 2 the developments over
time in the different semantic fields are presented, both in absolute and in relative numbers (occurrences per 1,000 words) to enhance comparability among the datasets.

Table 2: CSR discourse

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR as a phenomenon</td>
<td>7 (6,4)</td>
<td>2 (1,9)</td>
<td>10 (7,1)</td>
<td>1 (0,6)</td>
<td>7 (5,2)</td>
<td>18 (10,6)</td>
<td>1 (0,2)</td>
<td>3 (0,7)</td>
<td>41 (4,8)</td>
</tr>
<tr>
<td>Ethics and moral values</td>
<td>0</td>
<td>0</td>
<td>7 (5,0)</td>
<td>1 (0,6)</td>
<td>2 (1,5)</td>
<td>3 (1,8)</td>
<td>0</td>
<td>0</td>
<td>55 (6,4)</td>
</tr>
<tr>
<td>Environment</td>
<td>0</td>
<td>13 (12,4)</td>
<td>8 (5,7)</td>
<td>2 (1,1)</td>
<td>15 (11,1)</td>
<td>10 (5,9)</td>
<td>11 (2,2)</td>
<td>84 (19,5)</td>
<td>128 (14,9)</td>
</tr>
<tr>
<td>Sustainability</td>
<td>0</td>
<td>0</td>
<td>19 (13,6)</td>
<td>4 (2,3)</td>
<td>1 (0,7)</td>
<td>3 (1,8)</td>
<td>0</td>
<td>1 (0,2)</td>
<td>34 (4,0)</td>
</tr>
</tbody>
</table>

A first semantic field that stands out is CSR as a phenomenon. In this semantic field, we counted wordings for corporate social responsibility or for responsible actions taken by the companies. The English expressions ‘corporate social responsibility’ or ‘CSR’ as such were not found in our samples, nor were the Dutch and French equivalents for ‘CSR’ (i.e. ‘MVO’ and ‘RSE’). However, CSR is referred to in expressions that comprise words such as ‘societal’ and ‘responsible’ [6]. The concordance software allowed us to check the meaning of each of the three elements in their context; we recoded for CSR if that meaning was implied. Table 2 shows an increase in occurrences of CSR related vocabulary over time. This quantitative increase is also linked to a qualitative change in discourse. For instance, the only occurrence of CSR in the 1981 Canadian sample presents profits as being a superior obligation to CSR issues:

“Il ne faut pas oublier que l'amélioration de la qualité de notre vie, la modernisation de nos installations, nos obligations envers nos actionnaires et la société en général dépend de l'importance de nos profits [It should not be forgotten that the improvement of the quality of our life, our obligations towards our shareholders and the society in general depends on the importance of our profits]” (Alcan, 1981 – Canada)

Although a rise in the mentioning of CSR-related aspects can be recognized in the different texts, what companies’ responsibilities towards society exactly are often remains unclear in the texts. There are, however, few occasional examples, such as:

“Tot onze verantwoordelijkheid op sociaal gebied rekenen we ook het treffen van medische voorzieningen voor onze medewerkers in West Afrika [We consider it our social responsibility to cater for healthcare provisions for our employees in West Africa]” (Gamma, 2001 – Netherlands).

Regarding the second semantic field, ethics and moral values, it is shown in Table 2 that an increase is also found in the use of the words ‘ethics’ and ‘ethical’. We also included the mentioning of ‘codes of conduct’ and ‘values’ in a moral connotation here. Furthermore, we noticed an increase in the discourse regarding moral issues related to the natural environment, even if the environmental discourse has been around significantly longer. An example of the ethics and values field is:
“We owe it to our employees, our clients and our shareholders - and especially the public - to operate this business in a responsible and ethical way. That is what we try to do - every day, everywhere.” (original English version, Skanska 2001 – Sweden)

This leads to the third field, environment. This is the biggest field for the CSR-discourse and in all three countries salient occurrences are found. The notions environment/environmental are the most common; they are also used in compound words for the Swedish and Dutch samples. We focused on these terms only, not including more ambiguous issues such as waste, recycling or emissions. After peaking in the 1991 sample, the relative numbers of these environmental notions decreased again, suggesting a tendency to view environmental issues as part of the broader sustainability discourse.

In the final semantic field, we counted wordings for ‘sustainability’ and ‘sustainable’ as this field gradually emerged as a separate area of attention related to CSR. Not surprisingly, these wordings are only found in the 1991 and 2001 samples, signaling the increased momentum the concept of sustainability has gained since the late 1980s. Although sustainability issues can be observed in all three countries, they are worded in different ways: in Sweden, for instance, the phrase long-term is applied in this context but not in Canada or the Netherlands.

**Shift in geographical perspective**

A second major theme is the shift in geographical perspectives found in the reports. Table 3a exhibits that the firms in our samples increasingly present themselves as operating in a globalizing context. Overall, there is a significant reduction in the mentioning of any national context. The semantic field ‘national’ comprises words such as ‘Dutch/Swedish/Canadian’, ‘domestic’ and ‘national’. The words ‘foreign’ and ‘abroad’, which stand in opposition to ‘domestic’ and ‘national’, appear less frequently, too. Meanwhile, references to the semantic field ‘global’ steeply increase over time.

<table>
<thead>
<tr>
<th></th>
<th>Sweden</th>
<th>Canada</th>
<th>the Netherlands</th>
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<tbody>
<tr>
<td>Global/globalization</td>
<td>32</td>
<td>43</td>
<td>90</td>
</tr>
<tr>
<td>the World</td>
<td>(29,0)</td>
<td>(41,0)</td>
<td>(64,3)</td>
</tr>
<tr>
<td>International</td>
<td>35</td>
<td>34</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>(31,8)</td>
<td>(32,4)</td>
<td>(4,3)</td>
</tr>
<tr>
<td>Foreign /abroad</td>
<td>32</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>(20,9)</td>
<td>(9,5)</td>
<td>(2,9)</td>
</tr>
<tr>
<td>National</td>
<td>73</td>
<td>85</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>(66,3)</td>
<td>(81,0)</td>
<td>(20,0)</td>
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</tbody>
</table>

If we consider where the attention is shifting to, different patterns stand out, as is shown in Table 3b. For the Swedish and Canadian companies in our sample, North America and particularly the USA are becoming more important. For the Netherlands, both Europe and North America/USA gain significance. This emergence of ‘Europe’ is probably also related to the increase of ‘international’, as from a Dutch perspective ‘Europe’ is not necessarily ‘global’. Discussions of the implication of extension of the European Union are another reason for this increase.
Table 3b: Geographical perspective – from national to worldwide

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</thead>
<tbody>
<tr>
<td>North America / USA</td>
<td>23 (20.9)</td>
<td>37 (35.2)</td>
<td>77 (55)</td>
<td>26 (14.9)</td>
<td>30 (22.2)</td>
<td>55 (32.3)</td>
<td>103 (21.0)</td>
<td>116 (27.0)</td>
<td>240 (27.9)</td>
</tr>
<tr>
<td>Europe</td>
<td>32 (29.0)</td>
<td>70 (66.6)</td>
<td>50 (35.7)</td>
<td>5 (2.9)</td>
<td>5 (3.7)</td>
<td>9 (5.3)</td>
<td>96 (19.6)</td>
<td>107 (24.9)</td>
<td>203 (23.6)</td>
</tr>
<tr>
<td>Asia</td>
<td>5 (4.5)</td>
<td>14 (13.3)</td>
<td>15 (10.7)</td>
<td>0 (2.2)</td>
<td>3 (2.2)</td>
<td>8 (4.7)</td>
<td>39 (8.0)</td>
<td>35 (8.1)</td>
<td>91 (10.6)</td>
</tr>
<tr>
<td>Rest of the world</td>
<td>10 (9.1)</td>
<td>8 (7.6)</td>
<td>5 (3.6)</td>
<td>2 (1.1)</td>
<td>5 (3.7)</td>
<td>4 (2.4)</td>
<td>48 (9.8)</td>
<td>94 (21.9)</td>
<td>286 (33.3)</td>
</tr>
</tbody>
</table>

Relationships with stakeholders

The final theme regards the increasing use of the word ‘stakeholder’ and the mentioning of different stakeholder groups such as employees, consumer/customers, and distributors. As shown in Table 4, references to the term ‘shareholder’ also increased.

Table 4: Stakeholders

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Stakeholder</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Shareholder</td>
<td>2 (1.8)</td>
<td>0</td>
<td>2 (1.4)</td>
<td>0</td>
<td>1 (0.7)</td>
<td>3 (1.8)</td>
<td>0</td>
<td>0</td>
<td>13 (1.5)</td>
</tr>
<tr>
<td>Employee</td>
<td>13 (11.8)</td>
<td>15 (14.3)</td>
<td>31 (22.1)</td>
<td>11 (6.3)</td>
<td>14 (10.4)</td>
<td>37 (21.8)</td>
<td>10 (2.0)</td>
<td>17 (4.0)</td>
<td>67 (7.8)</td>
</tr>
<tr>
<td>Customer /consumer</td>
<td>40 (36.4)</td>
<td>31 (29.5)</td>
<td>54 (38.6)</td>
<td>0</td>
<td>1 (0.7)</td>
<td>1 (0.6)</td>
<td>176 (35.9)</td>
<td>172 (40)</td>
<td>300 (34.9)</td>
</tr>
<tr>
<td>Distributor</td>
<td>1 (0.9)</td>
<td>0</td>
<td>10 (7.1)</td>
<td>10 (5.7)</td>
<td>10 (7.4)</td>
<td>23 (13.5)</td>
<td>0</td>
<td>4 (0.9)</td>
<td>18 (2.1)</td>
</tr>
<tr>
<td>Competitors</td>
<td>6 (5.5)</td>
<td>2 (1.9)</td>
<td>10 (7.1)</td>
<td>3 (1.7)</td>
<td>6 (4.4)</td>
<td>5 (2.9)</td>
<td>5 (1.0)</td>
<td>2 (0.5)</td>
<td>11 (1.3)</td>
</tr>
<tr>
<td>State/Government</td>
<td>15 (13.6)</td>
<td>6 (5.7)</td>
<td>0</td>
<td>2 (1.1)</td>
<td>4 (3.0)</td>
<td>2 (1.2)</td>
<td>67 (13.7)</td>
<td>30 (7.0)</td>
<td>20 (2.3)</td>
</tr>
<tr>
<td>Unions</td>
<td>5 (4.5)</td>
<td>0</td>
<td>0</td>
<td>4 (2.3)</td>
<td>3 (2.2)</td>
<td>0</td>
<td>97 (19.8)</td>
<td>46 (10.7)</td>
<td>63 (7.3)</td>
</tr>
<tr>
<td>NGO's /charity organizations</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3 (2.2)</td>
<td>3 (1.8)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

It seems that an increase in the mentioning of different categories of stakeholders is actually matched by an increased use of the word ‘shareholder’. In Canada, for instance, as of 1991 the term ‘stakeholders’ is recognized in the annual reports. As such, its mentioning might suggest a discourse of reconciliation, or of no conflict between stakeholders and shareholders, but shareholders remain very central. The quote below expresses both reconciliation and shareholder focus:
“These principles also demonstrate, in tangible terms, our commitment to the Company’s stakeholders and our recognition that they are partners in our success. I strongly believe our core principles will continue to provide our shareholders even greater growth and profitability in the years ahead.”
(Magna, 2001 – Canada)

Meanwhile, from this overview of stakeholders, one can note a decrease of references to national authorities and unions, which underlines again the shift in geographical perspective suggested before. National politics and those involved seem to become less central to the companies, at least as it is stated in the annual reports/CEO letters.

Discussion

We set out to answer the question how CSR representations in annual reports from Swedish, Canadian and Dutch companies have changed over time. Our analysis is to be understood as tentative. Given the varying sizes of the corpora that we analyzed, not only between ‘Letter of CEO’-sections (Sweden, Canada) and ‘Directors’ reports’ (the Netherlands), but also between annual reports of individual companies, they cannot be compared directly, only the trends that they exhibit. We therefore presented our findings in both absolute and relative numbers. We found a substantial increase (both in relative and absolute numbers) on a number of topics that can be linked to the general CSR-discourse in the 2001 sample, centered around three themes, along with a notable decrease in other terms.

Our paper shows that the waxing of the CSR discourse occurs simultaneously with the waning of other discourses on social, economic and political development in a company’s home country, and the waxing of language use related to internationalization and globalization. These findings hold for all three countries studied. Based on these observations, we tentatively argue that the rise of the CSR discourse in several ways is a part of globalization. For instance, CSR guidelines from the UN or the OECD are developed to be applicable worldwide. We suggest that the increase of CSR-related topics indicates an institutionalization process, but the inverse argumentation need not hold. If attention to some topic significantly decreases this could either mean that topic has become irrelevant, or that it has gained so much socio-cognitive legitimacy that it is redundant to mention it (Green, 2004). Whereas the CSR discourse clearly takes a global perspective, it is difficult to tell which of these possible explanations really holds in explaining the decrease in importance of the national context. We would suggest, however, that the increase in CSR is related to a decline of more local discourses on responsibility. Firms need to please extending audiences that are increasingly beyond the borders of the nation-state.

As companies have become more international, their annual reports have become more ‘global’ in their content. There is an interesting twist to this ‘global’ connotation of CSR though. Not only does it refer to a wider geographical area of applicability, perhaps even suggesting universal relevance, it also seems to imply considerable vagueness and imprecision in its definition, as we were unable to find much content in our samples about what exactly firms consider to be their social responsibilities. This might well be another characteristic of the modern CSR discourse.

A limitation of the study are the potential problems of comparability between the samples, as we combined lexicological analysis of the Directors’ reports with that of ‘Letter from the CEO’-
sections. This three-country comparative study however provides a first onset of comparing differences in CSR discourses as emerging in important corporate documents: annual reports, aimed at communicating the company’s viewpoints to its relevant audiences.

Our study has shown the applicability of linguistic methods in understanding the shaping of CSR in different contexts. Following up on these findings, we provide some suggestions for further research. First, our data can be presented in greater detail and that would allow us to refine our analysis. For example, differentiating among the firms in our samples (e.g., level of internationalization of production, or type of industry) could reinforce the relation between the rise of the CSR discourse and the more international / global orientation. A natural follow up to this research would be to explore the idea of national ‘CSR cultures’, as companies from different institutional settings are likely to differ in their textual responses on this seemingly unifying global concept. Going from a mere descriptive study into critical discourse analysis would then be a related line of research as in such analysis, the context in which discourses are shaped is emphasized. CSR offers an interesting and relevant context for such discourse studies.

Endnotes

[1] Different software packages were used (Concorder Pro in Sweden, WordSmith Tools 4.0 in Canada, and Concordance in the Netherlands), but they allow for similar procedures.
[2] Further details regarding our methodological choices can be obtained from the authors.
[3] In 2000, the stock exchanges of Amsterdam, Brussels and Paris merged into Euronext.
[4] A description of the selected companies is available from the authors.
[5] In the Dutch case we also included annual reports from the years 1961 and 1971. The analysis of these years is not included in this paper though for reasons of comparability.

Literature