International Journal of Economics & Management Sciences

Chakroun. R, Int J Econ & Manag Sci 2014, 3:1
DOI: 10.4172/2162-6359-3-e102

Editorial Open access

Corporate Socially Responsible Reporting and Accountability

Raida Chakroun*

Assistant Professor, University of Sfax, Tunisia

****Corresponding author:** Raida Chakroun, Assistant Professor, University of Sfax, Tunisia,*

Tel: + (216) 98 953 605; E-mail: raida_c@yahoo.fr

Received: April 28, 2014; **Accepted date:** May 01, 2014; **Published:** May 10, 2014

Editorial

Social and environmental degradation experienced by the world in recent decades have led to the development of concepts of sustainable development and corporate social responsibility. Indeed, the company is not required only to create economic value, but also, it is required to deal with this social and environmental degradation. Thus, it can be considered a good corporate citizen that is to say, a company that has ethical behavior in the society in which it operates.

The concept of corporate social responsibility is not very recent, it appeared in the U.S. in 1959. Nowadays, it has become a hot interesting topic because of the worsening of social and environmental problems (poverty, unemployment, pollution, global warming ...). Given the inability of government agencies to address these thorny issues, companies are expected to play a major role and to contribute effectively to confront these problems. It should be noted that the corporate social responsibility is based on four pillars: ethics, leadership, personal responsibility and trust.

To show its socially responsible behavior to its multiple stakeholders, the company discloses its social and environmental activities through numerous communication channels (annual rapports, websites ...). Sustainability reporting is deeply entrenched in the ISO 26000 especially clause 7. Also, the Global Reporting Initiative (G4 Guidelines) was developed to provide a universal framework by which corporations could demonstrate their commitment towards economic, environmental and social issues. This type of reporting is a specific reporting regarding the aspects of the business other than financial aspects that are covered in financial statements using financial accounting. In addition, sustainability reporting regards how the company distributes the value created among the stakeholders in order to achieve a sustainable competitive advantage. In fact, the social and environmental reporting or sustainability reporting is a means used by the company to justify its actions to the society and to cope with the pressures and informational needs of its various stakeholders [1-3]. In addition, social and environmental disclosure is a factor that ensures the sustainability of the company also improves its reputation and may be used to attract investors and donors. The main theories that fit this particular type of disclosure are: stakeholder theory, the theory of political legitimacy and contractual theory.

Studies dealing with the socially responsible reporting can be classified into three categories. In the first category are classified descriptive studies which aim to describe the practices of social and environmental disclosure [4,5]. The second category includes explanatory studies that aim to detect determinants of the extent of social reporting [2,6]. Determinants discussed in the literature are mainly: the ownership structure, the composition of the board and firm characteristics. Finally, the third category includes studies that have as main objective the determining of the consequences of social reporting [7,8]. The main consequences discussed in the literature are: the performance of the company and its market value.

Despite the multitude of research that has studied the corporate socially responsible reporting of the company, the majority of this research focuses on the case of developed countries [5,9]. The study of this phenomenon for emerging countries is very limited and deserves further deepening by the researchers [10]. These studies could highlight the cultural, regulatory and economic specificities of these countries. Obligatory or voluntary nature of social reporting in emerging countries could also be a promising avenue of research [11].

References

1. Guthrie J, Parker L D (1989) "Organizational social reporting: A rebuttal of legitimacy theory" Accounting and Business Research, 19: 343–352.
2. Patten D M (1992) "Intra-industry environmental disclosures in response to the Alaskan oil spill: a note on legitimacy theory" Accounting, Organizations and Society, 17: 471–475.
3. Cormier D, Gordon I M (2001) "An examination of social and environmental reporting strategies" Accounting, Auditing & Accountability Journal, 14: 587 – 617.
4. Zeghal D, Ahmed S A (1990) "Comparison of social responsibility information disclosure media used by Canadian firms" Accounting, Auditing and Accountability Journal, 3: 38-53.
5. Ernst, Ernst (1978), Social Responsibility Disclosure : 1978 Survey, Cleveland.
6. Cowen S, Ferreri L, Parker L (1987) "The impact of corporate characteristics on social responsibility disclosure: a typology and frequency-based analysis" Accounting, Organization and Society, 12: 111–122.
7. Bayoud NS, Kavanagh M, Slaughter G (2012a) "Corporate Social Responsibility Disclosure and Corporate Reputation in Developing Countries: The Case of Libya" Journal of Business and Policy Research, 7: 131-160.
8. Bayoud NS, Kavanagh M, Slaughter G (2012b) "Factors Influencing Levels of Corporate Social Responsibility Disclosure by Libyan Firms: A Mixed Study" International Journal of Economics and Finance, 4: 13-29.
9. Gray R, Kouhy R., Lavers S (1995) "Constructing a research database of social and environmental reporting by UK companies" Accounting, Auditing & Accountability Journal, 8: 78–101.
10. Peters S, Miller M, Kusyk S, (2011) "How relevant is corporate governance and corporate social responsibility in emerging markets?" Corporate Governance: The international journal of business in society, 11: 429-445.
11. Perrault Crawford E, Clark Williams C, (2010) "Should corporate social reporting be voluntary or mandatory? Evidence from the banking sector in France and the United States" Corporate Governance: The international journal of business in society, 10: 512-526.