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How environmental NGO’s are addressed in sustainability reporting?

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Abstract

This study demonstrates how three Finnish companies in different business fields construct their relationships with environmental NGOs in their sustainability reports concerning during the studied timeframe, years 2007-2011. The study identifies five different types of relationships constructed in the reports between ENGOs and the corporation: monetary based, management system based, collaborative, dialogue based and conflicting relationships. The study shows that the descriptions of relationships are very neutral, and both the intensive environmental management alliances and conflicting relationships are mainly missing in the reports.

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Keywords

Environmental NGO, stakeholder, sustainability report, relationship

1 Introduction

Among all stakeholder groups, environmental NGOs have been seen as one of the most important pressure groups for companies to improve their environmental responsibility issues. Prior research has shown how environmental NGOs set environmental demands (Henriques and Sadorsky 1999, Delmas and Toffel 2004, Sprengel and Busch 2009) and identified typical features on environmental NGO - corporation relationships (Rondinelli and London 2003, Buysse and Verbeke 2003). Lately sustainability reporting has become one of the most important corporate responses to stakeholder demands. What has not been studied in detail is how corporations construct their relationships with environmental NGOs in their environmental reports.

This study demonstrates how three Finnish companies in different business fields construct their relationships with environmental NGOs in their sustainability reports concerning during the studied timeframe, years 2007-2011. The study identifies five different types of relationships constructed in the reports between ENGOs and the corporation: monetary based, management system based, collaborative, dialogue based and conflicting relationships. The study shows that the descriptions of relationships are very neutral, and both the intensive environmental management alliances and conflicting relationships are mainly missing in the reports.

This research report is structured as follows: we first review the research on environmental NGOs as stakeholders and the focus on environmental reporting and NGOs. Second, we represent the material and methods used in the study. We then represent our findings and conclude the report.

2 ENGOs among other stakeholders

The theoretical foundation for this research is in stakeholder theory, which is based on a notion that an organisation’s success is dependent on how well it manages the relationships with its stakeholders (Freeman 1984). A stakeholder can be defined as “any group or individual who can affect or is affected by the achievement of an organization’s objectives” (Freeman 1984). Kourula and
Laasonen have defined NGO (non-governmental organisation) as “social, cultural, legal and environmental advocacy and/or operational groups that have goals that are primarily noncommercial” (2010 p.36). We define here an environmental NGO as an group concentrating on working with environmental issues. Prior research has identified ENGOs setting environmental demands among other stakeholders. Many articles take it as an unquestionable starting point that ENGOs demand environmentally sound activities among other stakeholders (Kock et al. 2012, Sprengel and Busch 2011, Henriques and Sadorsky 1999, Sharma and Henriques 2005, Buyess and Verbeke 2003, Murillo-Luna et al. 2008).

Already Henriques and Sadorsky (1999) identified four main groups that managers perceive as setting environmental demands: regulatory stakeholders (government and trade associations), organisational stakeholders (customers, suppliers, employees and shareholders), community stakeholders (community groups and environmental organisations) and the media. Later the results of many studies have continued showing the importance of ENGOs as setting environmental demands for businesses. Delmas and Toffel (2004) represented their own categorization of the main institutional pressures likely to have an influence on a company’s environmental practices: government pressures, customer and competitive pressures, community and environmental interest group pressures, and industry pressure. In addition, Delmas and Toffel (2008) identified customers, regulators, legislators, local communities and environmental activist organisations as influential stakeholders. Sprengel and Busch (2011) found that three stakeholder groups were perceived to consistently exert the highest pressure on corporate environmental strategies: governments, NGOs and the media/general public. Sharma and Henriques (2005) continued on managers’ perceptions of different types of stakeholder influences on firms’ sustainability practices. Withholding influences (by regulators and ENGOs), usage influences (by customers) and employee influences (through involvement) were identified by managers. They concluded that adopting more advanced sustainability practices (such as eco-design and ecosystem stewardship) are occurring under pressure from both withholding influence strategies from social and ecological stakeholders (including ENGOs) and usage influence strategies from economic stakeholders. Murillo-Luna et al. (2008) found that managers attach the greatest importance to pressures from regulatory and corporate government stakeholders, both also perceive pressure from external and internal economic stakeholders and external social stakeholders (including ENGOs).
However, they conclude that firms do not selectively respond to the different stakeholder groups, but they respond to all of them in a similar way.

Henriques and Sadorsky’s (1999) results showed that in environmentally proactive firms managers perceived the three stakeholder groups (regulatory, organisational and community) important but not the media. In environmentally reactive firms no other stakeholder groups was perceived important except the media. Buyesse and Verbeke (2003) concluded to a contradictory finding as they related ENGO role to the level of environmental strategy: in their results ENGOs and the media are not perceived as more important by firms with an environmental leadership strategy as compared to pollution-prevention companies.

2.1 ENGO-company relationships

Rondinelli and London (2003) report that relationship between companies and NGOs has typically been full of tension and distrust. However, a change toward collaborative relationships is happening.

Rondinelli and London (2003) identify three different types of collaborative relationships between corporations and NGOs: Arm’s-Length relationships, interactive collaborations and intensive environmental management alliances. Arm’s-Length relationships involve corporate support for employee voluntary participation in NGO environmental activities, corporate contributions and gifts to ENGO and corporate-NGO marketing affiliations. Interactive collaborations take place when NGO certifies corporate business practices and when corporations support a specific NGO project or engage in environmental awareness and education collaboration. In intensive environmental management alliances the corporations are pursuing for more formal alliances with NGOs to tackle internal environmental management problems. NGOs are aiming at preventing pollution and environmental damage before it occurs by working more directly with companies to change their products or processes.

Although most of the prior research has related ENGOs to other stakeholders as demanding environmental sustainability, the literature has also identified certain specific features related to ENGOs as a stakeholder. These deal with: resource dependency, cooperation between ENGOs and proactive firms, and the threats
they possess as stakeholders. The first specific feature related to ENGOs as stakeholders is that there is no resource-dependency between the corporation and ENGO, thus they do not possess any power over corporate resources. This perspective leads to Kassiniis and Vaefas (2006) to rule out ENGOs from studied stakeholder pressures in the study on the influence of stakeholder pressures in environmental performance (they focus on community and regulatory stakeholders). Furthermore, this viewpoint has to lead counting ENGOs as secondary stakeholders. For example, Henriques and Sharma (2005) explained that stakeholders who do not control a firm’s critical resources are able to influence the corporation indirectly via other stakeholders, specifically those on whose resources the firm is dependent (e.g. customers, suppliers, investors and regulators). Thus stakeholder with no direct capacity to influence (such as ENGOs) can exercise indirect pathways of influence. Some studies have shown that primary stakeholders have a stronger influence on environmental practices than secondary stakeholders. For example Bremmers et al. (2007) concluded that primary stakeholders (such as the government and customers) were more relevant to EMS development than secondary stakeholders such as ENGOs. Furthermore, as the second specific feature especially related to ENGOs as a stakeholder, Buysse and Verbeke (2003) point out that firms adopting advanced environmental strategies often cooperate with ENGOs, for example for the development of international environmental standards and voluntary agreements. Finally, the third specific feature of ENGOs as a stakeholder deals with the threats they possess on business. Banerjee and Bonnefous (2011) identified different strategies for addressing supportive stakeholders (such as government and international institutions), obstructive stakeholders (NGOs) and passive stakeholders (the general public).

3 ENGOs and sustainability reporting

Sustainability reports have been studied and published under different names (corporate social and environmental reports, environmental reports etc.) for decades and one can find changes in how they have been published and studied during the timeframe and globally (Fifka 2012). The reports have been published in different form: parts of annual reports, stand-alone reports or web-based reporting (Fifka 2012).

Sustainability reporting has become an important corporate practice, in many cases even an institutionalised one. Reports are primarily seen as channels for corporation to disseminate information on social and environmental issues but
also for seeking legitimacy for corporate actions (see Deegan, 2002; Gray et al., 1995; Laine, 2009; Morsing and Schultz, 2006). Gray (2002) perceives sustainability reporting as a part of corporate social accounting and is based on the idea that organisations have a duty to discharge information pertaining to their social and environmental interactions to a wider group of constituents than simply financial stakeholders. In addition, as defined in the commonly accepted reporting guideline the Global Reporting Initiative (GRI) takes its starting points from stakeholder dialogue. It states that “sustainability reporting is the practice of measuring, disclosing, and being accountable to internal and external stakeholders for organizational performance towards the goal of sustainable development.” (GRI, 2011, p. 3)

Many studies have described stakeholders setting demands for sustainability reports, and identified NGO influence among others. Huang and Kung (2010) found three groups of stakeholders that greatly influence managerial choices of environmental disclosure strategies: external stakeholders (government, debtors, consumers), internal stakeholders (shareholders, employees) and intermediate stakeholders (environmental NGOs and accounting firms). They also showed that the level of environmental disclosures is significantly affected by demands of stakeholder groups. A study by O’Dwyer et al. (2005a) presented evidence of a widespread demand for mandated and externally verified sustainability reporting from social and environmental NGOs. However, for example Spence (2009) did not mention NGOs among most influential stakeholders as he named investors and employees as the most important audiences.

Recently the criticism towards sustainability reporting has been growing. It has been questioned:

1) to what extent social and environmental reporting serves as a means of engaging in dialogue with stakeholders (Spence, 2009). Spence (2009) holds that reporting serves mainly as a vehicle whereby organisations can communicate with themselves, as he noticed that social and environmental reporting managers experienced investors and employees to be their most important target audiences. Adams (2004) highlights the role of stakeholder interaction as the basis for environmental reports: the different goals of companies and their stakeholders mean that reports cannot be complete unless stakeholders are consulted. Instead, companies have been perceived as resistant to stakeholder
interaction in reporting or complete and credible corporate social disclosure (O’Dwyer et al., 2005b).

2) whether it increases transparency: Huang and Kung (2010) state that firms which are able to provide transparent environmental disclosure will satisfy the demands of different stakeholders groups. Adams (2002) raised an important point about the relationship between reporting and stakeholder dialogue: to ensure the completeness of reporting, there should be a two-way dialogue with stakeholders. As it was missing in her data, it is difficult to see how reports can ever reflect all issues of importance to key stakeholder groups if there is no dialogue.

Problems with reporting practices have included, for instance, failure to report environmental costs and lack of transparency (Raiborn et al., 2011), and lack of credibility and sufficiency (O’Dwyer et al., 2005a). More specifically, O’Dwyer et al. (2005a) showed that current sustainability reports are viewed negatively with regard to their credibility and sufficiency, as well as the opportunities provided for engagement, particularly among environmental NGOs. In terms of the lack of credibility of environmental reports, Cerin (2002a, 2002b) sees them more as public relations products than as effective methodologies to control and manage corporate performance. The aim often seems to be to steer public attention into more positive directions and therefore away from actual problems; thus, people may perceive a discrepancy between reports and what the company is actually doing (Cerin, 2002b).

Cooper and Owen (2007) criticised reporting for its lack of accountability. The forms of reporting they studied were ineffective in facilitating action on the part of organisational stakeholders and did not provide means for stakeholders to hold company directors accountable for actions affecting their vital interests. Hedberg and von Malmborg (2003) also continue by questioning the reliability of reports that focus more on showing that a company is good while omitting the negative. They also discovered that CSR reports offer more help for internal stakeholders than external stakeholders.

Already in 1994 Tilt reported on ENGOs as influencing sustainability reporting as most dominant stakeholder group. She found that ENGO representatives found sustainability reporting insufficient and low in credibility, but supporting the use of annual report as the main medium for sustainability reporting. Danastas and Gadenne (2006) studied Australian social and environmental NGOs regarding
their influence on sustainability reports. They showed that NGO representatives view corporate sustainability reports as insufficient and require greater mandatory regulation. NGOs mainly influence sustainability reports through means such as lobbying governments and conducting media campaigns.

Crespy and Van Miller (2010) call for NGOs sustainability reporting for gaining legitimacy. As they propose; if NGOs desire to have a legitimate voice in the process of corporate governance and the dialogue about sustainability, they too should disclose. According to them, NGOs may lose legitimacy if they do not do the things they ask the corporations to do. According to the study of Crespy and Van Miller, NGOs lag far behind the private sector in organising and governing sustainability.

A study by O’Dwyer et al. (2005a) presented evidence of a widespread demand for mandated and externally verified sustainability reporting from social and environmental NGOs. This demand is primarily driven by the desire to gain knowledge of companies’ commitment to responsible business practices, but it is also influenced, albeit to a lesser extent, by the perceived ability of sustainability reporting to put increased NGO pressure on companies. In addition, previous research has identified differences in social and environmental reporting for different stakeholders.

In the previous studies of reported stakeholder dialogue, there seem to be a very limited amount of studies discussing the stakeholder dialogue in sustainability reporting. We managed to find a study by Habisch et al. (2011) addressing the issue. In the research they found that there seems to be a gap between the previous research literature and actual practice of stakeholder dialogue. Also, they propose the scarcity of reported dialogue actions indicating the lack of standardisation of social disclosure. Based on their study, Davis and MacDonalds (2010) describe three steps of a company’s successful stakeholder relationship process. First, companies should develop meaningful and relevant indicators of their responsibility initiatives. Second, they should develop a stakeholder communication plan in which they explain in objective terms how they address stakeholder specific concerns. Third, the company should explain to their core stakeholders how the company is satisfying or addressing the concerns of the stakeholders.
4 Material and methods

4.1 Constructionist study

This study follows the assumption that people create and sustain the social world in the use of language (Berger and Luckmann 1998) as we study how views of business-ENGO relationships are constructed in sustainability reports of three Finnish corporations in years 2007-2011. Unlike studies of realism, constructionist studies do not aim to reveal social reality, but focus on how people construct versions of social reality in the social interaction (Burr 1995). In choosing words and producing texts they give different meanings of ENGO relationships for corporate environmental management. (Berger and Luckmann 1998). In constructionist studies the researcher is interested in how people in certain settings have constructed reality and what are their reported perceptions, explanations, beliefs and worldview. Thus these types of approaches study the multiple realities constructed by people and the implications of those constructions for their lives and interactions with others. (Patton 2002). Reality is understood to be the subjective construction of individuals, who, either individually or acting together with other people, create and sustain the social world through the use of language (Berger and Luckmann 1998). Constructionist studies especially assume that the ways in which people understand the world are historically and culturally specific (Burr 1995).

4.2 Case companies

All three corporations whose reporting we studied are Finnish firms. They represent three different business sectors, namely, financing, aviation and energy. They also all have different ENGO issues which are shortly described in the following.

Tapiola operates in the financial sector. It is a cooperative and its operations include banking, financing and insurance services. Tapiola aims at being the forerunner in corporate responsibilities in Finnish financial business and it has received national prices for reporting as the forerunner in financial business. Tapiola has had no (public) conflicts with NGOs.
or other stakeholders on environmental issues, and is often considered as a neutral actor in Finnish society. Although in many cases financial corporations have been excluded from reporting studies for not having severe environmental impacts (Roberts 1991, Schadewitz and Niskala 2010), the responsibility questions of financing have started to raise attention lately, especially due to the power in investment decisions (Coupland, 2006; Douglas et al. 2004).

Unlike the financial corporation, with a neutral reputation and facing no environmental demands, both the aviation and energy firm meet more environmental requirements. Additionally, they are both more than 50 % state owned. Finnair operates in a business branch that is meeting big environmental changes at the moment (Lynes and Andracuk, 2008), but are little studied from CSR perspective (Cowper-Smith and de Grosbois 2011). Not only was the public awareness on aviation's environmental impacts raised, but also the increasing fuel prize forces aviation to less fuel-consuming solutions. The biggest shareholder of the company is the State of Finland (56% of shares), with other shareholders including insurance companies, other companies and private individuals. Finnair has not, however, been the target of major criticism from NGOs. However, aviation’s air pollution has been noticed by ENGOs in public discussion.

Fortum operates in the energy sector and is naturally related with heavy environmental impacts (for instance Finnveden et al., 2003). The biggest shareholder of the company is the State of Finland (51% of shares). Other shareholders include insurance companies, other companies and private individuals. Fortum is continuously the target of public NGO critics and campaigns, especially derived from Greenpeace and related to questions of nuclear power.

### 4.3 Environmental reports of the case companies

We used five years’ of environmental reports of the case companies as research material. The type and the length of the analysed reports are summarized in the Table 1. The variations on the reports of the case companies are described in below.
Tapiola has published separate corporate social responsibility reports for 2007, 2008 and 2009 (Table 1). The length of these reports varies from 40 to 60 pages. In 2010, Tapiola published an annual report which was 60 pages in length. In 2011, the form of reporting changed again and Tapiola published a condensed, web-based annual report which was only 33 pages long; corporate social responsibility issues, including environmental issues, were covered in only 8 pages.


**Table 1.** Description of the research data

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TAPIOLA</th>
<th>FINNAIR</th>
<th>FORTUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>CSR report, 60 pages</td>
<td>Environmental report, 14 pages</td>
<td>Annual report, 64 pages</td>
</tr>
<tr>
<td>2008</td>
<td>CSR report, 40 pages</td>
<td>CSR report, 60 pages</td>
<td>Annual report, 188 pages,</td>
</tr>
<tr>
<td>2010</td>
<td>Annual report, 60 pages</td>
<td>CSR report, 58 pages,</td>
<td>CSR report, 74 pages</td>
</tr>
<tr>
<td>2011</td>
<td>Web-based annual report, 33 pages</td>
<td>Sustainability report, 84 pages</td>
<td>CSR report, 124 pages</td>
</tr>
</tbody>
</table>

Fortum published a corporate social responsibility report as a part of its annual reports in 2007-2009. The length of these reports varied between about 60 and nearly 200 pages. In 2010 and 2011, Fortum published a stand-alone corporate social responsibility report. The length of these varied between about 70 and 120 pages.

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4.4 Content analysis

We analysed the data by using the content analysis, which has been a widely used tool in analysing the information in the sustainability reporting of companies. We analysed the chosen companies’ sustainability reports from years 2007-2011.

The reports were read and then coded by using the Atlas.ti software. We first coded all references of environmental NGOs and we then coded the mentioned action in the relationship. The coded material was then grouped by the mentioned action or relationship and five different categories were identified. The company-specific tables were created, which later on were collected together as one table for studying the total material.

5 Results

We identified five different types of relationships constructed in the reports between ENGOs and the corporation: monetary based, management system based, collaborative, dialogue based and conflicting relationships. Altogether we analyzed 105 descriptions of corporation-ENGO relationships. We will now explain the content of each relationship type constructed in the reports.

Monetary based relationships

Monetary based relationships involve sponsorships and memberships, with only monetary significance. Within this category monetary support for environmental projects/organizations or memberships in different networks are described. These are the majority in the studied data (35 %). (Fortum 26%, Finnair 58%, Tapiola 19%) Within this relationship no actual changes nor action within organization are described, but simply money donations, in many cases also the amounts of money, are brought forth. The amount of these relationships described in the reports increased within the studied years. Within this category the constructed relationship between corporation and ENGO is that of money donator - money receiver. Thus using descriptions of this type of relationship with ENGOs is a way for corporations to show their positive contribution to societal discussions of environmental issues, as they monetarily support socially accepted pro-environmental actors. These actors varied from large international ENGOS (such as WWF) to national ENGOs (such as Finnish association for nature
conservation) to local small-scale environmental projects (such as local water protection association - Vantaanjoen ja Helsingin seudun vesiensuojeluyhdistys ry).

Management system based relationships

Management system based relationships mean that ENGO has created a framework for environmental sustainability in business and the corporation has voluntarily implemented the ENGO certified framework. In the studied reports the category mainly consists of descriptions of Green office by WWF. These relationships were expressed in 30 % of the studied descriptions, and were thus the second frequently mentioned in the reports. (Fortum 21%, Finnair 25%, Tapiola 54%). Within this relationship thus the stakeholders are given more powerful position - This relationship implies to ENGO power to influence business decisions and operations and to participate the creation of changes. The amount of these relationships varied among the studied corporations: in Tapiola it remained on the same level, while it varied in Fortum and Finnair. Within this category the constructed relationship between corporation is based on the idea of ENGO defining the management system and corporation voluntarily implementing it. Interestingly the descriptions contained both the descriptions of own WWF Green Office – environmental management system as well as descriptions of others’ WWF Green Office - environmental management system. For instance Finnair reported on the Green Office of its subsidiary Aurinkomatkat, what was not otherwise included in the report. Thus using descriptions of this type of relationship with ENGOs is a way for corporations to bring forth their commitment and willingness to improve their environmental performance, and ENGO created programs provided legitimacy for the improvement. Within this category of relationships there was no variety in the ENGOs mentioned - the descriptions mainly concentrated on WWF’s Green Office. It is noticeable that in one of the companies, Tapiola, the WWF Green Office – environmental management system is only used in two of its 20 local subsidiaries, however the system is highly emphasized in their reports.

Collaborative relationships

Collaborative relationships involve different types of environmental projects with different ENGOs. This category of relationships is based on the idea of two active partners, both participating the project for the desired aim. These relationships were mentioned in 19 % of the studied relationships. (Fortum 10%, Finnair 11%,...
Tapiola 23%). Within this category the descriptions entail short-term joint environmental protection projects with little to do with the corporation’s own operations: the reports provide little, or none, information on what was done, how, when and by whom. The environmental benefit of the project is not specified either. The amount of these relationships varied within the studied timeframe, but the tendency was towards increasing amount of these relationships. Within this category the constructed relationship between corporation and ENGO is that of two equal actors collaborating for environmental improvements in the society. In a sense, also in this category ENGOs are a source of legitimacy for corporate environmental action. Thus descriptions of collaborative relationship with ENGOs are another way for corporations to show their positive contribution to environmental degradation, as they work in cooperation with socially accepted pro-environmental actors. In many cases the partner in cooperation mentioned was Finnish association for nature conservation with which Tapiola had implemented two projects: Löydä luonto läheästi-project (nature excursions for local communities) and Negawatti-project (energy guidance for real estates and consumers including solutions for energy).

**Dialogue based relationships**

Dialogue based relationships involve descriptions of dialogue with stakeholders. However, dialogue is primarily expressed as an aim: the reports do not describe implemented dialogue with stakeholders but they describe how corporations aim at dialogue and also invite ENGOs to participate the dialogue; the corporation is expressed as encouraging stakeholders for a dialogue and addressing their opinions. However, this remains on the level of future aim and the content of the dialogue is not described. These expressions of dialogue were expressed 12% of the studied relationships. (Fortum 23%, Finnair 6%, Tapiola 4%). The amount of these expressions increased within the studied years in Fortum’s and Finnair’s reports but they still play only minor role. Within this category the constructed relationship between corporation and ENGO is based on one sided wish: that of the corporation hoping for an equal, collaborative relationship with ENGOs. Thus using descriptions of this type of relationship with ENGOs is a way for corporations to move the responsibility of initiating the dialogue to ENGOs; but it is expressed that the corporation would certainly be willing for the dialogue. In this sense, also in this category ENGOs would be a source of legitimacy for corporate environmental action. Within this category of relationships the actors are very openly expressed: it was not named with which
ENGO the corporation would wish for the dialogue; ENGOs were for example listed among those societal actors with whom the corporation would like to cooperate for developing its environmental practices further.

Conflicting relationships

Conflicting relationships would have involved descriptions of the disagreements the corporation has had during the studied years. Especially two of the studied corporations (Finnair and Fortum) had met public criticism within this timeframe. However, conflicting relationships between ENGOs and corporations were mainly not reported in the data. We only managed to find three mentions (0.03%; all of them in Fortum’s reports) on differences in opinions, expressed in very soft and neutral terms, for instance “ENGO was interested in certain projects”. In two cases it is not described how the corporation responded in this situation; only in one case the corporate representative had participated the internet discussion started by ENGO representatives (Fortum 2010). Within this category the constructed relationship between corporation and ENGO is environmental responsibility demander (ENGO) and responder (corporation). Descriptions of this type of relationships would be a way for corporations to openly admit the external influences and power of ENGOs on their environmental decisions, and thus the increase of descriptions of this type of relationships would be a way to increase also transparency in reporting. The ENGOs mentioned in these relationships were named: Shut it Down-movement and as a “group of environmental activists” (Fortum 2010).

In tables 2 and 3 the amounts of identified relationships are described. In table 2 differences between studied corporations are shown. In table 3 total amounts within studied timeframe are described.

**Table 2. Differences between studied corporations’ reports**

<table>
<thead>
<tr>
<th></th>
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<th>2008</th>
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<tr>
<td>Monetary based</td>
<td>3</td>
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<td>2</td>
<td>3</td>
<td></td>
<td>11 /26%</td>
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</table>

*Corresponding author CRRC 2013 15
<table>
<thead>
<tr>
<th>Management system based</th>
<th>2</th>
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<th>1</th>
<th>5</th>
<th>9/21%</th>
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<tbody>
<tr>
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<td>3</td>
<td>4</td>
<td>10/23%</td>
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<tr>
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<td></td>
<td>3/7%</td>
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<tr>
<td>Dialogue based</td>
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**FINNAIR**

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<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
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TAPIOLA

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<td>3</td>
<td>8</td>
<td>6</td>
<td>5</td>
<td>26</td>
</tr>
</tbody>
</table>

Table 3. Total amounts within studied timeframe

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary based</td>
<td>5</td>
<td>7</td>
<td>7</td>
<td>9</td>
<td>9</td>
<td>37 (35%)</td>
</tr>
<tr>
<td>Management system based</td>
<td>3</td>
<td>8</td>
<td>5</td>
<td>7</td>
<td>9</td>
<td>32 (30%)</td>
</tr>
<tr>
<td>Collaborative</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>8</td>
<td>7</td>
<td>20 (19%)</td>
</tr>
<tr>
<td>Dialogue based</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>4</td>
<td>6</td>
<td>13 (12%)</td>
</tr>
<tr>
<td>Conflict</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>-</td>
<td>3 (0.03%)</td>
</tr>
<tr>
<td>Total</td>
<td>9</td>
<td>17</td>
<td>17</td>
<td>31</td>
<td>31</td>
<td>105</td>
</tr>
</tbody>
</table>
6 Conclusions

The study shows that the descriptions of relationships are very neutral, and both the intensive environmental management alliances and conflicting relationships are mainly missing in the reports. The reports are dominated by description of monetary and management system based relationships with ENGOs.

First, compared with Rondinelli and London (2003) classification of ENGO-corporation relationships: Arm’s-Length relationships were the dominant approach in the studied reports as corporate contributions and gifts to ENGO dominated the reports. Interactive collaborations were frequently described as ENGO certifies corporate business practices and corporations support a specific ENGO project. In intensive environmental management alliances the corporations are pursuing for more formal alliances with NGOs to tackle internal environmental management problems. NGOs are aiming at preventing pollution and environmental damage before it occurs by working more directly with companies to change their products or processes. This was not identified in the studied data. Thus, it seems that ENGOs serve as sources of legitimacy and justification in the corporate responsibility reports. The known ENGOs are presented in the reports to justify environmental actions of the corporations without any practical descriptions of what changes the co-operation has resulted in the corporation or the natural environment.

Second, occurred conflicts with ENGOs are hidden in the reports. Instead the implementation of the WWF Green Office management system as well as the joint projects are reported. However, the projects rarely deal with the core business operations of the corporation or its most significant environmental impacts.

Third, the actual dialogue is not reported, but is rather expressed as a general goal of the responsible corporation. Based on the analysed reports the ENGOs are rarely given an opportunity to express their opinions: only Fortum mentions this possibility in one of their reports.
7 Literature


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CRRC 2013


