Shaping corporate social responsibility management and reporting through engagement

Clune, C.

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Shaping corporate social responsibility management and reporting through engagement: The role of advocacy organisations

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<tr>
<td>ACCA</td>
<td>Association of Chartered Accountants</td>
</tr>
<tr>
<td>AGM</td>
<td>Annual General Meeting</td>
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<tr>
<td>CAN</td>
<td>Corporate Accountability Network (Evolved into CORE)</td>
</tr>
<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
</tr>
<tr>
<td>CSO</td>
<td>Civil Society Organisation</td>
</tr>
<tr>
<td>CORE</td>
<td>Corporate Responsibility Coalition</td>
</tr>
<tr>
<td>ESV</td>
<td>Enlightened Shareholder Value</td>
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<tr>
<td>GRI</td>
<td>Global Reporting Initiative</td>
</tr>
<tr>
<td>HOC</td>
<td>House of Commons</td>
</tr>
<tr>
<td>IIRC</td>
<td>International Integrated Reporting Council</td>
</tr>
<tr>
<td>MP</td>
<td>Member of Parliament</td>
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<tr>
<td>NGO</td>
<td>Non-Government Organisation</td>
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<tr>
<td>PMB</td>
<td>Private Members Bill</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
</tr>
<tr>
<td>OFR</td>
<td>Operating and Financial Review</td>
</tr>
<tr>
<td>SMO</td>
<td>Social Movement Organisation</td>
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<tr>
<td>UK</td>
<td>United Kingdom</td>
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<tr>
<td>VBDO</td>
<td>De Vereniging van Beleggers voor Duurzame Ontwikkeling or the Dutch Association of Investors for Sustainable Development</td>
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STATEMENT ON AUTHORSHIP

This thesis has been written by Conor Clune under the supervision of Prof. Brendan O’Dwyer. This statement is provided to clarify (1) the interchangeable use of the terms “I” and “We” within this thesis and (2) the contributions of Prof. Brendan O’Dwyer to the writing within this thesis.

Chapters One, Two, Six, and Seven draw on the term “I” to discuss the research objectives, use of theory, research methodology and methods, data collection and analysis, and empirical and theoretical contributions in the thesis. The use of the term “I” reflects the independent processes through which these aspects of the research process were completed. Chapters Two, Three, and Four represent three distinct research papers and use the term “we” to reflect my intention to publish these papers with Prof. O’Dwyer as a co-author in the future. I wish to disclose that Prof. O’Dwyer has contributed to the writing in Chapter Three as this paper has recently been submitted to an academic journal. Prof. O’Dwyer has not contributed to the writing in any other chapter other than providing feedback on previous drafts.
ABSTRACT

Advocacy organisations have traditionally played a prominent role in shaping corporate social responsibility (CSR) management and reporting practices through organisational-level and institutional-level engagement. Recent years have seen advocacy organisations expand the nature and content of their engagement interactions by (1) endeavouring to influence the emergence of institutional-level CSR frameworks and (2) placing enhanced emphasis on challenging the nature of companies’ implementation of CSR frameworks through direct engagement processes. Together, these actions have sought to guide companies’ adoption of CSR management and reporting mechanisms in order to ensure greater accountability is discharged for the social and environmental impact of their economic activities.

This thesis comprises three research papers and two case studies that examine how two influential advocacy organisations sought to shape the nature and content of the CSR management and reporting mechanisms implemented by companies in the United Kingdom and The Netherlands. The research papers are interpreted and theoretically framed using aspects of Bourdieu’s theory of practice, the concepts of strategic frames and frame resonance, and institutional work. The thesis provides several empirical contributions that deepen our understanding of the role advocacy organisations play during processes of organisational-level and institutional-level engagement and the role forms of accounting play therein. The thesis also offers a number of theoretical contributions by advancing the application of the three aforementioned theoretical framings within the accounting and organisational studies literature streams.
CHAPTER ONE: INTRODUCTION

1.1 Introduction to the Thesis

31 December 1600. This date should, perhaps, be recognised as one of the most important in modern history. It was on this day that the company that pioneered the shareholder model of corporate ownership was founded – the East India Company (Robins 2011). The East India Company quickly claimed a global dominance, transforming the trade relations between Europe and Asia, and forever changing how business was to be run. Its emergence as the world’s first global conglomerate did not occur without incident, with numerous stock market bubbles, tales of corruption, government bail-outs, and governance issues pervading the company’s 275-year existence. Over 400 years later, we are still experiencing many similar problems with the shareholder model of corporate ownership. In fact, given the “too-big-to-fail” size of today’s multinationals, the role of the corporation in society has arguably expanded to far greater heights than those supporters of its establishment in the 1600s could ever have envisaged.

Given their global prominence, it is unsurprising that the activities of modern corporations receive significant attention from not only shareholders but various stakeholder groups. Stakeholder interest in corporate activities can be traced to the foundation of the East India Company, where interested actors sought increased transparency on the social impact of the company’s actions (Robins 2011). Recent years have seen stakeholders undertake a substantial growth in activities in an effort to influence corporate decision-making, particularly on social and environmental matters (Stafford and Hartman 1996). Given the increasing number of corporate social responsibility (CSR) scandals witnessed in the past decade, this movement is largely unsurprising (Lynn 2015). In response to these scandals, supranational organisations such as the OECD and the UN, have established CSR frameworks in an effort to influence the CSR practices of modern corporations (O’Sullivan and O’Dwyer 2015), and national governments have made attempts to regulate CSR through enhanced social and environmental reporting requirements (Crane, Matten and Spence 2008). The emergence of these institutional standards has been particularly important for one stakeholder group that has traditionally challenged corporate power – advocacy organisations.
Advocacy organisations play a prominent role in challenging corporations by undertaking actions that attempt to enhance the accountability for, and transparency of, the social and environmental impacts of organisations’ economic activities. These processes of engagement occur at both the organisational and institutional level. For instance, CSR frameworks typically emerge from a consultation process that sees advocacy organisations seek to inform their development, with the existing literature examining the role advocacy organisations play in influencing such processes (Archel, Husillos and Spence 2011, Cooper and Owen 2007, O'Sullivan and O'Dwyer 2009). Furthermore, the voluntary nature of existing frameworks has seen advocacy organisations challenge the adoption and implementation of CSR frameworks through direct engagement with organisations (Deegan and Blomquist 2006). These actions, across national CSR fields, are recognised as a fundamental process through which corporate accountability is administered in society today (Accountability 2015).

1.2 Research Objectives and Research Questions

This thesis comprises two case studies and three research papers (chapters 3 to 5) that together examine the role advocacy organisations play in informing the emergence and implementation of CSR policies and practices through processes of engagement. The first two papers (chapters 3 and 4) examine one influential Dutch advocacy organisation, VBDO, which sought to challenge and inform the implementation of CSR management and reporting mechanisms in the Dutch CSR field. The first of these papers (chapter three) examines the emergence of VBDO, focusing specifically on how it sought to position itself in this field over time. Accordingly, the paper’s primary aim is to investigate the dynamics of the power accumulation process that underpinned VBDO’s efforts to enter and attain influence in the Dutch CSR field.

The second paper of the thesis (chapter four) complements and extends the first paper. Paper two seeks to advance and deepen our understanding of the processes through which advocacy organisations work to organise their engagement activities. In contrast to paper one, which adopts a meso-level field-positioning focus, this paper seeks to explore, on a micro-level, the day-to-day activities undertaken by VBDO in order to operate engagement. Accordingly, the paper’s primary aim is to investigate the internal practices that informed the development and operationalisation of VBDO’s engagement practices in the Dutch CSR field.
The third paper of the thesis (chapter five) departs from an organisational level focus to explore the role advocacy organisations play in informing the emergence of institutional level CSR frameworks. Paper three examines the role played by the Corporate Responsibility Coalition (CORE) during the company law reform process in the United Kingdom (UK) during the early-to-mid 2000s. The paper seeks to explore the dynamics of CORE’s corporate accountability campaign that crystallised around company law reform, specifically examining the process through which CORE interacted with other actors in the reform process in order to influence the evolving company law framework. Accordingly, the paper’s primary aim is to investigate the strategies that CORE adopted during the reform process in order to understand how its actions influenced the integration of social and environmental standards into UK company law.

Based on these aims, this thesis seeks to answer the following research questions:

1. How does an advocacy organisation, undertaking organisational-level engagement, enter and attain influence in a CSR field?
2. How does an advocacy organisation, undertaking organisational-level engagement, organise and coordinate its engagement activities? and;
3. How does an advocacy organisation, through institutional-level engagement, seek to inform the emergence and configuration of social and environmental legislative standards?

1.3 Theory

Three separate, but overlapping theoretical approaches are drawn upon in this thesis. The current section first introduces the theoretical concepts mobilised in each of the three papers and then elaborates on the complementary nature of these approaches.

1.3.1 Paper one: Bourdieu’s Theory of Practice

Bourdieu’s theory of practice encompasses three core concepts: field, capital, and habitus (Bourdieu 1984). Together, these concepts explain the relationship between social structures, such as institutions and fields, and the everyday practices that occur in these contexts. Given the broad but detailed nature of Bourdieu’s writings, it is unsurprising to see that his theory of practice has been leveraged within the existing accounting literature at the macro, meso, and
micro levels of analysis (Malsch, Gendron and Grazzini 2011). Macro-level studies typically examine the role forms of accounting play in the construction of new fields or in organising the structure of existing fields (Graham 2010). These studies tend to focus on how forms of accounting influence the emergence of institutional standards and connect actors, thereby allowing fields to function. In contrast, meso-level studies tend to examine how the configuration of capital in a field influences how accounting or accountability practices are adopted or enacted (Andon, Free and Sivabalan 2014, Neu et al. 2013, Xu and Xu 2008). These studies often examine how actors, with pre-existing stocks of capital, deploy specific accounting practices in order to influence action. Finally, micro-level studies, which are rarest in the accounting literature, typically examine the habitus of accounting-related actors, such as audit partners (Carter and Spence 2014), or explore how the introduction of accounting to a field impacts on the habitus of field participants i.e. how actors think, speak and act (Oakes, Townley and Cooper 1998).

While drawing holistically on the concepts of field, capital, and habitus, paper one’s (chapter three) primary focus is on the process through which capitals are accumulated. Capitals represent forms of power which allow their holder to wield influence in a specific context (Emirbayer and Johnson 2008). The concept of capital is mobilised in order to understand how VBDO enhanced its field position over time, gaining an ability to influence the adoption of CSR management and reporting mechanisms by companies in the Dutch CSR field. Specifically, the paper examines how the development and implementation of accountability mechanisms influenced the process of capital accumulation, supporting VBDO’s efforts to build social, cultural, and economic capital.

1.3.2 Paper two: Strategic Frames and Frame Resonance

Strategic frames are defined as a “set of cause-effect understandings about industry boundaries, competitive rules, and strategy environment relationships available to a group of related firms in an industry” (Cornelissen and Werner 2014, p. 197). The concept of strategic framing directs attention to the process through which actors negotiate and construct meaning for their interactions, thereby creating a common understanding for how actions unfold in a specific setting (Kaplan 2008, Cornelissen and Werner 2014). The existing application of the concept can be divided into two broad categories. The first category sees researchers view strategic frames as
static products that impact on the activities of actors operating in a field. These studies tend to identify strategic frames within an empirical setting in order to understand their impact on the nature of actions undertaken by actors operating in this space (Himick and Audousset-Coulier 2016, Yang and Modell 2015). These studies often illustrate how strategic frames conflict and compete with one another, creating a distinct challenge for actors to align strategic frames with their day-to-day activities. In contrast, in the second category of the concept’s application, researchers adopt a more processual approach by examining the emergence of strategic frames (Kaplan 2008). The process through which strategic frames are formed is sparsely studied in the existing literature (Cornelissen and Werner 2014) with little attention directed at the co-construction process that often informs frame emergence. Paper two (chapter four) seeks to deepen such understanding by examining the development of one form of strategic frame – an engagement frame – drawn upon by VBDO to organise and inform its engagement interactions.

An engagement frame is defined as the oriented set of beliefs and meanings that inform the actions of an advocacy organisation operating engagement in a specific setting. It enables an advocacy organisation to set the boundaries for its engagement practices by establishing a common understanding of how such interactions will occur. The extent to which an advocacy organisation’s framing efforts are effective is dependent on the ability of the engagement frame to resonate with its target audience, with this process theoretically defined as establishing frame resonance (Benford and Snow 2000). Accordingly, the paper examines the process through which VBDO constructed an engagement frame in the Dutch CSR field in order to unpack the underlying frame characteristics that supported the attainment of frame resonance over time.

1.3.3 Paper three: Institutional work

The concept of institutional work has emerged in recent years in order to examine how actors actively attempt to shape the institutional dynamics under which they operate (Lawrence and Suddaby 2006). The emergence of institutional work represented a significant evolution within neo-institutional theory which traditionally sought to understand and explain how institutions worked to shape the behaviour of actors in a field (Lawrence, Suddaby and Leca 2011). One of the central foundations of institutional work challenges such an understanding as it stipulates that actors should not be perceived as cultural dopes confined by institutional structures but instead be regarded as culturally competent individuals who actively navigate and adapt within
organisational fields (Lawrence, Leca and Zilber 2013, Lawrence et al. 2011). To understand how actors attempt to perform such actions, three broad categories of institutional work were initially outlined: work undertaken to create new institutions, work undertaken to maintain existing institutions, and work undertaken to disrupt existing institutions.

Despite deepening our understanding of how actors seek to alter and mould institutional structures, institutional work has not escaped criticism (Empson, Cleaver and Allen 2013), with some researchers suggesting that the concept is limited in both its empirical application and theoretical development (Martí and Fernández 2013). These criticisms have emerged given the tendency for researchers to examine the institutional work instigated by powerful actors which often tends to be successful in altering, preserving, or maintaining existing institutional orders (Empson et al. 2013). This seems in stark contrast to the original definition of institutional work which sought to direct attention to purposive action of all actors within a field “whether those efforts (were) successful in shaping institutions, have no effect on them, or have significant unintended consequences” (Lawrence et al. 2013, p. 1029, emphasis added).

Paper three (chapter five) seeks to unpack the forms of work associated with a “fourth” category of institutional work, institutional preservation (Hirsch and Bermiss 2009). This category of institutional work represents a unique empirical phenomenon where a field is in a state of transformation, and a new institutional order must emerge. Institutional preservation “entails the actions undertaken by actors searching for ways to carry over norms from the previous regime into the construction of the new institutional order” (Hirsch and Bermiss 2009, p 262). The paper seeks to develop our understanding of the interactional nature of the forms of work instigated by competing actors during a process of institutional preservation, specifically the nature of work initiated to oppose and resist competing actors’ claims (Moisander, Hirsto and Fahy 2016). Accordingly, the paper examines the interactional nature of the forms of work instigated by the Corporate Responsibility Coalition (CORE) and the UK Government during the UK company law reform process in order to deepen our understanding of how institutional work can affect the ability of less powerful, subordinate actors to influence institutional structures (Martí and Fernández 2013).
1.3.4 Link between chosen theoretical approaches

The three theoretical approaches drawn upon in this thesis were chosen as they work to complement each other by offering overlapping but alternative insights into how actors attempt to influence action within the contexts in which they operate. Bourdieu’s theory of practice explains the relationship between human action and the structures in which actors are embedded. His framework offers fundamental insights into how a field 1) possesses specific properties that work to hierarchically distribute actors within its boundaries, 2) imposes specific forms of struggle on actors based on their position in that space, and 3) imposes specific rules of the game that must be followed by field participants (Bourdieu 1990). His concept of capital details the various forms of power an actor can accumulate in order to enhance their position in a field, while habitus explains why actors in a field often think, speak and act differently. While Bourdieu’s theoretical framework provides significant insights into the dynamics of organisational fields, this thesis highlights two of his work’s limitations, both of which are related to the concept of strategy. The complementary nature of the theoretical concepts of strategic frames and institutional work address these limitations, outlined below, and offer alternative insights into the process through which actors, lacking field-salient capitals, attempt to navigate within a field and deploy specific actions to influence field dynamics.

The first of these limitations is highlighted in paper two (chapter four). Bourdieu’s theory of practice offers limited insight into why actors’ actions are deemed legitimate and accepted by other field participants. Apart from his writings on the concept of linguistic capital1, which illustrates how an actor’s speech is important in understanding an actor’s social position, his theory of practice is largely silent on this matter of acceptance. The concept of strategic framing also recognises fields as contested spaces where actors struggle to influence the nature of interactions that occur among field participants. Strategic framing, through the concept of frame resonance, enables researchers to direct specific attention to the process through which a frame is constructed and accepted by field participants, illustrating how the status of the claims-marker, the empirical credibility of the frame, and frame consistency influences a strategic frame’s mobilising potency (Benford and Snow 2000). In doing so, the concept deepens our theoretical

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1 This is a sub-form of cultural capital. This form of capital is discussed in detail in Chapter three, section 3.3.1.
understanding of the process through which subordinate actors gain support for their actions in the context in which they operate (Benford and Snow 2000).

The second of these limitations is highlighted in paper three (chapter five). Bourdieu recognised that powerful actors often worked to reproduce existing field dynamics while less powerful, subordinate actors, frequently attempted to transform the ‘rules of the game’ in a field (Bourdieu 1977, Bourdieu 2011). Accordingly, his theory of practice directs specific attention to the agency of actors operating within a field and to the struggles actors are exposed to when seeking to align field-level dynamics with their own personal interests. Bourdieu’s writings, however, are largely silent on the specific strategies actors adopt when attempting to influence field-level change. The institutional work concept addresses this limitation. While recognising that fields can impose specific forms of struggles on actors, institutional work primarily addresses issues surrounding actors’ attempts to reconfigure institutional dynamics. The institutional work framework provides a toolkit that enables researchers to study the strategies that actors adopt when undertaking such efforts, thereby deepening understanding of how a field’s configuration and structure evolves over time (Lawrence and Suddaby 2006).

1.4 Method and Research Settings

This thesis draws on qualitative research methods (Ahrens and Chapman 2006, Silverman 2013, Bryman 2006, Patton 1990, Cooper and Morgan 2008). Thirty-four semi-structured interviews were undertaken across the two case studies, with substantial documentary data informing and supporting each case study’s findings. The first two papers of the thesis (chapters 3 and 4) draw upon a comprehensive case study of the influential Dutch advocacy organisation VBDO. VBDO promotes the enhanced adoption of CSR management and reporting mechanisms among companies in the Dutch CSR field through organisational-level engagement. Since its establishment in 1995, VBDO has developed numerous accountability mechanisms on topics such as social and environmental reporting, supply chain practices, responsible investment, biodiversity, and tax transparency. The twenty-four semi-structured interviews were conducted with VBDO staff, members of its institutional network and representatives of organisations it engages with in the Dutch CSR field.
Paper three of the thesis (chapter five) draws upon a case study of the Corporate Responsibility Coalition (CORE), an advocacy organisation that campaigned for enhanced social and environmental management and reporting standards to be embedded in UK legislation during the UK company law reform process between 2000 and 2006. CORE was formed specifically to influence this process through a collaboration of the UK’s leading advocacy organisations including Amnesty International, Friends of the Earth, New Economics Foundation and Christian Aid. Interview data and documentary data were collected in order to understand how CORE sought to influence the reform process over time. Specifically, ten semi-structured interviews were undertaken with members of CORE’s steering committee. This was supported by the extensive collection of documentary data comprising of media articles, debates from the UK House of Commons and House of Lords, UK Government publications, and internal documents obtained from members of CORE’s steering committee.

The two case studies were selected due to the overall objectives of this thesis which is focused on gaining an in-depth understanding of how advocacy organisations seek to influence the adoption and implementation of CSR management and reporting mechanisms through organisational-level and institutional-level engagement. The case study of VBDO develops our understanding of processes of organisational-level engagement, which sees advocacy organisations attempt to influence and inform the adoption and implementation of CSR policies and practices through direct engagement with corporate organisations. In contrast, the case study of CORE develops our understanding of the process through which an advocacy organisation seeks to influence the emergence of field-level CSR legislation through institutional-level engagement.

1.5 Contributions

1.5.1 Empirical contributions

This thesis develops our understanding of the role advocacy organisations play in processes of organisational-level and institutional-level engagement. The first two papers (chapters 3 and 4) advance our understanding of how advocacy organisations seek to enact corporate accountability at the organisational level. While prior research has focused on examining the influence various advocacy organisations achieve (Arche et al. 2011, Deegan and Blomquist 2006), we are limited
in our understanding of the actions that support these actors’ involvement in, and operation of, processes of organisational-level engagement. Paper one (chapter three) addresses this gap in the literature by revealing how VBDO attempted to establish a position in a CSR field, illustrating the dynamic and contested nature of the power accumulation process. The paper’s findings challenge existing literature that suggests that symbolic capital can be attained through certain forms of CSR reporting (Killian and O'Regan 2016) while also illustrating how one advocacy organisation advanced the CSR reporting norms occurring in a national CSR field (Bebbington, Kirk and Larrinaga 2012).

Paper two (chapter four) further develops our understanding of the process through which advocacy organisations seek to organise their engagement activities (De Bakker 2012; Rasche et al. 2013). The paper’s findings illustrate an intricate process through which VBDO struggled to maintain the necessary competencies, skills, and knowledge required to operate engagement in the Dutch CSR field. In doing so, the paper highlights the challenges and obstacles that arose when operating engagement that threatened VBDO’s ability to hold organisations to account for their implementation of specific CSR policies and practices. The paper offers a rich understanding of the internal practices that supported the development and operationalisation of VBDO’s engagement activities, thereby deepening our understanding of how processes of organisational-level engagement unfold over time.

Paper three (chapter five) deepens our understanding of processes of institutional engagement. While extant literature provides rich accounts of the consultation processes that shape the emergence of institutional CSR frameworks (Archel et al. 2011, Cooper and Owen 2007, O'Sullivan and O'Dwyer 2009, O'Sullivan and O'Dwyer 2015, Bebbington et al. 2012), this literature has paid limited attention to the civil society dynamics that often manifest around processes of institutional CSR reform. This paper develops such an understanding by revealing the process through which CORE instigated a corporate accountability campaign in order to influence the emergence of social and environmental legislative standards. In doing so, the paper’s findings nuance existing criticisms of the role advocacy organisations play in consultation processes aimed at informing the emergence of CSR standards (Archel et al. 2011, Bebbington et al. 2012).
1.5.2 Theoretical contributions

The first paper of the thesis (chapter three) advances the mobilisation of Bourdieu’s theory of practice within the accounting literature in the following ways. First, extant studies tend to focus on how powerful actors, with pre-existing stocks of capitals, use various forms of accounting to influence action (Neu, Silva and Ocampo Gomez 2008, Rahaman, Everett and Neu 2007), with limited attention being paid to the process through which capitals are accumulated over time (Andon et al. 2014). Paper one sits in contrast to this work by focusing specifically on the capital accumulation process of a subordinate actor. This theoretical focus provides unique insights into the contested nature of the capital accumulation process. The theoretical focus on capital trajectories and capital instabilities highlights the fragility and convertibility of capitals and the struggles their holders encounter in the face of this dynamism. Second, the paper develops our understanding of how accounting, in the form of accountability mechanisms, informs the accumulation of linguistic capital (Neu et al. 2013). In doing so, the paper highlights how VBDO accumulated this form of capital as the characteristics of the accountability mechanisms it operated adhered to the rules governing acceptable and legitimate discourse in the Dutch CSR field. Furthermore, the paper reveals the fragility of linguistic capital by illustrating how its ongoing maintenance was contingent on VBDO censoring its utterances and actions during the construction of, implementation of, and communication of its accountability mechanisms.

The second paper of the thesis (chapter four) advances our understanding of the process through which strategic frames emerge, specifically the characteristics that support the attainment of frame resonance. The paper examines the construction of one form of strategic frame – an engagement frame – in the Dutch CSR field. In doing so, it responds to a call for a greater focus on the process through which strategic frames are formed through processes of co-construction and negotiation (Cornelissen and Werner 2014). The findings reveal the characteristics that supported the attainment of frame resonance, illustrating how specific common understandings were negotiated among VBDO, its membership network, and its engagement targets. Furthermore, the paper illustrates the restrictive nature of strategic frames whereby their emergence binds actors to act in a specific manner. Specifically, the paper reveals how VBDO’s engagement frame stifled its ability to expand its organisational-level engagement interactions to the institutional level in the Dutch CSR field.
The third and final paper of the thesis (chapter five) advances our understanding of the concept of institutional work. The paper addresses a key limitation of the institutional work literature whereby existing studies typically illustrate the ‘successful’ implementation of institutional work (Canning and O'Dwyer 2016, Gawer and Phillips 2013, Empson et al. 2013, Suddaby and Viale 2011). The paper examines the forms of work instigated by a subordinate actor that largely failed to influence the emerging institutional order. Specifically, the findings illustrate the interactional nature of the forms of work implemented by actors during a process of institutional preservation, deepening our understanding of how strategies of resistance are implemented through institutional work (Moisander et al. 2016). In doing so, the paper directs attention to the role of suppression in institutional work, where dominant actors purposively marginalise the forms of work instigated by competing subordinate actors. The paper offers a theoretical contribution by introducing three new forms of suppression work – work refutation, subdual and marginalisation work, and justification and acclamation work – that describe the strategies dominant actors adopt in order to counter and suppress resistance in a field. The findings develop the existing institutional work framework (Lawrence and Suddaby 2006) by deepening our understanding of the forms of work that affect institutional arrangements and those actors that populate the organisational fields in which these forms of work are implemented (Martí and Fernández 2013).

1.6 Chapter Overview

1.6.1 Chapter Two: Research Methodology, Methods and Case Settings

Chapter two discusses the research methodology and method adopted in this thesis and is structured into four sections. The first four sections (sections 2.2 to 2.4) explain the different philosophies of accounting research, outline why a qualitative research methodology was chosen for this study, and discuss the case study approach adopted. It explains the ontological and epistemological assumptions underpinning this research methodology and describes the two research methods – in-depth interviews and documentary data – deployed in the thesis. The fourth section of this chapter (section 2.5) provides a detailed background to the two case settings examined, describes why these case settings were deemed appropriate given the overall objectives of the thesis, and outlines the process of data collection and data analysis adopted in both case studies.
1.6.2 Chapter Three: Advocacy organisations and corporate accountability: The accumulation, conversion, and maintenance of capitals in the field of corporate social responsibility

Chapter three presents the first paper within this thesis. This paper examines how a highly influential Dutch advocacy organisation mobilised collaborative engagement in order to shape the CSR management and reporting practices of Dutch listed companies. The paper uses key aspects of Bourdieu’s theory of practice to study the manner in which subordinate actors in a field mobilise forms of accounting to accumulate field-salient capitals. The paper’s findings unveil the nature of, and the influences on, the interrelated capital trajectories and capital instabilities inherent in VBDO’s attempts to secure social and cultural capital and the role its operationalisation of accountability mechanisms played therein. This theoretical focus offers a unique insight into the contested nature of the capital accumulation process. In particular, it highlights the fragility of acquired capitals, the extent of their convertibility, and the struggles subordinate actors encounter in the face of this dynamism as they seek to secure a prominent field position. Within this process, the paper illustrates how VBDO struggled to mobilise the strategies prior work suggests contribute to the attainment of symbolic capital. The findings also contest recent work that suggests corporations can smoothly secure symbolic capital by co-creating CSR reports with stakeholder groups. They also extend work examining the diffusion of CSR reporting by unveiling the process through which advocacy organisations can have a pioneering role in establishing and diffusing voluntary CSR reporting norms, albeit in a more dynamic, contested and unpredictable manner than prior research suggests.

1.6.3 Chapter Four: In search of corporate accountability: how strategic framing influences the engagement process

Chapter four presents the second paper within this thesis. The search for corporate accountability has seen researchers examine the participation of various advocacy organisations in processes of organisational-level engagement (De Bakker et al. 2013), illustrating the institutional, organisational, and managerial characteristics that often thwart the attempts of these actors to challenge corporate power. Extant literature, however, has tended to focus on the tactics and strategies adopted by advocacy organisations, offering limited insights into how these actors work to internally organise their engagement activities. The paper examines the internal systems and practices implemented by a prominent advocacy organisation, VBDO, in an effort to promote the enhanced adoption of CSR management and reporting mechanisms among
companies in the Dutch CSR field. Developing an understanding of this process is considered important given the role advocacy organisations are expected to play in administering corporate accountability by evaluating and informing the enactment of institutional level CSR frameworks at an organisational level (Stafford and Hartman 1996). Mobilising the concepts of strategic frames and frame resonance, the paper reveals the active struggles and negotiations that informed the day-to-day activities undertaken by VBDO during the development and operationalisation of its engagement practices. It offers a number of empirical and theoretical contributions. Empirically, the paper’s findings deepen our understanding of the process through which non-business actors attempt to shape CSR through organisational-level engagement (Rasche, De Bakker and Moon 2013). Specifically, the findings illustrate the internal practices that informed how VBDO organised and conducted its engagement practices, while also revealing specific obstacles and impediments it encountered during this process. Theoretically, the paper advances our understanding of how strategic frames emerge through a process of co-construction in a field (Cornelissen and Werner 2014). Specifically, the paper’s findings unpack the characteristics that supported the attainment of resonance for the engagement frame VBDO drew upon in order to operate engagement in the Dutch field of CSR.

1.6.4 Chapter Five: The institutional work of suppression: a case study of the Corporate Responsibility Coalition

Chapter five presents the third and final paper of this thesis. The paper extends understanding of the role advocacy organisations play in influencing processes of institutionalisation of corporate social responsibility and accountability. While extant studies have examined the process through which CSR frameworks emerge (O’Sullivan and O’Dwyer 2015; O’Sullivan and O’Dwyer 2009), we are limited in our understanding of the dynamics through which advocacy organisations organise their actions, interact with others in the reform process, and endeavour to bring about institutional change. Drawing on the concept of institutional work, the paper examines the organisational level dynamics surrounding the corporate accountability campaign instigated by the Corporate Responsibility Coalition (CORE) during the process of UK company law reform between 2000 and 2007 in an effort to embed stringent social and environmental standards in UK companies’ legislation. The paper examines the interactional nature of the form of work instigated by CORE and the Government during the company law reform process and offers the following contributions: First, it directs attention to the concept of suppression in the institutional
work framework, deepening our understanding of the challenges subordinate actors face when seeking to influence institutional configuration. Second, it advances the existing application of institutional work by introducing three new forms of work: work refutation, subdual and marginalisation work, and justification and acclamation work. Third, it responds to calls for further examination of the role non-business actors play in shaping the nature of CSR policies enacted in an institutional context (Rasche et al. 2013), nuancing existing criticisms of the role that these actors play in influencing processes of CSR reform (Archel et al. 2011, Bebbington et al. 2012).

1.6.5 Chapter Six: Overview and discussion

Chapter six conducts a detailed discussion of the findings of the three papers presented in chapters 3 to 5 and is divided into two sections. The first section (section 6.2) discusses the empirical implications of each paper’s findings, elaborating on how these findings advance our understanding of how advocacy organisations inform the adoption of enhanced CSR management and reporting mechanisms through processes of organisational-level and institutional-level engagement and the role forms of accounting play therein. The second section (section 6.3) discusses the implications of each paper’s theoretical contributions and elaborates on how these contributions develop our understanding of the three theoretical approaches drawn upon in this thesis.

1.6.6 Chapter Seven: Conclusion

Chapter seven concludes the thesis. It provides a brief overview of the main objectives of the thesis, provides answers to the research questions posed in section 1.2, and elaborates on the contributions provided in chapters 3 to 5. The practical implications of the thesis’s findings are outlined and several recommendations for future research are discussed in the final section of the chapter.
CHAPTER TWO: RESEARCH METHODOLOGY, METHODS AND CASE SETTINGS

2.1 Introduction

This chapter outlines the research methodology and methods applied in this thesis and is divided into four sections. The first section (section 2.2) discusses the different philosophies of accounting research, exploring the principal differences between qualitative and quantitative research. The second section (section 2.3) focuses specifically on one qualitative approach, interpretive research, discussing case study research, the role of theory, and how research quality is evaluated. The third section (section 2.4) discusses the two research methods employed in this thesis – semi-structured interviews and documentary analysis. Lastly, the fourth section (section 2.5) describes the research approach adopted in the thesis, providing a detailed explanation of how each case study was selected and how data was collected and analysed.

2.2 Philosophies of Science in Accounting Research

Fundamental theoretical and philosophical assumptions underlie all accounting research (Hopper and Powell 1985). These assumptions inform the choices a researcher makes regarding cases to study, methods of gathering data, forms of analysis, and use of theory. Four distinct but related elements guide such decision-making: assumptions about ontology, epistemology, human nature, and methodology. Ontology describes the assumptions of the researcher on the nature of reality. These can range from individual consciousness, where reality is perceived as a social construction or at most extreme levels a project of human imagination, to perceptions of reality as a concrete structure, where the external world is taken for granted and is characterised by objective facts (Ryan, Scapens and Theobald 2002). Epistemology, in contrast, relates to how knowledge can be acquired. Epistemological assumptions inform what counts as an acceptable truth by specifying the criteria and process for assessing truth claims (Chua 1986). On one side of this continuum is interpretation, which assumes that knowledge can be acquired in a piecemeal fashion by gaining an understanding of an actor’s common-sense interpretation of the social world (Buchanan and Bryman 2007). At the extreme opposite side of this continuum is observation, which seeks to verify (positivist) or to falsify (post-positivist) a specific theory (Chua 1986). A researcher’s assumptions regarding the relation between human action and the environment are particularly important in this distinction. On the one hand, the positivist and
post-positivist perspectives believe that human nature is constrained by the external environment and, thus, a state of determinism exists. On the other hand, interpretive researchers believe that human nature is autonomous, with actors holding free-will and thus the capability to craft their own environment (Ryan et al. 2002). Both ontology and epistemology inform a researcher's methodological assumptions, which indicate the research methods deemed appropriate for the gathering of valid evidence. Subjective research approaches typically draw on hermeneutics. Hermeneutics was originally conceived of as a theological term that was concerned with the interpretation of the truth in religious writing (Ryan et al. 2002). Such an approach is leveraged today through methods such as interviews or observations which allow researchers to gain a contextual understanding of empirical phenomena, often by gaining insights into individuals’ inner worlds. In contrast, objective research approaches mobilise scientific methods to explain and predict social patterns. This approach typically draws on statistical techniques to test hypotheses, analysing data collected through surveys or archival databases. The principal distinctions between the subjective and objective approaches are outlined in Table 2.1.

Table 2.1. Philosophies of accounting research

<table>
<thead>
<tr>
<th>Ontology</th>
<th>Individual consciousness</th>
<th>Concrete construction</th>
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</thead>
<tbody>
<tr>
<td>Epistemology</td>
<td>Interpretation</td>
<td>Observation</td>
</tr>
<tr>
<td>Human nature</td>
<td>Free will</td>
<td>Determinism</td>
</tr>
<tr>
<td>Methodology</td>
<td>Hermeneutics</td>
<td>Scientific method</td>
</tr>
<tr>
<td>Collapsed to</td>
<td>Subjective</td>
<td>Objective</td>
</tr>
</tbody>
</table>

Adopted from Ryan et al. (2002, p. 39)

While it represents a distinct challenge to neatly classify all forms of accounting research, Ryan et al. (2002) propose a useful taxonomy that depicts three separate categories: mainstream accounting research, interpretive accounting research, and critical accounting research. Mainstream accounting research is recognised as the dominant category (Chua 1986), with the interpretive and critical categories often labelled as alternative (Ryan et al. 2002). The dominant assumptions of each of these categories are summarised in table 2.2.
### Table 2.2 Categories of accounting research

<table>
<thead>
<tr>
<th><strong>Mainstream Accounting Research</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Beliefs about knowledge</strong></td>
<td>Theory and observation are independent of each other, and quantitative methods of data collection are favoured to provide a basis for generalisations.</td>
</tr>
<tr>
<td><strong>B. Beliefs about physical and social reality</strong></td>
<td>Empirical reality is objective and external to the subject (and the researcher). Human actors are essentially passive objects, who rationally pursue their assumed goals. Society and organisations are basically stable, and dysfunctional behaviour can be managed through the design of control systems.</td>
</tr>
<tr>
<td><strong>C. Relationship between accounting theory and practice</strong></td>
<td>Accounting is concerned with means, not ends – it is value neutral, and existing institutional structures are taken for granted.</td>
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<thead>
<tr>
<th><strong>Interpretive Accounting Research</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Beliefs about knowledge</strong></td>
<td>Theory is used to provide explanations of human intentions. Its adequacy is assessed via logical consistency, subjective interpretation, and agreement with actors’ common-sense interpretations.</td>
</tr>
<tr>
<td><strong>B. Beliefs about physical and social reality</strong></td>
<td>Reality is socially created and objectified through human interaction. Human action is intentional and has meaning grounded in the social and historical context. Social order is assumed and conflict is mediated through shared meanings.</td>
</tr>
<tr>
<td><strong>C. Relationship between accounting theory and practice</strong></td>
<td>Accounting theory seeks to explain action and to understand how social order is produced and reproduced.</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th><strong>Critical Accounting Research</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Beliefs about knowledge</strong></td>
<td>Criteria for judging theories are always temporal and context bound. Social objects can only be understood through a study of their historical development and change within the totality of relations.</td>
</tr>
<tr>
<td><strong>B. Beliefs about physical and social reality</strong></td>
<td>Empirical reality is characterised by objective, real relations, but is transformed and reproduced through subjective interpretation. Human intention and rationality are accepted but have to be critically analysed because human potential is alienated through false consciousness and ideology. Fundamental conflict is endemic in society because of social injustice.</td>
</tr>
<tr>
<td><strong>C. Relationship between accounting theory and practice</strong></td>
<td>Theory has a critical imperative, in particular the identification and removal of domination and ideological practices.</td>
</tr>
</tbody>
</table>

Adapted from Ryan et al. (2002)

Given my personal ontological and epistemological assumptions, where I consider “reality” to be socially constructed and that knowledge can be acquired by gaining an understanding of actors’ common-sense interpretations, a qualitative, interpretive research approach was adopted in this
thesis (Kakkuri-Knuuttila, Lukka and Kuorikoski 2008). The thesis aims to provide a deep understanding of the role advocacy organisations play in informing processes of organisational-level engagement by attempting “to explain action and to understand how social order is produced and reproduced” over time (Ryan et al. 2002, p. 42). Accordingly, this thesis falls within the interpretive accounting research paradigm. In the section that follows, this paradigm is discussed in more detail, with section 2.4 discussing the qualitative research methods drawn upon in this thesis.

2.3 Interpretive Research

2.3.1 The case study and the role of theory

Case studies “focus on bounded and particular organisations, events, or phenomena, and scrutinise the activities and experiences of those involved, as well as the context in which these activities and experiences occur” (Cooper and Morgan 2008; p. 160). A rich literature base exists that describes the procedural methods informing this research approach (O’Dwyer 2004, Patton 2005, Cooper and Morgan 2008, Strauss and Corbin 1998, Walsham 2006, Silverman 2006). This literature highlights how case studies are especially suited to answer “how” and “why” questions (Yin 2015) and represent an organised, coherent way to deepen knowledge and understanding about a specific topic. More specifically, “how” questions are particularly adept at describing the processes through which new accounting and auditing related innovations are established and implemented. Examining such processes is considered important as it allows researchers to convert private knowledge, held by those involved in the process, to publically available knowledge. Similarly, “why” questions are equally important as they illustrate “why something was done or came to be, or when and why something works” (Cooper and Morgan 2008, p. 160). These questions encourage participants to reflect on the process and provide personal insights that reveal the values, interests, and operations of power. Together, “how” and “why” questions allow case study researchers to conduct an in-depth and contextually informed examination of specific organisations, events, and phenomena. The three research questions outlined in section 1.2 are formulated as “how” questions. Specifically, these research questions reflect the principal aim of this thesis, which seeks to examine “how” advocacy organisations influence the adoption and implementation of CSR management and reporting mechanisms in
the contexts in which they operated. The “how” nature of these research questions shaped (and was shaped by) my use of theory, which I now discuss.

Theory plays a central role in case study research (Ahrens and Chapman 2006, Corley and Gioia 2011, Eisenhardt 1989, Llewelyn 2003, Welch et al. 2011). In fact, “doing qualitative field studies is not simply empirical but a profoundly theoretical activity” (Ahrens and Chapman 2006, p. 2). Theory is defined as a set of explanatory concepts that can guide the formulation of research questions, the collection of data, and the process of data analysis and interpretation. Llewelyn (2003) identifies five different ways qualitative researchers can approach theorising: metaphor, differentiation, conceptualisation, context-bound theorising, and context-free grand theorising. These approaches are outlined in table 2.3.

Table 2.3. Types of theory in accounting research

<table>
<thead>
<tr>
<th>Level</th>
<th>Theory</th>
<th>Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>Metaphor Theories</td>
<td>By image-ing and grounding experience</td>
</tr>
<tr>
<td>Two</td>
<td>Differentiation theories</td>
<td>By cutting the pie of experience</td>
</tr>
<tr>
<td>Three</td>
<td>Concepts theories</td>
<td>By linking agency and structure through practice</td>
</tr>
<tr>
<td>Four</td>
<td>Theorising settings</td>
<td>Explaining how contexts for practices are organised</td>
</tr>
<tr>
<td>Five</td>
<td>Theorising structures</td>
<td>Explaining impersonal, large scale and enduring aspects of social life</td>
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Adapted from Llewelyn (2003)

Briefly, the metaphor allows researchers to theorise by linking the familiar with the unfamiliar. *Metaphor theories* involve the researcher drawing on a metaphor to connect a new experience with a pre-existing or familiar idea and “create meaning and significance through picturing or image-ing the world” (Llewelyn 2003, p.670). Despite metaphors providing a useful way of thinking about, or seeing, specific phenomena, this form of theorisation is not widely used as a theoretical tool. *Differentiation theories* bridge both metaphor theorisation (level 1) and concept theorisation (level 3). Concepts used in social science often emerge from metaphors, developed through differentiation, whereby a concept is contrasted with another. Differentiation ultimately involves creating dualisms, such as subjective-objective, which despite being in contradiction to each other, are interlocked and mutually intelligible, thereby allowing researchers to “create meaning and significance through setting up contrasts and categories that order the world” (p. 672). This form of theorisation is also under-utilised by researchers. *Concept theorising* operates by exploring practices. Concepts represent different ways of thinking about social reality. As
practices encompass various forms of struggle, concept theorising examines a space where agency meets structure, and thus enables exploration of how agents struggle to influence the world they live in. By *theorising settings*, researchers aim to understand or explain how wider contexts for activity are socially organised. Focus under this approach begins to move away from processes and events and instead to the social conditions under which practices are reproduced. Lastly, *theorising structures* is often referred to as grand theorising which is “concerned with structural, impersonal, large-scale and enduring aspects of the social realm” (Llewelyn 2003, p. 676). Such grand theorising prioritises ideas over practices and, as a result, these “meta-narratives are formulated at a high level of generality and reflect ideas that have been arrived at by thinking through issues and relationships in an abstract way, rather than being derived from empirical research” (p. 676).

The three research papers presented in this thesis are broadly located within the level three, concept theorising, category. Concept theorising represents the “highest” level of theorisation where the agent can be taken as the unit of analysis (Llewelyn 2003). As such, concept theorising is a form of theorisation that enables researchers to examine, understand, and explain how agents engage with structures in social practice. Bourdieu (1988) outlines how concepts are the primary means of theorising practices, and practices are sites of struggle (Bourdieu 1988). The theoretical concepts drawn upon in this thesis thus enable me to illuminate the struggles encountered by the two advocacy organisations when seeking to position themselves in a CSR field (chapter three), to develop and implement specific engagement practices (chapter four), and to influence the emergence and adoption of institutional level CSR legislation (chapter five).

2.3.2 Criticisms of case study research

Despite case studies being accepted as an appropriate, valid research approach, they often attract ‘inaccurate’ criticism (Ryan et al. 2002). Flyvbjerg (2006) describes five of the most common misunderstandings about this research method which I now discuss.

1. **General, theoretical (context-independent) knowledge is more valuable than concrete, practical (context-dependent) knowledge.**

This misunderstanding is dismissed for two reasons. Firstly, context-dependent knowledge is important for human learning and enables people to develop from “rules-based beginners to
virtuoso experts” (Flyvbjerg 2006, p. 221). Secondly, it is suggested that for the study of human affairs, context-independent knowledge does not exist; instead, there only exists context-dependent knowledge. The consequences of such an understanding mean that a universal understanding of human affairs cannot be found, making concrete, practical knowledge the most valuable (Flyvbjerg 2006).

2. *One cannot generalise on the basis of an individual case, therefore the case study cannot contribute to scientific development.*

While it is true that one cannot generalise from a single case study, it is also true that formal generalisation is one of many ways through which knowledge is gained. Accordingly, case studies, even in solely descriptive form, can be of significant value. In fact, Flyvbjerg (2006) concludes that in academic research “formal generalisation is overvalued as a source of scientific development, whereas the force of example is underestimated” (p. 228). Accordingly, case study research can contribute to the development of knowledge, thereby illustrating how this criticism is inaccurate.

3. *The case study is most useful for generating hypotheses, that is, in the first stage of the research process, where other methods are more suitable for hypotheses testing and theory building.*

Flyvbjerg (2006) outlined that “the case study is useful for both generating and testing hypotheses, but it is not limited to these research activities alone” (p. 229). More specifically, the case study is ideal for falsification of scientific propositions, where when one single observation does not fit with the proposition, the proposition must be considered invalid. Accordingly, the above criticism is rejected as case studies can clearly be used to both generate and test hypotheses.

4. *The case study contains a bias towards verification, that is, a tendency to confirm the researcher’s preconceived notions.*

One of the main criticisms of case study research is that it provides the researcher with a greater opportunity to express subjective and arbitrary judgement when compared with other research methods. This critique has been proven to be fallacious for two reasons. Firstly, rigour is an important aspect of case study research as discussed in the forthcoming section 2.3.3. To ensure the quality of qualitative research, a strict research protocol must be followed which limits the opportunities for researchers to produce biased results. Second, case studies analyse real-life
situations which allow researchers to test their views on the specific social phenomenon. Often, researchers who conduct case studies reveal that their pre-conceived notions were incorrect, with their expectations being falsified. Accordingly, for these two reasons the above criticism of case study research is considered inaccurate.

5. *It is often difficult to summarise and develop general propositions and theories on the basis of specific case studies.*

Flyvbjerg (2006) suggests that this misconception relates to the question of whether, in academic research, summarising and generalising is desirable. To answer this question, Flyvbjerg draws on the work of German philosopher Friedrich Nietzsche who believed that social science should not divest from its rich ambiguity. The richness of the data included in the narratives of case studies often makes these sections challenging to summarise. In fact, such summaries are considered unhelpful and counter-productive. More specifically, real expertise is not solely based on rules for how systems are formulated but on detailed case experiences, with complex and comprehensive case narratives allowing the latter to be attained. Accordingly, while it is true that it can be difficult to summarise and generalise specific case studies, it is questionable whether this trait is useful in the first place.

The findings of each of three papers of this thesis, outlined in chapters 3 to 5 and discussed in chapter six, illustrate how context-dependent knowledge can contribute to scientific development. Specifically, the thesis provides several empirical contributions that deepen our understanding of the role advocacy organisations play during processes of organisational-level and institutional-level engagement and the role forms of accounting plays therein. This development of knowledge reinforces Flyvberg’s (2006) assertion that the claim that “as one cannot generalise on the basis of an individual case, the case study cannot contribute to scientific development” is incorrect.

Furthermore, the thesis also offers a number of number theoretical contributions by advancing the application of the Bourdieu’s theory of practice, the concept of strategic framing and frame resonance, and institutional work within the accounting and organisational studies literature streams. Additionally, paper three (chapter five) develops the traditional institutional work framework (Lawrence and Suddaby 2006) by introducing three new forms of suppression work. These contributions to theory reinforce Flyvberg’s (2006) assertion that the claim that “the case
study is most useful for generating hypotheses, that is, in the first stage of the research process, where other methods are more suitable theory building” is also incorrect.

The nature of qualitative research means that questions regarding how research “quality” is evaluated are answered quite differently when compared to quantitative research studies. Such criteria are now discussed.

2.3.3 How to evaluate quality in case study research

The context-specific nature of qualitative research means that the concepts of reliability and validity (used for assessing the quality of quantitative research) are not appropriate for assessing the quality of qualitative research studies (Easterby-Smith, Golden-Biddle and Locke 2008, Malsch and Salterio 2015). Qualitative research places many demands on the researcher (O’Dwyer 2004), including gaining access to research sites, conducting interviews and maintaining good relations with research participants, analysing data in credible ways, and writing-up accurate, precise findings. Accordingly, the term rigour is often applied within this research method to describe the protocols all qualitative researchers should apply (O'Dwyer and Unerman 2016). Rigour essentially relates to the extremely thorough and careful process that should be enlisted during the research process. In order to assess the quality of this process, the concepts of trustworthiness and authenticity are often applied (Guba and Lincoln 1994, Lincoln and Guba 1985).

Trustworthiness is made up of four separate criteria, each of which assesses important aspects of the qualitative research process (Buchanan and Buchanan 2007). Credibility relates to good research practice. This characteristic recognises that several different accounts of social reality can co-exist and, as a result, it is important that the account arrived at by the researcher is determined acceptable by others. Both respondent validation and triangulation are important techniques to ensure credibility. Briefly, respondent validation involves the researcher giving an account of his findings to the participants of his study, while triangulation involves using more than one data source in the study of a social phenomenon (Mathison 1988). Dependability relates to the transparency of the research process and suggests that researchers should provide an audit trail of research procedures. Buchanan and Buchanan (2007) highlight that “this entails ensuring that complete records are kept of all phases of the research process – problem formulation,
selection of research participants, fieldwork notes, interview transcripts, data analysis decisions, and so on – in an accessible manner” (p. 378). This is so that anyone interested in examining the research process could then act as an auditor and examine if fair and proper procedures were followed. Confirmability is concerned with the researcher acting in good faith. While complete objectivity is impossible to achieve, it is possible for the researcher to ensure that he does not allow personal values to influence the manner in which a study is conducted. More specifically, researchers should not simply seek data to confirm their pre-conceived perceptions of how or why a specific phenomenon occurs and instead ensure that they seek contradictory data. Lastly, transferability relates to how findings or theory can be transferrable to other social milieu. The nature of qualitative research means that findings tend to be contextually unique and questions arise as to whether “findings hold in some other context, or even in the same context at some other time” (Buchanan and Bryman 2007, p. 378). Accordingly, researchers are encouraged to provide thick descriptions and rich accounts of the empirical phenomena they investigate which enable others to make judgements about the transferability of these findings to other social settings.

Authenticity is also made up of four criteria, which concern the wider political impact of research (Buchanan and Buchanan 2007). The first of these criteria is fairness, which encourages the researcher to fairly represent different viewpoints among members of the social setting examined. The second of these criteria is ontological authenticity, which encourages the researcher to produce findings that allow members of a social setting to arrive at a better understanding of that specific context. In contrast, the third criterion is educative authenticity which encourages researchers to produce findings that allows members to better appreciate the perspectives of other members of their social setting. The final criterion is catalytic authenticity which encourages researchers to produce findings that can act as an impetus for change. It should be noted that the criteria of authenticity have attracted significant controversy and, as a result, the concept of trustworthiness is better accepted and more widely applied in the academic community. In fact, authenticity has been closely linked to action research (Lewin 1946) where greater emphasis is placed on the practical outcomes of research projects.

The current section has provided a detailed description of the case study approach and the role theory plays in interpretive research, outlined some common misunderstandings associated with
case study research, and highlighted how quality is assessed. This chapter now proceeds to discuss the two qualitative research methods deployed in this study.

2.4 Qualitative Research Methods

Case study researchers rely on multiple data sources as a form of good research practice (Patton 1990). These include, but are not limited to, interviews, documentary data, physical artefacts, direct observations, or participant observation (Baxter and Jack 2008). Given the nature of these research questions, research methods relying on archival data or surveys were not considered appropriate. Instead, an emphasis was placed on gaining an in-depth understanding of advocacy organisations in the context where they operate, with theory drawn upon to explain action and to understand how the social order in each setting was reproduced over time. This thesis draws on two qualitative research methods, semi-structured interviews and documentary analysis. As outlined below, these research methods enable researchers to collect in-depth, contextually informed data which facilitates the construction of rich, thick narratives that provide context-driven understanding of the phenomenon under examination.

2.4.1 Interview and documentary data

Interviews are recognised as the most widely adopted method in qualitative research (Baxter and Jack 2008, Patton 1990, Patton 2005). Despite the processes of data collection, transcription and analysis being very time-consuming, the flexible nature of interviewing makes it incredibly attractive to qualitative researchers (Bryman and Bell 2015). Within qualitative research, the two main types of interview undertaken are the unstructured interview and the semi-structured interview. These approaches substantially differ from the structured interview which can be undertaken in quantitative research. Specifically, qualitative interviewing places greater focus on the interviewee's concerns, with interviewees encouraged to depart from the interviewer's line of questioning where relevant as researchers’ seek in-depth and contextually informed answers. By contrast, quantitative interviews are structured in an effort to maximise reliability and validity, and thus reflect more the researcher's concerns. Structured interviews follow a standardised process where interviewees are not provided with an opportunity to depart from the interviewer's line of questioning, even if relevant to the research objective.
The unstructured interview and the semi-structured interview within qualitative interviewing also possess distinct characteristics. The unstructured interview is considered more of a conversation, whereby the researcher begins by asking the interviewee a single question, with the interviewer responding freely to points raised (Bryman 2004). In contrast, for the semi-structured interview, the interviewer prepares a list of questions on the topic being investigated. This interview guide influences how the researcher approaches the interview, providing him with flexibility during the interview itself. Most importantly, these questions tend not to be followed in a standardised manner. The quality of information obtained is highly dependent on the interviewer, and thus it is important for him/her to follow the interview guide, but to also respond to unanticipated revelations made by the interviewee. This “on-the-spot” ability to ask probing, relevant questions is an important skill for qualitative researchers and can result in rich, in-depth data being collected. Both unstructured and semi-structured interviews are typically recorded, with the interviewee's permission, and subsequently transcribed (Gioia, Corley and Hamilton 2013). These transcriptions are a central data source which is analysed and coded for analysis purposes. When writing the narrative sections of case studies, researchers tend to draw on quotations in order to support and strengthen their findings (Given 2008).

Documentary analysis focuses on the contents of documents (Given 2008). This form of data is important in supporting the insights provided during interviews, but also in providing unique insights that can inform the findings of the research project. Documentary data can emerge from a range of sources including confidential documentation from an organisation, archival records, newspaper articles, government publications, or legal testimonies. Qualitative researchers use documentary data to gain a strong, context-driven, understanding of the phenomenon under examination. This data source can provide rich accounts of how processes evolve over time, detail personal insights of how and why specific events occurred or decisions were made, and thereby enable researchers to gain an in-depth understanding of the both the context in which the experiences occur and the practices enrolled by actors in these spaces.

2.5 Research Approach

This section outlines the research approach adopted in each of the three research papers presented in chapters 3 to 5. Some detail included in this section is restated in the research methods sections in each of these chapters. The current section commences by outlining the
research approach adopted for the case study of VBDO in section 2.5.1. This is followed by a
description of the research approach adopted for the case study of the Corporate Accountability
Coalition in section 2.5.2.

2.5.1 Case study one: VBDO

2.5.1.1 About VBDO

VBDO\(^2\) is a Dutch association\(^3\) that promotes the enhanced adoption of CSR policies and
practices through organisational-level engagement. Since its establishment in 1995, VBDO has
grown to hold approximately 75 institutional\(^4\) and 550 private (individual) members. Its
institutional members can be divided into three distinct types of organisation: institutional
investors, consulting firms and civil society. In contrast, private members are typically members
of the general public that hold small investment portfolios. Membership of VBDO typically
signals the desire of the organisation or member of the public to improve the integration of CSR
policies and practices among Dutch organisations.

VBDO conducts organisational-level engagement through the operation of various self-
constructed accountability mechanisms. These include the attendance at shareholder meetings,
the operation of benchmarks, the facilitation of stakeholder dialogues, direct engagement with
organisations on specific CSR topics, and the production of thematic research reports. A
summary of these accountability mechanisms is outlined in Appendix Two (p. 241). In order to
fund its engagement activities, VBDO accumulates income from two primary sources: the first is
the collection of an annual membership fee from its institutional and private members, and the
second is the sponsorship it receives from institutional members to develop specific
accountability mechanisms\(^5\). Importantly, VBDO does not receive any funding from the Dutch
Government for its actions in the Dutch CSR field.

VBDO’s engagement strategy seeks to use a market logic to inform the supply and demand for
capital in the Dutch CSR field. Specifically, VBDO works with the “suppliers” of capital
(institutional investors) to inform the CSR policies and practices drawn upon during their

\(^2\) VBDO is an acronym for De Vereniging van Beleggers voor Duurzame Ontwikkeling.
\(^3\) Association is a legal term in the Netherlands for organisations that act on behalf of its members.
\(^4\) See Appendix One (p. 240) for list of institutional investors
\(^5\) For example, VBDO’s attendance at shareholder meetings is funded by a number of its institutional members.
investment decision making. Concurrently, VBDO works with those organisations that demand capital (companies) to inform the CSR policies and practices that these organisations adopt. VBDO believes that these engagement actions enhance the adoption and implementation of CSR management and reporting mechanisms as it means institutional investors make more “responsible” investment decisions, while companies implement stronger CSR policies and practices in order to attract investment.

“VBDO believes that the capital markets determine whether a sustainable society stands a chance. This is why VBDO has chosen the capital markets to spread its vision of a sustainable society. The two parties in the capital markets that VBDO deals with are the (private and institutional) investors and the companies in which are invested. With specific actions, VBDO tries to convince both parties in the capital market to be more sustainable. Concern for people and environment will create a better world for our children and grandchildren. That is VBDO’s vision.” (VBDO, 2016)

It is important in answering my research questions that I examined a prominent advocacy organisation, one that had established a social position from where it can influence the nature of CSR policies and practices implemented by companies in a specific setting. It is clear that VBDO meets this criterion. It is widely regarded as the most influential advocate for CSR issues within the Dutch CSR field. Dutch companies actively respond to VBDO’s engagement and adapt their CSR policies and practices based on the outcome of this process. For example, following the publication of its benchmarks, VBDO often receives engagement requests from organisations to gain insights into how they can improve their implementation of specific CSR management and reporting mechanisms.

2.5.1.2 Data collection

Contact was initially made with VBDO in May 2013 when I6 met the executive director at the Global Reporting Initiative conference in Amsterdam. I proposed the potential of conducting an academic case study of VBDO to which the executive director responded encouragingly, and a follow-up meeting was arranged. This meeting took place in June 2013 where both Professor O’Dwyer and I were present. During this meeting, I was able to develop a better understanding of the exact nature of the role VBDO played within the Dutch field of CSR and was made aware of topics that would form the basis of future interviews. These interviews began in July 2013.

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6 Please refer to the Statement on Authorship on page 11 for further explanation on the use of the term ‘I’ within this chapter.
with a second meeting with the executive director. Consistent with my research objective of examining the VBDO’s evolution over time, I focussed attention on gaining the perspectives of a range of individuals who were directly involved with it from its establishment in 1995. In total, twenty-four semi-structured interviews were undertaken between June 2013 and October 2014. Of the twenty-four interviews conducted, twenty-three interviews were recorded and transcribed with interviews ranging from 40 minutes to 2 ½ hours (See Appendix Four, p. 244)).

Interviewees were identified through three separate selection processes. First, I was able to identify key individuals through VBDO’s website which provides detailed information on staff and members of its board of directors. Second, during the initial meeting with the executive director, I enquired as to whom he felt should be approached for an interview. A list of approximately fifteen individuals was provided. Third, at the end of each interview, I enquired of the interviewee as to any individual he/she felt may be able to assist with my study. A number of research participants were identified through this “snowballing” technique (Atkinson and Flint 2001). Prospective interviewees were contacted via e-mail to request their participation in the case study. In this email, a broad summary of the research project was outlined, along with information as to why the individual was asked to partake in the project. The vast majority of those individuals approached responded positively. Interview themes depended on the nature of the relation between VBDO and the interviewee. These themes included: historical interaction with VBDO, perceptions on VBDO’s engagement approach and accountability mechanisms, perceptions on the role of VBDO in the Dutch CSR field, impact of VBDO’s accountability mechanisms on field participants, evolution of VBDO over time, the internal activities VBDO undertakes to conduct engagement, problems or challenges VBDO experience when operating engagement, and a general discussion on the impact of stakeholder engagement on corporate accountability.

At the beginning of each interview, I outlined the nature of the project being undertaken, why the interviewee was contacted, and what the expected outcome of the project would be. Following this, interviewees were asked to outline their current position, past work experience, and the relation between the interviewee and VBDO. Interview themes were approached on a loose basis. This allowed me to follow emerging trends during each discussion. An interview guide was created for each interview which ensured that all key points were discussed with each
interviewee. Prior to the end of each interview, I reviewed this document to ensure all themes were addressed. In addition, interviewees were asked if they felt any important themes or discussions that were relevant for the study were not addressed. This helped to ensure the most important perceptions of each interviewee were attained. During each interview, notes were taken of key points raised and at the end of each interview, detailed interview summary sheets were completed (See Appendix Three, p. 242). This allowed me to record the main insights and themes from the interview, consider how the interview compared to prior interviews, summarise the information received on targeted topics, outline additional target questions to consider for future interviews, and note follow-up matters such as interviewee requests, new contacts, or relevant documentation.

2.5.1.3 Data analysis: Paper one

Key themes were identified and recorded during the data collection phase. This meant that there was not a distinct “data collection” and “data analysis” phase, with these phases overlapping and occurring, at times, concurrently (Gioia et al. 2013; Lincoln and Guba 1990). An informal analysis of interview data was carried out after 6 and 12 interviews where emerging themes were identified and recorded. This was particularly important as it allowed me to track emerging themes during the data collection phase and allowed me to amend the interview protocol to reflect these issues. When all twenty-four interviews were completed, collected data was analysed using ATLAS.ti. Four data sources were drawn upon in this process 1) notes taken during the interviews, 2) interview summary sheets, 3) interview transcripts, and 4) documentary. Initially, all interviews were listened to while reading transcripts to ensure accuracy. Additional themes were added to interview summary sheets during this phase. The process of data analysis then followed a three-stage process: 1st order concepts, second order themes, aggregate dimensions (Gioia et al. 2013).

During the second reading of interviews, first round coding took place. A free coding approach was undertaken to ensure that prior reading of the transcripts did not overly influence my analysis. As a result, approximately 100 codes existed following this phase (See Appendix Five, p. 245). First round coding makes little attempt to distil categories from the data, with the focus instead on leveraging interviewee terms during this process (Gioia et al. 2013). As a result, researchers often can be overwhelmed by the number of codes that exist and feel “lost.”
However, Gioia et al. (2013) argue that getting lost at this stage of data analysis can be important, suggesting “you got [to] get lost before you can get found” (p. 20). Furthermore, during this stage, VBDO’s engagement reports were examined to understand how its engagement operated, how its accountability mechanisms were constructed and evolve over time, and for evidence of organisations responding to VBDO’s engagement interactions.

During the second phase, first order concepts were collapsed into 13-second order themes (See Appendix Six, p. 247). This process involved re-reading transcripts, interview summary sheets, and interview notes. At this stage of the data analysis process, researchers need to seek similarities (or differences) in the data (Gioia et al. 2013). The ultimate aim of this process is to categorise. More specifically, researchers seek to move from the messiness of first round coding to a more manageable catalogue of codes. Ultimately, second round coding allows the researcher to consider, for the first time, what’s going on here. Accordingly, theory begins to play a role at this stage of data analysis. Researchers seek to explore whether emerging themes suggest that specific theoretical concepts “might help describe and explain the phenomena we are observing” (Gioia et al. 2013; p. 20). During this data analysis phase, each second order theme was given a definition and at the conclusion of this process, analysed data was more accessible and more informative.

During the third phase, second order concepts were collapsed into three aggregate dimensions: VBDO’s efforts to accumulate capital, factors influence the maintenance of accumulated capital, and field conditions that influence/restrict VBDO’s social position. A distinct effort was made during this round of coding to relate second order themes to the accumulation of social, cultural, and linguistic capital. A detailed mind map linking second order themes to my chosen theoretical framework was created. Collapsing second order themes to aggregate dimensions is not always possible as theoretical saturation may occur during second round coding. Specifically, theoretical saturation is used to describe the culmination of the theme and concept development process. However, it was possible for me to further collapse my second order themes. This allowed me to construct a data structure that neatly configured my data. This graphical representation was useful in two ways. First, it illustrated how I conducted the data analysis, strengthening the dependability of my research approach. Second, it provided me with distinct categories of data which allowed me to think about the process of power accumulation and to link my empirical
findings to specific theoretical concepts (in this instance, Bourdieu’s concepts of field, capital, and habitus). This allowed me to interpret the data, visualise how capitals were accumulated over time, understand how the field of CSR conditioned this process, and thereby draft a narrative to illustrate and explain this sequence of events. Following the completion of this phase, a final re-reading of transcripts was then undertaken primarily to seek out contradictions on key themes and findings.

2.5.1.4 Data analysis: Paper two

Paper two (chapter four) examines the internal actions implemented by VBDO in order to organise its engagement activities in the Dutch CSR field. This empirical focus necessitated an examination of the micro-level activities VBDO undertook to practice engagement and to understand how these actions influenced the nature of its engagement activities. Accordingly, it was deemed important to understand the perceptions of both VBDO staff and participants of the Dutch CSR field with whom VBDO conducted engagement. This paper drew on the same twenty-four semi-structured interviews analysed in paper one and was written approximately 12 months after the data analysis for paper one was undertaken. During this time, I considered numerous frameworks and research questions, many of which were rejected as they did not offer potential empirical or theoretical contributions or due to insufficient data. Once an appropriate research question was identified that could be answered with collected data and an appropriate theoretical framework was selected, the processes of data analysis commenced.

A two-stage data analysis process was undertaken, one which was highly influenced by the theoretical framework adopted in this paper. First, interview transcripts were re-read to re-familiarise myself with their content. This involved a review of the first order concepts that were drawn upon in paper one. First order concepts that were deemed relevant to the aims and objectives of paper two were highlighted, while those deemed irrelevant were discarded as they were not helpful in understanding my research objective. Approximately 50 codes existed following this analysis. This phase was similar to the data reduction phase as outlined by O’Dwyer (2004) whereby I completed a general overview of collected data, identified and recorded relevant themes to answer my research objective, reflected on my analysis, and re-visited transcripts to ensure no patterns or themes were ignored. At the completion of this stage, first order concepts were still in “messy” form. The second phase of data analysis sought to
categorise this data. This phase allowed me to think theoretically and to determine how I could approach the task of providing an answer to my overall research objective. During the second round of coding, codes were collapsed into second order concepts (See Appendix Seven, p. 248). This phase took a distinct theoretical focus where two categories existed. The first category “Development of a resonant engagement frame” focused on understanding how VBDO’s engagement frame was co-constructed over time. Three theoretically informed sub-categories of empirical credibility, status as a claims-maker and frame consistency were highlighted in order to unpack how frame resonance was attained. The second category “Challenges to engagement frame resonance” focused on understanding how the resonance of VBDO’s engagement frame was impacted when VBDO conducted engagement. Four theoretically informed sub-categories of empirical credibility, status as a claims-maker, frame consistency, characteristics of engagement targets were drawn upon in order to unpack how frame resonance was maintained over time. This data structure, outlined in appendix seven (p. 248), allowed me to interpret my findings, structure my case narrative, and ultimately provide a contextually informed answer to my research objectives.

2.5.2 Case study two: The Corporate Responsibility Coalition (CORE)

2.5.2.1 About CORE

The Corporate Responsibility Coalition (CORE) was established in 2000 as the Corporate Accountability Network (CAN) by representatives of numerous advocacy organisations including New Economics Foundation, Traidcraft, Friends of the Earth, Amnesty International, the Royal Institute of International Affairs and the World Wildlife Fund. CAN was initially formed to informally discuss how to best take advantage of the opportunities presented by the company law review process which was announced by the UK Labour government in 1998. Accordingly, on its establishment, CAN was largely unstructured and members mostly corresponded through e-mail. In 2001, representatives from New Economics Foundation and Traidcraft sought to formalise the network in order to implement a corporate accountability campaign that directly sought to embed stringent social and environmental standards in UK company law. The formalisation of the network saw the establishment of a steering committee to oversee its corporate accountability campaign and the hiring of a director and coordinator to
manage CORE’s day-to-day activities. The coalition was funded both by its member organisations and through the attainment of a grant from the Joseph Rowntree Trust Foundation.

CORE’s corporate accountability campaign largely focused on political lobbying, where the steering committee drafted numerous CSR Bills and responded to Government proposals in an effort to influence the process of legislative passage. Specifically, CORE’s policy demands centred on the following three issues:

- That large and medium-sized companies should have to report annually on their environmental and social impacts;
- That directors should have a legal duty to minimize, manage and mitigate their environmental and social impacts; and,
- That obstacles should be removed to ensure foreign victims of UK companies can access justice in the UK, should they not be able to access justice in their home country.

2.5.2.2 Data collection

Contact was made with the first director of CORE via the professional networking website LinkedIn. In an introductory e-mail, a brief overview of the research project was outlined to which the recipient responded encouragingly. An interview was arranged, which due to location restrictions, was conducted via Skype in March 2015. Prior to this interview, I endeavoured to gain an understanding of the role CORE played during the company law reform process by collecting information from CORE’s website. This initial interview focused on substantially deepening such understanding and thus focused on CORE’s formation, the approach it adopted to influence the company law reform process, and the influence it was able to achieve. Furthermore, I discussed relevant participants for the case study which guided those individuals I subsequently approached for an interview. Following this interview, it was clear to me that I would draw on two primary sources of data: interview data and documentary data.

Interview data. The interview process adopted in this case study mirrored that adopted for the collection of data for the case study of VBDO (See section 2.5.1.2). Accordingly, in advance of each interview an interview guide was prepared, at the commencement of each interview participants were informed of the nature of the case study and permission for recording the interview was sought, notes were taken during the interview, and an interview summary sheet was completed upon conclusion of the interview. In total ten interviews were conducted between March 2015 and May 2016 (See Appendix Eight, p. 250). Prospective interviewees were
contacted via e-mail to request their participation in the case study, with this e-mail including a broad summary of the case studies objectives. A small number of participants declined to participate in the case study as they played a limited role in CORE’s corporate accountability campaign (i.e. were incorrectly referred). All but one interview was conducted via Skype due to proximity issues. The following interview themes informed each interview: personal information on each interviewee, the establishment of CORE, the enactment of the corporate accountability campaign, and the follow-up implementation work following the conclusion of the company law reform process. Sub-themes for each of these are outlined in table 2.4.

### Table 2.4. Interview sub-interview themes

<table>
<thead>
<tr>
<th>1. Personal Information</th>
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<tbody>
<tr>
<td>i. personal information on the interviewee and how they became involved in the coalition;</td>
</tr>
<tr>
<td>ii. involvement in other advocacy campaigns and how CORE’s campaign compared</td>
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<th>2. Establishment of CORE</th>
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<td>i. how the coalition was formalised</td>
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<td>ii. internal dynamics between coalition members</td>
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<td>iii. how the initial strategy was decided? More specifically, why reporting, directors duties, and access to justice were selected as its principal campaign objectives</td>
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<td>iv. why the coalition decided to focus primarily on parliamentary lobbying</td>
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<th>3. Corporate accountability campaign</th>
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<td>ii. how relations with Members of Parliament were cultivated</td>
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<th>4. Follow-up implementation following conclusion of the company law reform process</th>
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<td>ii. the internal dynamics within CORE following the completion of its campaign</td>
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<td>iv. what was the future vision for CORE at this time</td>
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**Documentary data.** Documentary data was collected from three sources: internal documents provided to me by members of CORE’s steering committee, debates from the Houses of
Parliament during the process of legislative passage, and media articles. Internal documents included strategy documents formulated by CORE’s steering committee, CORE’s responses to Government consultations, e-mail correspondence, public campaign documents prepared by CORE to mobilise the general public, and a document prepared by CORE’s coordinator reviewing its participation in the company law reform process. Parliamentary debates were also collected in order to understand statements made by Members of the House of Commons and the House of Lords during the process of legislative passage. This data enabled me to examine the passage of the Operating and Financial Review Statutory Instrument through both Houses in 2005 and the passage of the Companies Bill between November 2005 and October 2006. Lastly, media articles were collected from Lexus-Nexus from leading news publications the Financial Times, the Guardian, the Independent, and the Telegraph between January 2000 and December 2006 using the terms “corporate responsibility coalition”, “CORE”, “operating and financial review”, “OFR”, “business review” and “company law reform”. This data allowed me to ensure I was able to identify and record all key events that occurred during the company law reform process related to social and environmental legislation, while triangulating other documentary data and interview data that was collected.

2.5.2.3 Data analysis

Data analysis was undertaken throughout the study. I initially drew on documentary analysis to gain an understanding of how company law reform evolved over time and to comprehend the extent of reforms the Companies Act instigated. This modified form of content analysis (Canning and O'Dwyer 2016) enabled me to highlight key debates that occurred during the reform process, identify key actors involved, and formed the basis for my initial interviews with members of CORE’s steering committee. Ongoing analysis of interviews and documentary data was undertaken until interviews were completed. Following the completion of interviews, an extensive analysis of documentary data was undertaken in order to gain a complete understanding of the responses CORE’s political lobbying gained from the Government throughout the company law reform process.

All documentary data was collated in Atlas.Ti and subsequently coded (Silverman 2013, Silverman 2006). A process similar to that described in section 2.5.1.3 was followed. Interviews were initially listened to while reading transcripts to ensure accuracy (Kreiner and Mouritsen
The first round of coding sought saw a loose coding approach that resulted in approximately 65 codes being produced (See Appendix Nine, p.251). The main aims at this stage of the coding process were to (1) gain deeper insight into the efforts CORE undertook to influence company law reform at each stage of the reform process\textsuperscript{7}, (2) examine the Government’s proposals and Government initiated consultation processes in order to understand how the reform process evolved over time, and (3) examine the coverage of the reform process in the media, particularly CORE’s corporate accountability campaign.

During the second round of coding (Gioia, Corley, and Hamilton 2013), an extensive effort was undertaken to incorporate theory into my analysis. Accordingly, the forms of work proposed by Lawrence and Suddaby (2006) were used as a guide to understand the nature of institutional work instigated by both CORE and the Government throughout the reform process. It was at this stage of data analysis that I identified an opportunity to develop the institutional work framework. Specifically, the existing forms of work did not allow me to understand and explain the interactions I evidenced between CORE and the Government during the reform process. In particular, I was unable to theorise the Government’s response to, and active suppression of, CORE’s lobbying. Accordingly, first round codes relating to the Government actions and strategies were grouped into distinct categories that illuminated the Government’s response to CORE’s actions over time (See Appendix Ten, p. 253). This process involved an intricate process of moving between data and the existing literature on institutional work in order to provide a comprehensive description of the foundations of the emerging forms of institutional work the paper sought to introduce to the literature.

The final stage of the coding process grouped second order themes into distinct categories that represented the forms of institutional work evidenced during the reform process (See Appendix Eleven, p. 254). This largely focused on identifying and naming the new forms of suppression work. Following a further review of existing institutional work literature, three new forms of suppression work were ultimately identified. A final re-reading of interview data and documentary data was undertaken upon completion, primarily to identify contradictions in my understanding of the reform process (Huberman and Miles 2002).

\textsuperscript{7} The process of legislative reform can be divided into three sections: agenda setting, process of legislative passage, and policy implementation. Each of these stages are discussed in more detail in section 5.2.1.
2.6 Chapter summary

This chapter first introduced the different philosophies of accounting research, discussed interpretive research, and described two research methods deployed in this thesis. It then provided a detailed description of the research approach adopted in each of the two case studies. The thesis proceeds by presenting three research papers across chapters three, four and five. This is followed by a discussion of the empirical and theoretical implications of each paper’s findings in chapter six.
CHAPTER THREE: ADVOCACY ORGANISATIONS AND CORPORATE ACCOUNTABILITY – THE ACCUMULATION, CONVERSION AND MAINTENANCE OF CAPITALS IN THE FIELD OF CORPORATE SOCIAL RESPONSIBILITY

3.1 Abstract

Advocacy organisations play an increasingly prominent role in shaping corporate social responsibility (CSR) management and reporting practices. This paper examines how an influential Dutch advocacy organisation mobilised collaborative engagement in order to shape the CSR management and reporting practices of Dutch listed companies. The paper uses key aspects of Bourdieu’s theory of practice to study the manner in which subordinate actors in a field mobilise forms of accounting to accumulate field-salient capitals. We unveil the nature of, and the influences on, the interrelated capital trajectories and capital instabilities inherent in the advocacy organisation’s attempts to secure social and cultural capital and the role its operationalisation of accountability mechanisms played therein. Our theoretical focus offers a unique insight into the contested nature of the capital accumulation process. This highlights the fragility of acquired capitals, the extent of their convertibility, and the struggles subordinate actors encounter in the face of this dynamism as they seek to secure a prominent field position. Within this process, we illustrate how the advocacy organisation struggled to mobilise the strategies prior work suggests contribute to the attainment of symbolic capital. We draw on our findings to contest recent work suggesting that corporations can smoothly secure symbolic capital by co-creating CSR reports with stakeholder groups. We also extend work examining the diffusion of CSR reporting by unveiling the process through which advocacy organisations can have a pioneering role in establishing and diffusing voluntary CSR reporting norms, albeit in a more dynamic, contested and unpredictable manner than prior research suggests.
3.2 Introduction

In the past decade, global conglomerates have enthusiastically embraced a variety of corporate social responsibility\(^8\) (CSR) management and reporting mechanisms in order to demonstrate their commitment to and accountability for their broader impacts on society. Numerous CSR frameworks have been established to support these efforts to improve the development, implementation and disclosure of sustainability policies and practices of large corporations (Compact 2016). Recent years have, however, also seen a number of corporations embroiled in scandals that question the substantive impact of these mechanisms. For instance, we have witnessed the collapse of a factory building killing more than 1,100 people (supply chain policies), companies artificially reducing effective tax rates by adopting specialised tax avoidance schemes (tax policies), an increase in off-shore drilling in problematic areas such as the Arctic (environmental policies), the illegal trans-continental transfer of consumer data by organisations such as Facebook and Google to the United States Government (privacy protection policies), and a leading car manufacturer, Volkswagen, falsifying its emissions testing (environmental policies) (Crane and Matten 2014, Matthews and Gandel 2015) Given the voluntary nature of most of the CSR frameworks being adopted and the apparent frequency with which high-profile CSR scandals have emerged, the implementation of CSR management mechanisms, and accountability for their implementation, is an area of increasing research interest (De Bakker et al. 2013, Fleming, Roberts and Garsten 2013)

In the wake of these scandals and the operationalisation of multiple CSR frameworks, CSR advocacy organisations have played an increasingly prominent role in influencing the processes that institutionalise corporate social responsibility and accountability (Stafford and Hartman 1996, O’Sullivan and O’Dwyer 2015)\(^9\). At an institutional level, they have partaken in the

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\(^8\) Corporate social responsibility within the current study represents a broad definition for the reporting practices and day-to-day policies implemented by companies in order to manage the social and environmental impact of their economic activities. The definition includes CSR (corporate social responsibility) reporting (or sustainability reporting) (Bebbington, Larrinaga, and Moneva, 2008; de Villiers and Alexander, 2014; Gray, Owen, and Adams, 1996) which relates to disclosures by companies related to their impact on society or the natural environment (de Villiers and Alexander, 2014). The definition also encompasses corporate social responsibility policies implemented by companies in an attempt to minimise their impact on society or the natural environment.

\(^9\) We conceive of a CSR advocacy organisation as an organisation representing various members sharing a common commitment to its mission. It undertakes engagement either at an institutional level, to promote the development of CSR frameworks, or at an organisational level, to promote the better integration of social and environmental management and reporting practices within companies.
processes through which the management and reporting frameworks that facilitate the governance of organisations’ social and environmental practices are created (O’Sullivan and O’Dwyer 2015, O’Sullivan and O’Dwyer 2009). Concurrently, at an organisational level, they have attempted to influence the adoption of CSR management and reporting mechanisms through direct engagement with corporations (Deegan and Blomquist 2006). While a significant body of literature examines the potential for, and consequences of, such actions (Archel et al. 2011, De Bakker 2012, Gray 2010, Rasche et al. 2013, Doh and Guay 2006) most studies focus on the role these organisations play in the process through which institutional CSR frameworks are developed (Archel et al. 2011, Cooper and Owen 2007, O’Sullivan and O’Dwyer 2015, O’Sullivan and O’Dwyer 2009). We are therefore limited in our understanding of how these organisations seek to influence the adoption of, and accountability for, CSR management and reporting frameworks at the organisational level.

This paper investigates how an influential Dutch CSR advocacy organisation (named VBDO) sought to shape the adoption of CSR management and reporting mechanisms by companies operating in The Netherlands. We mobilise Bourdieu’s interrelated concepts of field, capital and habitus (Bourdieu 1977, Bourdieu 1984, Bourdieu 1989, Bourdieu 1990, Bourdieu 1991, Bourdieu and Wacquant 1992) to theorise the dynamics underpinning VBDO’s efforts to enter and attain authority in the Dutch field of CSR. Bourdieu’s concepts have previously been used to deepen our understanding of how various forms of accounting (and auditing) operate in and influence multiple settings (Andon et al. 2014, Chenhall, Hall and Smith 2010, Cooper and Joyce 2013, Killian and O'Regan 2016, Malsch et al. 2011, Neu et al. 2013, Oakes et al. 1998, Xu and Xu 2008). Our analysis of VBDO’s efforts pays particular attention to the process of capital accumulation and conversion. We unveil the nature of, and influences on, the interrelated capital trajectories and capital instabilities inherent in VBDO’s capital accumulation and conversion process and the central role VBDO’s development and operationalisation of accountability mechanisms played therein. This orients our thinking towards the role forms of accounting play in the acquisition of field-specific influence by highlighting how accountability mechanisms are not only implicated in the process through which actors seek to influence action in a field but
also represent an important source of capital that can shape the outcome of legitimation struggles within a field (see also: Neu et al. 2013)\(^\text{10}\).

VBDO\(^\text{11}\) is the Dutch Association of Investors for Sustainable Development, a membership association\(^\text{12}\) that promotes corporate accountability among Dutch listed companies through organisational-level engagement. Its membership comprises both institutional and private members. Institutional members include institutional investors, consulting firms and civil society groups such as non-governmental organisations (NGOs) who support VBDO’s efforts to promote the integration of improved CSR policies, practices and reporting among Dutch listed companies and institutional investors\(^\text{13}\). VBDO’s engagement operates through various self-constructed accountability mechanisms and since its establishment in 1995 it has grown to encompass over 75 institutional and 550 individual members. It is widely regarded as the most influential advocate for CSR issues within The Netherlands with several major Dutch companies having changed their CSR management and reporting in response to its endeavours.

By examining the process through which VBDO sought to accumulate capitals in the Dutch CSR field, this paper is situated parallel to meso-level studies that mobilise Bourdieu’s concepts in the accounting literature (Andon et al. 2014, Neu et al. 2006, Neu et al. 2008, Rahaman et al. 2007, Cooper and Joyce 2013). Malsch et al. (2011) suggest that accounting, as a technology of governance, is deeply implicated in the processes through which systems of domination are challenged and reproduced in specific fields and that the “dynamic Bourdieusian praxeology” can allow us to examine how powerful actors are challenged within the field of CSR (p. 221). Our analysis offers one such examination by studying how a series of accountability mechanisms were developed and mobilised by a subordinate actor (VBDO) in its efforts to influence action in the Dutch CSR field.

\(^{10}\) Neu et al. (2013) showed how open book accounting facilitated the acquisition of cultural capital. Our focus is on how VBDO’s development and operationalisation of various accountability mechanisms influenced their efforts to gain and convert capitals in order to attain an influential position in the Dutch CSR field.

\(^{11}\) De Vereniging van Beleggers voor Duurzame Ontwikkeling (VBDO) or the Dutch Association of Investors for Sustainable Development. While the English translation of VBDO suggests it is an association exclusively for investors, its membership base includes NGOs and consulting firms and it acts on behalf of both civil society and the institutional investment community.

\(^{12}\) Association is a legal term in the Netherlands for organisations that act on behalf of their members.

\(^{13}\) Institutional members include organisations such as Oxfam Novib, Rabobank, ING Bank, and KPMG Sustainability (see Appendix One; p. 240).
The study makes the following contributions. First, the paper re-orient the mobilisation of Bourdieu’s theory of practice in the accounting literature towards the dynamic manner in which subordinate actors draw on forms of accounting to accumulate field-salient capitals. Bourdieu’s empirical work was especially interested in discovering how actors lacking field-salient capitals could seek to influence action in specific settings (Bourdieu 1991). Extant studies, however, tend to focus on how powerful actors, with pre-existing stocks of capital, use various forms of accounting to shape activities in disparate fields (Edwards and Walker 2010, Fourcade and Healy 2013, Walker 2014, Neu 2006, Neu et al. 2013, Neu et al. 2006, Neu et al. 2008, Rahaman et al. 2007), with limited attention being afforded to the dynamics underpinning the process through which capitals are accumulated, converted (and lost) over time (Andon et al. 2014). We unveil how VBDO, a subordinate actor in the Dutch CSR field, sought to attain and maintain different forms of capital in order to position itself prominently in this field. We show how VBDO’s development and operationalisation of a variety of accountability mechanisms enabled its efforts to enhance its position among a hierarchy of field participants. Our theoretical focus on capital trajectories and instabilities offers a unique insight into the contested nature of the capital accumulation process, emphasising the fragility of capitals, the extent of their convertibility, and the struggles subordinate actors encounter in the face of this dynamism. Overall, we highlight the need to more explicitly and carefully examine the forms of capital as dynamic concepts whose volume and value fluctuates over time, and in particular how the source of their instability and vulnerability can pose significant challenges for subordinate actors seeking to position themselves in a field.

Second, the paper develops our understanding of how accounting, in the form of accountability mechanisms, influences the accumulation of cultural capital (Neu et al. 2013). We reveal how the manner in which VBDO developed and operationalised its accountability mechanisms enabled its accumulation of a fragile form of linguistic capital – a sub-form of cultural capital. We show how the core characteristics of VBDO’s accountability mechanisms, especially the way they were co-produced with members of VBDO’s network in order to build social capital, adhered to the rules governing acceptable and legitimate discourse in the Dutch CSR field. This enabled VBDO to speak easily and meaningfully with key members of its network in the field. Acquiring and maintaining linguistic capital was, however, contingent on VBDO censoring its utterances and actions in the construction of, implementation of, and communication around its
accountability mechanisms. This generated considerable tension as VBDO simultaneously sought to reorient a prevailing logic of ‘gentle, consensual reform’ underpinning the rules of the game in the CSR field in order to substantively influence the nature and quality of CSR reporting. The process we unveil illustrates how subordinate actors struggle to effectively mobilise the strategies that prior work suggests can contribute to the attainment of symbolic capital (see Andon et al. 2014; Xu and Xu 2012).

Third, the paper extends our understanding of how advocacy organisations seek to induce improved corporate accountability by stimulating sophisticated CSR reporting (Archel et al. 2011; Cooper and Owen 2007; O’Sullivan and O’Dwyer 2015). This responds to calls for more studies examining how subordinate actors challenge organisational and institutional norms in order to induce improved corporate accountability (Unerman and Chapman 2014). First, we reveal the dynamic, contested process through which VBDO sought to operationalise organisational-level engagement with powerful field participants. Our analysis challenges recent case-based work which suggests that powerful corporations can smoothly secure symbolic capital through ‘co-created’ CSR reporting. We show how this work neglects to unveil the complex process through which symbolic capital is attained and how this is influenced by the acquisition, conversion (and loss) of other forms of capital (see, Killian and O’Regan 2016). We contend that greater nuance is required when examining the role of, the interrelationships between, the dynamic nature of various forms of capital when seeking to understand the relations between actors essential to the evolution of fields focused on CSR reporting. Otherwise, there is a danger that too much significance may be afforded to the substantive impact of CSR reporting, co-created or otherwise, in inevitably contested fields (see also, Archel et al. 2011). Second, we extend work examining the diffusion of CSR reporting by unveiling the process through which advocacy organisations can have a pioneering role in establishing and diffusing voluntary CSR reporting norms, albeit through a more dynamic, contested and unstable route than prior work proposes (Bebbington et al. 2012). Overall, we demonstrate how these organisations can become more than an audience for CSR reporting and can actively influence the process through which CSR management and reporting mechanisms are constructed, implemented and reported on by organisations (Arenas, Lozano and Albareda 2009, Cooper and Owen 2007).
The paper proceeds as follows. Section two outlines the theoretical concepts adopted from Bourdieu, especially the concepts of field and capital, and how these are mobilised to understand VBDO’s efforts to enhance the accountability of Dutch listed companies. Section three outlines the research methods while sections four and five describe the case context and the Dutch CSR field. The case narrative is presented in section six while section seven discusses the findings in the context of the theoretical framing and related empirical work on CSR reporting. Section eight concludes the study and offers some suggestions for future research.

3.3 Theoretical Framing

Bourdieu’s interrelated concepts of field, capital and habitus have been mobilised to enhance our understanding of how assorted forms of accounting function in and shape different contexts (Everett 2002, Malsch et al. 2011). Following Bourdieu, we use these concepts in a generative fashion by confronting them with a new empirical realm (Oakes et al. 1998, Vaughan 2008, Sallaz and Zavisca 2007). In this section, we elaborate on the concepts and indicate how they are mobilised to theorise our case analysis.

3.3.1 Social position, capitals and the field

Fields represent “semi-autonomous networks of social relations, structured systems of social positions within which struggles or [manoeuvres] take place over resources, stakes and access” (Bourdieu 1991, p.14). The structure of a field is determined by the relations between dominant and subordinate actors occupying field positions that are continually contested (Bourdieu 1990, Bourdieu and Wacquant 1992, Webb, Schirato and Danaher 2002, Swartz 1997). A field’s state of change is contingent on the nature of these contestations as actors seek to establish a dominant status enabling them to impose their vision of what the rules of the game in the field should be. This was the task that VBDO embraced when it entered and sought to position itself prominently in the Dutch CSR field (Van Aaken, Splitter and Seidl 2013).

All actors in a field share a tacit acceptance that the specific ‘field of struggle’ is worth pursuing (Swartz 1997, p. 123). Bourdieu refers to this deep structure of fields as the doxa. It represents “a tacit, fundamental agreement on the stakes of struggle between challengers and incumbents in fields” (Swartz 1997, p. 125) whereby learned, fundamental deep-founded unconscious beliefs and values are taken as self-evident universals, encompassing a form of field-specific “collective
consciousness.” These fundamental principles inform actors’ actions and thoughts within a particular field (Bourdieu and Wacquant 1992). Hence, despite continually seeking to reshape fields to their own advantage, actors have a shared interest in the existence and fundamental stakes of the field(s) they operate in (Emirbayer and Johnson 2008, Swartz 2008). Entry into a field requires an implicit concurrence with the rules of the game therein whereby only certain forms of struggle are legitimated (Bourdieu 1992, p. 98; Swartz 1997, p. 126; Gracia and Oats 2013). VBDO’s entry into the Dutch CSR field was, for example, contingent on and later complicated by its tacit acceptance of a dominant ‘gentle, consensual reform’ logic underpinning the ‘rules of the game’ in the field.

Actors’ positions in fields are determined by their possession of interrelated field-specific capitals (resources) such as economic, social and cultural capital. These positions determine the symbolically meaningful position-takings – works, arguments, stances, or products (such as accountability mechanisms) (Emirbayer and Johnson 2008) – they can adopt to distinguish themselves. While capital is a concept occasionally accused of empirical ambiguity (Vaughan 2008), its forms are widely defined. Economic capital refers to monetary amounts, which includes assets that can be immediately converted into monetary sums. Social capital is “the sum of the resources, actual or virtual, that accrue to an individual or a group by virtue of possessing a durable network of more or less institutionalised relationships of mutual acquaintance and recognition” (Bourdieu 1986, 1992, p.119 emphasis added). Social capital arises not simply from connections but from the added value that membership in a group brings (Everett, 2002 p. 63). Stability is a crucial, albeit often neglected, component of social capital as it contributes to its quality (see also, Chenhall, Hall, and Smith 2010). Durable, stable obligations arise when contingent relations are transformed into necessary and elective relations (Xu and Xu 2008).

Cultural (or informational) capital refers to various kinds of cultural knowledge, competencies, and dispositions (Bourdieu and Wacquant 1992). It comprises contextually-useful skills, knowledge, and expertise valued in a field which actors intentionally attain or passively absorb (Andon et al. 2014; Neu et al. 2013). Embodied cultural capital alludes to longstanding dispositions of the body and mind and is influenced by the field(s) to which the actor is exposed.
and his/her historical experiences\textsuperscript{14} (Cooper and Joyce 2013). It is acquired by operating in a field over a period of time and by developing a deep understanding of the field’s context (Lamont and Lareau 1988, Neu et al. 2013). Cultural capital can be undermined when actors are confronted with constant criticism and suspicion, and therefore its maintenance requires continual attention. Given VBDO’s ambition to attain cultural authority as shapers of opinion on accountability for CSR, cultural capital represented the key form of capital it sought to acquire to gain a stable and powerful position in the CSR field. In order to acquire this prized capital, VBDO needed to gain widespread field recognition for its expertise and knowledge in CSR, especially from those organisations it targeted with its accountability mechanisms\textsuperscript{15}.

Neu et al. (2013) illustrate how forms of accounting can be a source of cultural capital that may be enlisted and utilised by a variety of social actors in specific settings. They show how the skillful use of accounting allowed corruption to occur in the Quebec Federal Government’s Sponsorship Programme and how accounting acted as a form of cultural capital within criminal networks through its influence in shaping internal practices. According to Neu (2006), accounting \textit{information} also represents a type of cultural capital as it is both a material resource and a way of influencing thinking and doing. A central element of VBDO’s efforts to position itself prominently in the Dutch CSR field required skilfully adopting accountability mechanisms aimed at attaining cultural capital capable of conversion into social and economic capital.

Linguistic capital is a sub-form of embodied cultural capital which derives from an actor’s competence to speak the legitimate language of a field. Such competence can aid actors’ attempts to position themselves in a field as “speakers lacking the legitimate competence are de facto excluded from social domains in which this competence is required, or are condemned to silence” (Bourdieu 2001, p.55). Xu and Xu (2008) found that the linguistic capital attained by modern Chinese bankers derived from their knowledge of western accounting practices and their

\textsuperscript{14} Two other forms of cultural capital are objectified and institutionalised cultural capital (Bourdieu 2008). \textit{Objectified} cultural capital relates to a form of social good (i.e. writings, painting etc.) through which those in its possession signify cultural understanding recognised by field participants. \textit{Institutionalised} cultural capital relates to formal education and the certificate of cultural competence such academic/professional qualifications bestow on the holder.

\textsuperscript{15} Different forms of capital can be transformed into other forms at different rates of exchange. The extent to which one form of capital can be exchanged for another and the degree to which it may be lost, varies considerably among fields (Oakes, Townley, and Cooper, 1998, p. 260). Fields also have different hierarchies of capitals (Bourdieu, 1990).
linguistic competence in English allowed them to emerge as natural leaders in the field of Chinese banking whereby they heavily influenced the adoption of uniform banking accounting classification and terminology. For VBDO, linguistic capital represents their capacity to speak easily and meaningfully with other field members in a ‘language’ of CSR that is widely accepted. This comes from knowing when (and where) to speak, knowing what to say and how to say it, and through possessing the ability to conduct meaningful conversations with other field members (see also, Andon et al. 2015, p. 1405; Carter and Spence, 2014).

Building linguistic capital requires an actor to anticipate how their discourse will be valued and perceived in a particular setting; they need to know how to speak and when. This necessary consideration can, however, result in euphemized expressions, representing a form of (self)censorship. Censorship here does not refer to the content of speech being forcefully restricted or prohibited; instead, it alludes to the necessity for speakers to accurately assess the conditions of the field in which their discourses are to be directed and to ensure that the rules of the field are adapted to (Bourdieu 1991, p.20). It emphasises again the importance of developing a deep understanding of the field’s context, and in particular, how an actor’s “feel for the game” – the specific rules of the field in question – is a crucial component in building cultural capital.

3.3.2 Conversion to symbolic capital

Each form of capital can undergo conversion into an elevated status, referred to as symbolic capital. A form of capital attains a symbolic state when it is ‘misrecognised’ as a capital and acknowledged instead as a legitimate unquestioned competence (Bourdieu and Wacquant 1992, p. 119). Hence, symbolic capital is a composite form of capital conferring high levels of prestige, renown, reputation and authority on its holder (Everett 2002; Webb et al. 2002) thereby bestowing the authority to ‘institute’ - i.e. to influence action and rules within a field. With symbolic capital, an actor’s position among the hierarchy of field participants is less susceptible to debate, meaning their field position is more stable than that of others not in its possession. It provides a crucial basis for a non-economic form of domination and hierarchy (Van Aaken et al. 2013). The role of the State in enabling the conversion of economic, cultural and social capital into symbolic capital can be crucial given its capacity to intervene in and exercise power over particular fields (Emirbayer and Johnson, 2008; Xu and Xu, 2008; Ramirez, 2001). Symbolic authority tends, however, to be attached to the most venerable establishments in a field rather
than to newcomers or subordinate actors such as VBDO (Emirbayer and Johnson, 2008; Swartz, 2008).

Prior work has uncovered the nature of the legitimating strategies actors adopt to attain symbolic capital. For example, Andon et al. (2014) uncovered three ‘practical gambits’ embraced by salary cap auditors in the Australian National Rugby League (NRL) and Canadian Football League (CFL) as they sought to position themselves in a newly established audit field. These encompassed: conscious ingratiating in which the auditors ingratiated themselves with auditees; the subsequent introduction of strict sanctioning of salary cap breaches; and appeals to fairness through the uniform application of audit procedures to all football clubs. Killian and O’Regan’s (2016) study of the construction of social reports by Shell in a local community in the north-west of Ireland argues that the production of these reports over an extended period, drawing on local community group narratives of how they had used money donated by Shell, allowed Shell to gain social capital which was gradually and incrementally translated into symbolic capital. Killian and O’Regan (2016) contend that these co-created reports formed part of a ‘social accounting’ process that acquired symbolic significance as part of the local culture due to the inclusion of the voices and stories of local groups. The reiteration of positive narratives around corporate-community relations in the social reports is deemed to have indiscernibly shifted local perceptions and afforded Shell significant legitimacy in the community despite extensive resistance to Shell’s operations among large parts of the community whose voices were excluded from these reports. In effect, they claim that the ‘local doxa’ was redefined and Shell’s legitimacy became embedded in the locality, a perspective which accords a core role for social accounting in assisting a powerful corporate entity to attain symbolic capital.

3.3.3 The nature and role of habitus

The manner in which actors act and respond within fields is in accordance with their habitus. Habitus represents socially-shaped dispositions that result in actors acting or reacting, either consciously or unconsciously, in certain ways in various situations. It provides them with cognitive frames and preferences that direct their actions (Golsorkhi et al. 2009) and is a concept that Bourdieu used to theorise action as neither wholly determined by social context nor wholly free therefrom (Emirbayer and Johnson, 2008). Habitus accounts for “the actual logic of actual practices” (Bourdieu and Wacquant 1992, p. 131) and is based on the premise that “human
action is not an instantaneous reaction to immediate stimuli, and the slightest ‘reaction’ of an individual to another is pregnant with the whole history of these persons and of their relationship” (Bourdieu and Wacquant 1992, p. 124). As Everett (2002) suggests, habitus represents “Bourdieu’s attempt to overturn, or at least reconcile, the subject-object duality” (p. 66). While dispositions are capable of change, they will remain durable and unchanged unless the actor experiences circumstances that he/she is not traditionally exposed to. Habitus “is [therefore] durable but not eternal …” (Bourdieu and Wacquant 1992, p. 133) implying that it is not as deterministic and reductive as sometimes suggested, thereby offering scope for strategic agency (Andon et al. 2014; Chia and Holt, 2006).

3.3.4 The dynamics of capital accumulation and conversion among subordinate actors

The concepts of field, capital, and habitus have previously been used to deepen our understanding of how various forms of accounting operate in diverse settings. At the macro-level, studies have examined the field-level consequences of the introduction of accounting to particular settings (Cooper and Joyce 2013; Killian and O'Regan 2016; Neu 2006; Neu et al. 2013). These studies frequently illustrate how struggles within fields not only take place over capital accumulation, but also over the naming of fields and the restricting of access to fields. Micro-level studies have examined the consequences for individual actors of the introduction of forms of accounting in particular organisational contexts (Oakes, Townley, and Cooper 1998) or studied the habitus of certain professional classes (Carter and Spence 2015). This study is situated parallel to meso-level studies in the accounting literature mobilising Bourdieu’s concepts. These studies largely direct attention to how configurations of capital within a field determine how accounting and accountability mechanisms are adopted and legitimated (Andon et al. 2014; Neu et al. 2006; Neu et al. 2008; Rahaman et al. 2007). For instance, actors with pre-existing stocks of field-salient capital frequently deploy specific accounting and/or accountability mechanisms to influence action in particular fields. As noted earlier, this work also illustrates how forms of accounting can be mobilised to help acquire field-salient capitals in order to strengthen actors’ existing field positions (see, Neu et al. 2013; Killian and O’Regan, 2016).

Bourdieu’s core concepts have largely been enrolled to investigate how powerful actors use forms of accounting to influence action in different fields (Neu, Ocampo Gomez, Graham, and Heincke, 2006; Killian and O'Regan, 2016; Neu, Silva, and Gomez, 2008; Rahaman, Everett,
and Neu, 2007). Limited attention has been afforded to how subordinate actors such as VBDO seek to mobilise accounting and accountability mechanisms to enter and position themselves in specific fields. This is surprising given the complicated, potentially intriguing and illuminating nature of the efforts subordinate actors like VBDO need to undertake to gain field-prized capitals, as they must balance adherence to the rules of the game of the field with simultaneously seeking a sufficiently strong social position from which to alter these rules. Moreover, within extant studies in accounting mobilising Bourdieu’s concepts, there is limited attention afforded to the detailed processes through which actors mobilise accounting and accountability mechanisms in order to build, develop, maintain, recover and convert capitals over time. This lack of explicit attention to the dynamic, potentially unstable nature of the capital accumulation process is surprising given how Bourdieu’s different forms of capital, and the dynamics of conversion between them, are widely viewed as representing one of the most original and important aspects of his work (Andon et al. 2014).

We focus on how VBDO, a subordinate actor entering the Dutch CSR field, developed and operationalised accountability mechanisms in order to facilitate its acquisition and conversion of capitals to position itself prominently in the field. Given our interest in examining the role accountability mechanisms played in the capital accumulation and conversion process, we direct specific attention to the dynamics underpinning social and cultural capital accumulation, maintenance, conversion, and diminution. The development and operation of accountability mechanisms can be crucial for advocacy organisations attempting to accumulate cultural capital as these mechanisms represent forms of linguistic expression which, to be deemed legitimate by other field participants, must take into consideration the formalities of the field in which they are to be expressed. How these mechanisms are implemented by an actor will provide it with an opportunity to display knowledge and competencies valuable in a specific context, thereby facilitating the accumulation of cultural capital.

3.4 Research Methods and Case Context

3.4.1 Data collection and analysis

Given that our research aim was to undertake an in-depth study of the process through which an advocacy organisation attempted to establish power and influence for its actions, the choice of a qualitative research approach was deemed appropriate (Cooper and Morgan 2008). Specifically,
this research method allowed us to develop an in-depth understanding of this process and the complexities underlying it. Contact was initially made with our case organisation, VBDO, in May 2013 when one of the authors met the executive director at the Global Reporting Initiative (GRI) conference in Amsterdam. The author proposed the potential of conducting an academic case study of VBDO to which the executive director responded encouragingly, and a follow-up meeting was arranged. This meeting took place in June 2013, and both authors were present. During this meeting, the authors were able to develop a better understanding of the exact nature of the role VBDO played within the Dutch field of CSR and discussed the topics that would form the basis of future interviews. These interviews began in July 2013 with a second meeting with the executive director. Consistent with our research objective of examining VBDO’s evolution, we focused our attention on gaining the perspectives of a range of individuals who were directly involved with VBDO from its establishment in 1995. In total, twenty-four semi-structured interviews were undertaken between June 2013 and October 2014. All interviews, apart from the initial meeting with the executive director, were undertaken by the first-named author. Of the twenty-four interviews conducted, twenty-three interviews were recorded and transcribed, with interviews ranging in length from 40 minutes to two and a half hours.

Interviewees were identified through three separate selection processes. First, the authors were able to identify key individuals through VBDO’s website which provides detailed information on current staff and current members of its board of directors. Second, during the initial meeting with the executive director, the authors enquired as to whom the executive director felt should be approached for an interview. A detailed list of approximately fifteen individuals was provided. Third, at the end of each interview, the interviewing author enquired of the interviewee as to any individual he/she felt may be able to assist with the study. In this respect, a “snowballing” technique was applied whereby individuals were referred through interviewees (Atkinson and Flint 2001). Interviewees were then contacted via e-mail to request their participation in the study. In this email, a broad summary of the research project was outlined, along with information as to why the individual was asked to partake in the project. The vast majority of those individuals approached responded positively. Interview themes depended on the nature of the relationship between VBDO and the interviewee. These themes included: historical interaction with VBDO, perceptions on VBDO’s engagement approach and accountability mechanisms, perceptions on the role of VBDO in the Dutch field of CSR, the impact of VBDO’s
accountability mechanisms on field participants, the evolution of VBDO over time, and a general discussion on the impact of stakeholder engagement on corporate accountability. All interviews began with the interviewer outlining the nature of the research being undertaken, why the interviewee was contacted, and what the expected outcome of the research would be. Following this, interviewees were asked to outline their current position, past work experience, and their relationship with VBDO. Interview themes were addressed on a loose basis. This allowed the interviewer to follow emerging themes in the discussion. An interview guide was created for each interview which ensured that all key points were discussed with each interviewee. Prior to the end of the interview, the interviewer reviewed this document to ensure all themes were addressed. In addition, interviewees were asked if they felt any important themes or discussions that were relevant for the study were not addressed. This helped to ensure the most important perceptions of the interviewee were attained at each meeting.

Key themes were identified and recorded during the data collection phase. Additionally, interview summary sheets were prepared for each interview, and an informal analysis of interview findings was carried out after the sixth and twelfth interviews where emerging themes were highlighted. Interview transcripts were organised using the ATLAS.ti software. Initially, all interviews were listened to while reading transcripts to ensure the accuracy of each transcript. Additional themes were added to interview summary sheets during this phase. This analysis followed a three-stage process involving the development of: first order concepts, second order themes, and overall aggregate dimensions (Gioia et al. 2013). During the second reading of interviews, first round coding took place. A free coding approach was adopted to ensure that prior reading of the transcripts did not overly influence the researcher. As a result, approximately 100 codes were extracted. During the second phase, these codes were collapsed into 17-second order concepts. This process involved re-reading transcripts, interview summary sheets and interview notes. During the third phase, second order concepts were collapsed into three aggregate dimensions: factors enabling VBDO’s accumulation of influence, restrictions on maintaining influence, and the evolution of VBDO’s accountability mechanisms. Throughout the analysis phase, a detailed mind map linking the second order concepts to the concepts of social and cultural capital was completed. A final re-reading of the transcripts was then undertaken primarily to seek out contradictions on key themes and findings. This facilitated the construction of a thick, themed description that was continually re-analysed and re-written as both authors
confronted it with Bourdieu’s concepts over an extended period in order to produce the case narrative presented in section 6.

3.4.2 Case Context: VBDO

Our case organisation VBDO, the Dutch Association of Investors for Sustainable Development, is a highly influential Dutch membership association that promotes corporate accountability through organisational-level engagement. It supports the notion of an ‘ideal society [as] a sustainable society that meets everyone's needs, now and in the future’. In order to attain this society, it seeks to influence the way capital markets operate in order to create ‘a sustainable capital market’, which it defines as ‘a market that considers not only financial criteria but also non-financial, social and environmental criteria’:

VBDO believes that the capital markets determine whether a sustainable society stands a chance. This is why VBDO has chosen the capital markets to spread its vision of a sustainable society. The two parties in the capital markets that VBDO deals with are the (private and institutional) investors and the companies ... which are invested [in] ... With specific actions, VBDO tries to convince both parties in the capital market to be more sustainable.

VBDO has both institutional and private members. Institutional members comprise institutional investors, consulting firms and civil society groups who support VBDO’s efforts to promote the integration of improved CSR policies and practices among Dutch listed companies and institutional investors. This forms part of its vision to increase sustainability awareness among companies and investors. VBDO’s engagement operates through various self-constructed accountability mechanisms that include direct engagement with companies, attendance at shareholder meetings, numerous benchmarks, the facilitation of stakeholder dialogues, and the production of thematic research reports (see Appendix Two, p. 241). Since its establishment in 1995, VBDO has grown to comprise approximately 75 institutional and 550 individual members. Its income stems from two primary sources: an annual membership fee from its institutional and private members and the sponsorship of specific accountability mechanisms by certain institutional members, primarily civil society groups.

VBDO is widely regarded as the most influential advocate for CSR issues within The Netherlands. Several major Dutch companies have responded to its engagement and changed their CSR policies and practices in response to its efforts. For example, a large Dutch multi-national divested a subsidiary based on VBDO’s recommendations as it was involved in the
The application of the notion of a field to an empirical setting is frequently a cause of debate (Bourdieu and Wacquant 1992, p.104). When attempting to identify a field, Bourdieu and Wacquant (1992) suggest that one should first analyse the position of the field in relation to the ‘field of power’ and then map the positions of agents within the field who compete for authority.

**Figure 3.1: The predominant actors in the Dutch field of CSR**

We characterise the field of CSR as a social space intersecting the economic field and the social and environmental field (see Figure 3.1). The CSR field comprises actors from the economic field that are actively attempting to integrate (social and) environmental practices into their day-to-day activities and operations. Their actions are primarily influenced by a field logic underpinned by “the law of material profit” and the accompanying need to acquire economic capital (Bourdieu and Wacquant 1992, p. 98). The social and environmental field includes actors such as civil society organisations and advocacy groups for whom social and cultural capital are particularly important. They actively seek to engage with actors in the economic field on matters of CSR with this engagement occurring in the CSR field where the economic and social and
environmental fields intersect. In their engagement, civil society organisations and advocacy groups frequently contest the overriding ‘material profit’ logic of the economic field.

The CSR field thus represents a space that was initially populated by actors from the existing economic and social and environmental fields. Legitimate actions and language, and the capitals deemed salient in the field were influenced by a struggle between dominant and subordinate actors from the economic and social and environmental fields and by the relationship of the CSR field to the ‘field of power’.

The field of power comprises a space where the dominant fields of a society interact and compete with one another (Bourdieu and Wacquant 1992, p. 76; Emirbayer and Johnson, 2008; Swartz 1997, 2008; Webb et al. 2002). It represents a macro-level arena of struggle across a range of ‘power fields’ possessing relatively large volumes of cultural, social and economic capital (Swartz 1997, p. 138). It includes the economic field, the intellectual field, the religious field, the media field, the military field, and the cultural field (Emirbayer and Johnson, 2008; Swartz 1997; Webb et al. 2002). The government, in the form of the state (bureaucratic-administrative) field, is also part of this field given its power and responsibility to manage at a national level.

The State field, the economic field, and media field represent the dominant fields that influenced position-takings and actions in the Dutch CSR field prior to VBDO’s formation. The State influenced the CSR field’s formation from its early emergence in the 1940s when societal concern for pollution led to increased scientific research and the establishment of the first pro-environmental conservation advocacy groups in The Netherlands (Cramer 2005, Woldendorp 2005). During the field’s evolution over the following decades, the Dutch Government was reluctant to intervene through regulation. This stance allowed the economic field to predominantly influence action within the CSR field as its ‘material profit’ logic underpinned economically focused position-takings and behaviour. The media field later established some influence through its role in exposing corporate scandals surrounding CSR topics which resulted in more sophisticated risk management practices being developed and adopted by Dutch corporations active in the CSR field. While actors and actions within the social and environmental field were increasing in prominence at the time of VBDO’s establishment in 1995, the field was, throughout the 1970s, 1980s and early 1990s, a largely dominated field,
partly due to the Dutch Government’s continuing reluctance to legislate for specific corporate social and environmental policies.

At the time of VBDO’s establishment in 1995, the principal actors in the CSR field comprised the State, Dutch listed companies, civil society organisations, advocacy groups, the media, institutional investors and consulting firms. These actors held varying positions in the hierarchy of field participants. The Government’s desire to let the CSR field regulate itself led to a growing number of advocacy groups and civil society movements from the social and environmental field seeking to position themselves more prominently in the field. They sought to directly influence action by publicly targeting corporations to promote enhanced accountability for CSR issues (Stafford and Hartman 1996, Van Der Heijden 2002). CSR-related actions were also emerging voluntarily at the corporate level as Dutch corporations began to publish social and environmental reports (Cramer, 2005). Corporate CSR practices were being encouraged through policies launched at the national level, such as the Green Fund System, which offered tax incentives for “green” projects, and at the global level, through the emergence of a best-practice frameworks for CSR reporting from an investor organisation in the USA called CERES, which later played a key role in the emergence of the GRI. Thus, VBDO’s entry into the CSR field in the mid-1990s coincided with the beginning of a period of expansion in the field both in terms of the practices occurring and the nature of the participants within the field.

3.5 Case Narrative

The case narrative chronologically analyses how VBDO sought to enter and establish an influential position in the Dutch CSR field by developing and mobilising a variety of accountability mechanisms. The first section unveils how VBDO established an initial position in the field and unravels its early accumulation and harnessing of highly contingent social capital. We show how the continual maintenance of this capital became dependent on VBDO’s accountability mechanisms adhering to the conservative rules of the game in the field which required VBDO to censor its actions and utterances. Section two uncovers how these mechanisms, in combination with VBDO’s evolving social capital and public reinforcement from the State, gradually facilitated its accumulation of cultural capital. This allowed it to become more confrontational thereby evolving the rules of the game in the field. Section three examines a period of transition that threatened VBDO’s initial positioning in the field. We show
how the fragility of its cultural capital (in the form of linguistic capital) was exposed by resistance to a proposed new accountability mechanism from part of its network. Section four illustrates how VBDO’s subsequent mobilisation of its members to co-produce a suite of new accountability mechanisms aided the conversion of social capital into cultural capital. The final section uncovers the difficulties VBDO encountered in converting its acquired social and cultural capital into symbolic capital given the extent to which it was continually scrutinised by other members of the CSR field.

3.5.1 Establishing a position in the CSR field: harnessing initial social and cultural capital

VBDO was established in 1995 by its founding executive director (termed “FED”). His prior work experience as an environmental consultant, in which he developed solutions to environmental issues for companies and NGOs, had provided him with an opportunity to work with a Dutch bank to develop a methodology for selecting environmentally friendly investments. Given that the concept of responsible investment was then barely developed in the Netherlands, he studied contexts where it was more advanced, notably the UK, in order to assist with the methodology design. His experience on the project led him to realise that the “question of corporate social responsibility (within) the finance sector was not viewed as important” at the time (FED, VBDO). This puzzled him as he felt that the finance sector had a major influence on sustainable development which was likely to escalate as attention to sustainable development increased. The insights he gained during the project influenced his subsequent decision to abandon his career as a consultant and to establish VBDO as an advocacy organisation focused on promoting the interests of sustainable investors in the Dutch CSR field.16

“One thing we noticed [at] that time, so you’re talking about the beginning of the 1990s … was that when there was this question about corporate social responsibility, the finance sector was out of view. So, nobody focused on the finance sector at all. It was, of course, all focused on the production companies, and no-one had any interest in the finance sector. I think that was because the finance sector is complex, is abstract. No-one from the Friends of the Earth or the WWF [World Wildlife Fund] …, Oxfam, any of these NGOs, they had nil expertise in the field of financial services, and on the other hand, the financial services [sector] had nil expertise in the field of green or social issues. Because, they thought, well, that’s not our business … moving money from A to B … is clean and has no social and environmental impact. That was the idea at [that time].” (FED)

16 VBDO was initially established to represent institutional and private investors who held sustainable investment portfolios. Its membership evolved during its development to include NGOs, professional services firms and employer representative groups.
In seeking to establish VBDO, he sought inspiration in the economic field where some investors were operating in a similar manner to the one he envisaged for VBDO. For example, he was aware of an association of private and institutional investors called the VEB\(^{17}\) that used shareholder meetings to raise questions on issues such as dividend policy, acquisitions and corporate governance in the Netherlands. “I said, well if they can do this for general investors, I could do this for sustainable investors” (FED, VBDO). He then set about mimicking the VEB’s practices and formally established VBDO as an association of institutional and private investors with a mission to promote enhanced social and environmental accountability among Dutch listed companies and institutional investors.

“So, I was interested in how could I mobilise at least parts of the financial sector, [to get] sustainability higher on the agenda of the big corporations, and so I just looked at [the] existing instruments you could use for that purpose. I didn’t want to start new legislation or anything like that. It was also at that time … [when] privatisation was high on the agenda … That discussion played in the background and also helped me to start … a kind of corporate governance in the field of sustainability. So there were different processes going on in society that helped [to] create VBDO, and an important one was the discussion on corporate governance in the Netherlands that asked investors to be more influential because there had been some big [problems] with the supervision of companies, not only in The Netherlands, but internationally.” (FED)

3.5.1.1  Leveraging an existing network to accumulate social capital

Central to the VEB’s ability to influence action in the economic field was its utilisation of the social capital derived from its network as a resource to raise awareness for the questions it posed at AGMs\(^{18}\). The FED initially focused on building a similar network that would allow VBDO to establish a position of strength in the CSR field. This required attracting institutional and private investors that supported VBDO’s responsible investment aims. His consulting position and prior experience meant that he had built strong personal relations with a number of Dutch institutional investors.

\(^{17}\) The VEB is a shareholder association that represents over 45,000 private and institutional investors in the Netherlands. It is a lobby organisation that undertakes three primary activities: 1) attends shareholder meetings to ask questions about issues such as dividend policy, auditing, capital and corporate governance, 2) lobbies Members of the Dutch Parliament and maintains close contact with regulators, market participants and other interest groups, and 3) undertakes legal action on behalf of shareholders in the aftermath of mismanagement. See: https://www.veb.net/over-de-veb-menu/over-de-veb.

\(^{18}\) We note a clear distinction between the fields in which VEB and VBDO operated. VEB’s aim was to direct attention to various corporate governance issues and was located in the broader economic field. VBDO, however, focused on CSR practices and was specifically located within the field of CSR. These fields overlap and are populated by similar actors (see section 5).
investors and he drew on these to commence building a network of institutional and private investors to support his ambitions for VBDO. One large mainstream bank, Rabobank, and two sustainable banks\textsuperscript{19}, Triodos and ASNBank, agreed to become VBDO’s first members. These banks were attracted by the promise of influence over how VBDO would act in the CSR field and by their perception that VBDO could evolve into a quasi-regulatory body governing actions in the field:

“We chose to be proactive … to really invest in sustainable banking. We recognised that there was no international framework creating any standard for the financial industry … and we said it is very important that there is a level playing field with benchmarks. … The industry needed to be active itself rather than … government and others creating a world for us … And then VBDO came about. It was natural that we would support it. Its initial aims matched what Rabobank was looking for at that time. It wanted VBDO to develop to pressure industry.” (VBDO Board 3)

The FED worked to establish VBDO as a non-profit association employing full-time staff. He insisted that VBDO would not rely on voluntary work and had to be transparent regarding its income sources and activities, to the extent that, from its first year, its financial report was externally verified. An AGM was established where a board of directors was elected and quarterly meetings were arranged to allow institutional members to discuss VBDO’s strategy with the FED.

The founding institutional members proved crucial for the FED as they delivered the initial economic capital essential to establishing VBDO. Their support enabled VBDO to establish an initial, albeit highly subordinate position in the CSR field and sent a signal to other field members from the finance sector that VBDO might need to be taken seriously. Securing this initial network of financial institutions demonstrated that the FED was “able to find other investors to pay for th[e] service [VBDO could] offer them, [which] would make it more serious for the companies to make use of” (FED, VBDO). For example, when the FED began attending shareholder meetings soon after VBDO’s establishment, companies only began to show some interest in his questions when he informed boards about the institutional members that supported VBDO’s responsible investment vision.

\textsuperscript{19} A sustainable bank is defined as a financial institution that only invests in projects that create economic, social and environmental value.
3.5.1.2 The contingent nature of VBDO’s initial social capital – censored position-taking within ‘the rules of the game’

The social capital accumulated from VBDO’s institutional network was highly contingent and of questionable durability. Its maintenance relied heavily on VBDO’s capacity to censor its actions and utterances (Bourdieu 1991) by ensuring that its position-takings conformed with the existing ‘rules of the game’ in the CSR field which were underpinned by a logic of ‘gentle, consensual reform’. VBDO’s initial institutional members were only likely to support it as long as it operated and communicated in a manner they deemed acceptable. These potential restrictions on VBDO’s ability to act and speak escalated soon after its establishment when three of the largest banks and two of largest pension funds in the Netherlands became members. Their relatively high volumes of economic and social capital offered them the opportunity to undertake strategies to make the CSR field function to their advantage alone (Bourdieu 1990). Hence, there was a risk that their stock of capitals could enable them to pressure the FED to act solely in their interests thereby stifling VBDO’s possible position-takings.

The FED was alert to the need to repeal this possible domination. However, as VBDO’s survival was dependent on the social and economic capital the network provided, he initially focused on appeasing these institutional members by adopting an ingratiation strategy (Andon et al. 2014). His nine years’ work experience in the CSR field had given him some insight into what rules a new entrant like VBDO needed to obey in order to be accepted by other field members and his ability to recognise specific characteristics new entrants should exude lessened the likelihood of VBDO being “condemned to silence” (Bourdieu 1991).

“The companies had no reason to deny us access to the AGMs, or to deny us access to the microphone to ask these questions … That was of course an important part in the [beginning] years, to get that podium at the AGM, and not having … to fight with the Chair of the AGM to ask the questions we wanted to ask … What we didn’t want to do was to be very activist in a field, in the way that, for example, Greenpeace would be now. No, we were investors, we were interested in the well-being of the company because we invested in this company and we were worried that the company had risk in the field of sustainability.” (FED)

Nevertheless, in order for VBDO to avoid being “considered a negligible quantity” (Bourdieu and Wacquant 1992, p. 98) it needed to enhance its field position. This required maintaining and solidifying its fragile social (and economic) capital while simultaneously seeking other forms of
capital. The FED focused his efforts on developing accountability mechanisms aimed at gaining cultural capital in the form of a widely recognised reputation for knowledge and competencies in CSR. For VBDO, this required recognition for a combination of CSR *knowledge* (of cultural behaviours and CSR practices within the CSR field), *competencies* (the ability to engage with organisations and influence their CSR practices), and *dispositions* (attitudes to organisational change and preferences for the nature of engagement). Acquiring cultural capital would enhance the durability of VBDO’s stock of social capital by boosting its status and reputation. This could offer the FED support in suppressing any efforts by VBDO’s institutional members to control VBDO’s actions and censor its utterances. Moreover, any cultural capital acquired would make it more difficult for institutional members to abandon the VBDO network without appearing to have rejected reasonable, reputable requirements regarding their CSR practices, thereby potentially “transform[ing] … [the] existing contingent relations into necessary and elective relationships” (Xu and Xu, 2008, p.76). Nevertheless, building cultural capital risked stimulating tensions in the VBDO network as its acquisition was reliant on establishing accountability mechanisms that credibly challenged the existing CSR accountability practices of network members.

### 3.5.1.3 Building influence in the CSR field: seeking cultural capital through consensual engagement

The consensual nature of the FED’s participation in the shareholder meetings of leading Dutch multi-nationals represented an initial effort to gain cultural capital. He originally promoted a single issue focused on enhancing the transparency of organisations’ sustainability reporting practices. Year-after-year he rigorously questioned corporate boards of directors at AGMs on the nature of their production of sustainability reports. He also held follow-up meetings with listed companies outside of their AGMs in order to both assist and challenge them to produce stronger reports. These were taxing early years as VBDO’s subordinate position in the field became patently clear when companies frequently failed to respond substantively to his initial requests.

“It took time to take off. You have to invest in it with regard to attention and time, and you have to repeat it year after year, and at some moment, they are going to take it seriously, but that will take some time. You can’t expect that to be taken seriously...overnight.” (FED)
This extensive participation in shareholder meetings represented VBDO’s first accountability mechanism. In order to establish an ability to influence corporate field participants, the FED recognised the importance of utilising a mechanism that was already widely accepted. Historically, advocacy organisations had attended shareholder meetings to challenge corporate decision making in the Netherlands and thereby represented a form of expression deemed ‘acceptable’ by corporate actors.20 His engagement consistently concentrated on constructive dialogue aimed at assisting different organisations with the development of their CSR accountability practices. He believed that this consensual, collaborative approach, which largely sought to ingratiate VBDO with its targets, was more likely to result in VBDO being accepted as a valued CSR field member:

“The special thing about VBDO has been that from the beginning they worked with … several parties at the same time, you know, with the financial sector [and] with corporations just to get a feeling of what corporations were doing on CSR as well as the financial sector, and they were the first ones to do that … They were not a campaigning organisation, but at the same time they campaigned, that was so very special about VBDO and that’s what made them a [unique] organisation, the most [unique] one I think in the whole [CSR] environment.” (VBDO Chairperson 2)

The FED concentrated on embracing the existing rules of the game in the field focused on creating consensus and reform through the adoption of widely accepted, albeit largely unthreatening, accountability mechanisms. This approach was central to VBDO gaining an initial position in the CSR field as companies steadily started to respond to the FED’s questions:

“First, they had to learn (what) you were, get used to the idea that there was something like a VBDO. You really saw that they were wrestling with (it), is this legal? is this illegal? Is this logic(al), is this not logic(al)? So, that took some time; that took some years, because they had to discuss that (among themselves). So gradually they began taking you seriously, especially because you came year after year with the same questions, so it was not a one day (thing), but it was something structural.” (FED)

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20 The AGM represented a space where shareholders of the firm could challenge the board of directors on specific issues. As VBDO held three shares in each Dutch multi-national, VBDO was operating within the legislative boundaries of the field.
3.5.2 Accumulating, mobilising and reinforcing cultural capital

3.5.2.1 Enhancing field position and shifting position-taking – The launch of a ‘competitive’ benchmark

The nature of VBDO’s engagement efforts helped it to build cultural capital in its first six years. Its reputation for knowledge and competence regarding CSR practices and reporting grew while its dispositions, evident in its consensual engagement approach, were widely appreciated. This helped to increase the durability of its social capital. However, its possible position-taking remained restricted, and its subordinate field position solidified. In order to improve this position VBDO sought to further increase the volume of cultural capital derived from the knowledge, expertise, and dispositions displayed in its engagement activities. Hence, in 2001, it launched a new accountability mechanism, a sustainability reporting transparency benchmark aimed at “promot[ing] greater transparency on corporate social responsibility through standardised sustainability reporting” (Transparency Benchmark, 2005, p.6). The benchmark methodology was based on independently available information which allowed VBDO to benchmark a company without its consent. It, therefore, operated on an entirely different premise to the shareholder meetings as VBDO now publicly compared the transparency of companies’ sustainability reporting practices. By listing companies annually from best-to-worst performers, VBDO promoted competition among field participants in order to further improve their reporting performance.21 The reporting benchmark received considerable (and positive) attention from targeted companies given its comparative nature and its potential to expose poor relative sustainability reporting practice:

“It always works. Nobody wants to be on the bad side of the list. Nobody. Every single corporate communications department in every single company really dislikes reading in any newspaper that they’ve performed badly compared to others. I hate that. You want to be the best. So I think that works.” (VBDO Member 3)

VBDO’s existing cultural capital was evident in the willingness of targeted organisations to offer information to ensure that the quality of the benchmarking tool improved. Its cultural

21 While engaging with VBDO can benefit organisations by providing the association with more accurate information, improving the accuracy of the benchmark result, this process can be completed without engagement between VBDO and the organisation examined. Initially, the 50 largest organisations in the Netherlands were benchmarked by the association. The majority of organisations provide extra information to VBDO to assist it to compile more accurate final results.
authority was acknowledged in that its license to develop and operate the benchmark went largely unquestioned. Consistent with the engagement around shareholder meetings, the benchmark offered targeted organisations clear guidance on how they could improve performance annually while also offering them an opportunity to respond to any (explicit and implicit) criticisms raised. This was facilitated by the manner in which VBDO initially drew on institutional CSR standards, initially by Ceres\textsuperscript{22} and the Global Reporting Initiative (GRI)\textsuperscript{23}, when constructing its benchmark, ensuring organisations could clearly identify the nature of CSR policies and practices that they needed to implement to attain a high score or to improve their position year-on-year:

“VBDO always presents the issues…with instruments through which companies are able to include them in their reporting. So there are very good relations between VBDO and the OECD national contact points, or with GRI and other institutional bodies who are there to assist companies to progress and … to make it work in the business of the companies.” (VBDO Board 2)

The benchmark represented a shift in VBDO’s position-taking as it intensified the public spotlight on corporates and allowed VBDO to facilitate formal evaluations of organisations by appealing to their competitive spirit. It also operated as an implicit sanctioning mechanism through the possible reputational impact of poor relative reporting performance. It built on the cultural capital derived from the existing engagement practices while seeking to expand the volume of this capital by introducing an accountability mechanism that could extend and deepen VBDO’s reputation for knowledge and expertise in CSR. In essence, the benchmark represented a credential that supported VBDO’s emerging cultural authority in the area of CSR.

In summary, both accountability mechanisms – the engagement around shareholder meetings and the benchmark - combined to enable VBDO to accumulate cultural capital – knowledge and

\textsuperscript{22} Ceres is an international network of investors, companies and public interest groups who seek to ‘accelerate and expand the adoption of sustainable business practices and solutions to build a healthy global economy’. It describes its mission as involving the mobilisation of ‘investor and business leadership to build a thriving, sustainable global economy’ and has its head office in Boston in the United States of America. See: http://www.ceres.org/about-us/who-we-are.

\textsuperscript{23} GRI describes itself as ‘an international independent organisation that helps businesses, governments and other organisations understand and communicate the impact of business on critical sustainability issues such as climate change, human rights, corruption and many others’. It has been influential in driving sustainability reporting among companies worldwide and its sustainability reporting framework is considered to be the most widely used in the world. See: https://www.globalreporting.org/Information/about-gri/Pages/default.aspx.
expertise relevant to, and valued by members of, the Dutch CSR field. First, the mechanisms promoted a prominent theme, the transparency of corporate sustainability reporting, that was receiving increased national and international attention. The association with international developments allowed VBDO to produce expressions which were deemed relevant and valuable by CSR field participants. This helped VBDO to accumulate linguistic capital as the accountability mechanisms became valued forms of expression providing VBDO with an enabling voice through which it could seek to influence action in the CSR field. Second, VBDO continued to carefully adhere to the rules of the game of the field. The shareholder meetings adhered to statutory rules where shareholders could question the board of directors at an AGM, while the benchmark appealed to the competitive nature of the corporate context in which it was implemented. Third, the two mechanisms were operationalised in a constructive manner as part of an ingratiation strategy (Andon et al. 2014) aimed at gaining a position in the CSR field. VBDO was able to display through its engagement with organisations that the underlying aim of the mechanisms was to encourage and assist field participants to develop stronger social and environmental management and reporting mechanisms. Implementing these mechanisms would, in turn, strengthen these participants own position in the CSR field while concurrently increasing VBDO’s cultural capital.

3.5.2.2 Valorising cultural capital and evolving ‘the rules of the game’ – the role of State reinforcement

In 2005, the chairperson of VBDO’s board, a prominent member of the Dutch NGO society, became aware that the Dutch Government was seeking to implement a regulatory device that monitored the CSR performance of leading Dutch organisations. She immediately encouraged the FED to approach the organising committee to suggest that the Ministry of Economic Affairs adopt VBDO’s sustainability reporting transparency benchmark as its implementation was taking up almost all VBDO’s time.

“It was the decision of the board because as a board we saw that it took quite some time for the VBDO to do the benchmark because it spent all its time [on it]. So there was no room for innovative things and … new strategies and so on, and at the same time [as] box ticking it was not innovative … At the time I said to [FED], ‘[FED] go to the … the Ministry of Economic Affairs … I know they are internally discussing an instrument they would like to use to stimulate a self-regulation strategy so why don’t you go and discuss with the Ministry what they would like to take over’ … and that’s how it started.” (VBDO Chairperson 2)
The approach to the Ministry was positively received and, since 2005, the benchmark has been applied to the largest organisations in the Netherlands (Zaken 2005). The Government’s decision to implement a transparency benchmark was not overly surprising. In 2004, following a number of high-profile corporate governance scandals (van Bekkum et al. 2010), it had updated a corporate governance code to enhance shareholder rights by providing shareholders with more power at AGMs. While these initiatives represented a shift in Government policy with respect to CSR regulation, the updated governance code left it up to the shareholder of the company to call the management board and the supervisory board to account in respect of the application of the principles of the code (Committee 2003). Hence, despite these initiatives, the Dutch Government continued to play a limited role in regulating action in the CSR field.

The adoption of VBDO’s transparency benchmark by the Ministry of Economic Affairs was important for VBDO for two reasons. First, internal capacity had become an issue and transferring the benchmark to the Government lessened the overall workload of VBDO’s staff. Second, its adoption institutionalised the key objective VBDO initially set out to achieve around improving corporate accountability:

“The Transparency Benchmark’s main working hypothesis is that it encourages businesses to be transparent about their policy and results in the area of CSR, to facilitate stakeholder dialogue, and therefore increase the focus on CSR policy and thus improve business performance in this area.” (Transparency Benchmark, 2005, p3).

This was a significant development with respect to VBDO’s evolving field position. Not only did it allow VBDO to strengthen the quality of its relations with a powerful field participant, it also sent a signal to other field members that an influential actor (the government) supported VBDO’s efforts to promote enhanced corporate accountability. Powerful actors, through their dominant position in a field, can designate what capitals are valued or considered salient within a specific setting (Bourdieu 1990) and, in this instance, the Dutch government valorised VBDO’s cultural capital thereby increasing its value. VBDO’s field position was thus strengthened and its position-taking possibilities focused on challenging corporations more robustly on their CSR management and reporting. This offered VBDO the potential to evolve the ‘rules of the game’ in the CSR field by confronting the dominant logic of ‘gentle, consensual reform’.
3.5.3.3 *Mobilising the power of accumulated cultural capital to increase the durability of social capital*

Following the Dutch Government’s adoption of the transparency benchmark, VBDO began a concerted effort to expand its accountability mechanisms to further build on its cultural capital, thereby strengthening its field position. The FED decided that VBDO should launch a benchmark that evaluated the responsible investment practices of Dutch pension funds as he had long believed that the sector played a crucial role in promoting CSR more widely. The pension fund benchmark proposed to directly evaluate the responsible investment practices of some of the largest financial institutions in the Netherlands, many of whom were VBDO members. This move marked a further shift in position-taking by VBDO in that it departed from its approach of not *directly* targeting specific members of its institutional network through its accountability mechanisms. It was also significant as VBDO’s relationship with some pension funds had deteriorated in the years prior to the proposed benchmark launch, with a number of funds cancelling their membership as they felt that they had too limited input into how VBDO operated.

The remaining institutional pension fund members vigorously opposed the proposed benchmark and sought to use their positions within VBDO’s network to gain control over the benchmark characteristics. VBDO, now emboldened by its more prominent field position, refused to grant sufficient control to these members, leading to a number of pension funds abandoning the network:

“They threatened with stopping their membership, but we had to do [what we wanted]...What they wanted was [for us] to just do what they wanted us to do … They saw [that] for us [the benchmark mechanism] was effective, and they wanted more [influence] on what we were doing … Eventually we said, ‘no, we don’t want that’. And, they stopped with their membership and we said, ‘okay’. In a way, that shook them, because they did not expect us to say this.” (FED)

VBDO’s response to the pension fund revolt illustrates the extent to which cultural capital had become VBDO’s most salient capital. Its valorisation by the State had enhanced VBDO’s position in the field and allowed it to consider working more creatively within the evolving rules of the game. While cognisant of the limits not to be exceeded in a field whose overriding logic was dedicated to ‘gentle, consensual reform’, VBDO now sought to actively reshape the field to its own vision. If VBDO had tried to develop the benchmark in its early years, the pension funds
could have more easily suppressed its efforts by withdrawing economic and social capital. Given VBDO’s evolution, it was now difficult for the funds to discredit VBDO’s efforts to benchmark the sector even if they felt VBDO’s actions were not in the spirit of the game, particularly as VBDO’s previous benchmark had proven popular. The pension funds ultimately misread the durability of VBDO’s social capital and the extent of the cultural capital it had accumulated from its development and usage of the existing benchmark. They also revealed their lack of a shared interest in how the rules of the game were evolving to allow for more direct accountability demands. This evolution had strengthened VBDO’s field position thereby allowing it to more readily resist the pension fund revolt and ease-off on, while not entirely forsaking, its ingratiating strategy. Whereas the withdrawal of support by the pension funds diminished the size of VBDO’s network and its ability to raise economic capital through the collection of membership fees, the depth and durability of its remaining social capital became apparent.

3.5.3 Maintaining accumulated capitals

3.5.3.1 The impact of the habitus of a new executive director

In 2005, the FED announced that he was to resign as executive director leaving many board members uncertain as to VBDO’s future. He had spent over a decade growing VBDO and felt it was time for a new challenge. More importantly, however, he recognised that for VBDO’s continued development, it was important for him to step aside. “I didn’t want VBDO to become [an] association that was linked [only] to my name, so it shouldn’t be my organisation in that way” (FED, VBDO). Given his desire for VBDO to develop independently from his name, his departure marked an important point in VBDO’s evolution, particularly as he cut all ties with VBDO on his eventual resignation in 2006:

“This was a very difficult process because VBDO [was] FED and [FED] [was] VBDO, that whole world and well, it’s always very difficult to find a person who can be successful with these kinds of people. He started the VBDO, he was the VBDO, people knew him personally very well he had very strong relationships with the sector. So, to find somebody who can take this over and take over, let’s say, a relationship is difficult by definition.” (VBDO Chairperson 1)

As the quote above implies, the main risk that VBDO was exposed to following the FED’s departure stemmed from the threat posed to its accumulated social capital. While the accumulation of cultural capital had lessened VBDO’s dependence on its social capital (and increased its durability), VBDO still relied heavily on its network to support its actions, not least
through the economic capital derived from its membership fees. The FED had always played a crucial role in managing relations with institutional members, both through his ongoing personal relations with them and in quarterly meetings where members frequently aired grievances about VBDO’s practices. For VBDO to continue to attract economic capital, further stabilise its social capital, and build its cultural capital, the new executive director needed to maintain the existing strong social relations with institutional members.

The board of directors was responsible for appointing the FED’s replacement. The transition between executive directors also provided it with an opportunity to improve VBDO’s internal management. While VBDO had enhanced its field position over the previous decade, the internal management that informed the construction and support of VBDO’s accountability mechanisms remained rudimentary thereby posing a significant risk to its accumulated cultural capital. The board recognised that VBDO’s office needed to be restructured and professionalised so that it could continue to grow and expand. In searching for a new executive director, the board sought out an individual who would manage and develop both VBDO’s relations with its members and the internal management that informed its actions in the CSR field:

“With all regard for [the FED], we had one problem as a board with him: he was not really a manager. He wasn't interested in having a well organised office. So well, he was a very powerful campaigner in his way but well, things at the office didn’t really interest him. So we looked for the person who could take over with the power of [the FED], but at the same time had some feeling for management and [could] build VBDO.” (VBDO Chairperson 2)

The new executive director (SED) was appointed in November 2006. He had 18 years marketing experience working with large multi-nationals in the Netherlands. In the years prior to his appointment, he was actively seeking to change his career trajectory and had left the corporate world and started studying theology:

“I was thinking ‘what can I do, what should I do, what do I want to do?’ I started thinking what drives people. What makes them get up in the morning; I found very interesting questions. Not only in my own life, but in general. Why do people do what they do? So I studied theology. Then I wanted to look for jobs [where] I [could] use both elements. The business experience I have and also perhaps, spiritual conviction is too strong a word to say, more [the] reflection part, and this reflection part also has to do with your ideals. It’s more an idealistic thing. So then I was thinking this is going to be hard to find this combination, nobody wants a business-theologist. Then I found that the combination was rare.” (SED)

The habitus of the SED and his emerging identity as a ‘business-theologist’ influenced how he approached his role and his ensuing efforts to enhance VBDO’s position in the CSR field. His
prior work experience in the economic field and his exposure to theology influenced the way in which he would subsequently think, speak and act in his new role with VBDO. This, in turn, proved important in managing the social capital VBDO had accumulated prior to his arrival as it enabled him to build deeper relationships with VBDO’s institutional members:

“I think that he is a person who people within business (can) identify (with) … because of his background in business, he knows how to speak the language. He knows the background. He understands their thinking.” (VBDO Manager 2)

While the board feared that the transition between directors could damage the volume of VBDO’s social capital, the SED’s more political and purportedly ‘charming’ approach initially strengthened VBDO’s relations with key field participants from the corporate world:

“If you compare the two executive directors, then [the SED] already has an Italian name. Let’s say he’s the more Catholic, south European kind of character, versus [the FED] who’s more the Nordic, Calvinistic kind of character in terms of how they talk about the subject, you know? They’re both critical, but it’s easier to accept it from [the SED]. [The FED] … felt more like a hardliner. Maybe he wasn’t, but it felt more like it.” (CSR Manager 1)

When “habitus encounters a social world of which it is the product, it is like a fish in water. It does not feel the weight of the water and it takes the world around itself for granted” (Bourdieu and Wacquant 1992, p. 127). The SED’s knowledge and dispositions acquired in the economic field underpinned his actions as executive director. In particular, they structured how he spoke and acted with VBDO’s corporate membership while also allowing him to gauge when these organisations were genuine in their engagement with VBDO:

“I know them, when they are bullshitting me [and] when they are sincere. When they could do what they need to do. And as for the finance sector, I’m in relatively good shape. My lack of [affinity] with them makes me [evaluate] them from a distance.” (SED)

Despite some initial success in stabilising VBDO’s existing social capital through his mode of engagement with the membership base, re-establishing trust and relations with the pension funds proved troublesome. This enduring lack of trust was about to provide him with an early challenge that was crucial to maintaining VBDO’s cultural capital.

3.5.3.2 The fragility of accumulated cultural capital: the pension funds television broadcast

In March 2007, the SED was invited to partake in a broadcast by Zembla, a Dutch television documentary programme, as a representative of the sustainable investment sector. The programme revealed to a prime-time television audience that leading Dutch pension funds were
investing in organisations that sold cluster munitions. The programme caused considerable public outrage in the Netherlands, in part due to the unapologetic (SED) response of pension fund representatives to the revelations during its transmission:

“Our strategy is to create an attractive yield and the companies that operate in the arms industry sometimes have attractive returns.” (Pension Fund Representative, Zembla Broadcast, March 2007)

The SED’s presence on the broadcast created enormous problems for VBDO. Despite the SED merely commenting on the exposures and offering insight from a responsible investment perspective, the pension funds reacted angrily. Following the broadcast, they blamed VBDO for the revelations, thereby escalating the tense relations between VBDO and the sector:

“We were viewed as the bad guy by the pension sector. They got hit by the broadcast. And VBDO was there. So who do they blame? I remember I got funny phone calls before. One of the professors of sustainability called me … ‘you have to tell me what’s happening, otherwise all the contacts will be cut-off … [there is blackmail going on]’. Can you believe that even less than one year ago, I was running into a communications manager of one of those pension funds, and he repeated that I was the instigator. “I can’t believe you say that”, he was acting like it was a joke. This is the feeling that some of the largest [pension funds] still have. They never know if they love us or hate us.” (SED).

The reaction of the pension funds stemmed largely from the manner in which they were targeted. The aim of the Zembla broadcast was to bring the questionable investment practices of Dutch pension funds to the general public’s attention. Zembla had little interest in working with the sector to improve its investment practices. Consequently, it ignored the preferred rules of engagement stipulated by powerful actors in the CSR field (which VBDO subscribed to) and undertook a “naming and shaming” strategy. This form of linguistic expression differed substantially to those produced by VBDO through its accountability mechanisms. VBDO’s mechanisms highlighted weaknesses in field participants’ implementation of CSR management processes; expressions that were communicated in a manner that allowed targeted actors to respond and improve their internal CSR policies and practices. This process had led to VBDO’s accountability mechanisms becoming valued forms of expression which enabled VBDO to gain

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24 Internationally, there was increased criticism as to the use of cluster munitions at this time. It led to the Dublin Convention on Cluster Munitions, a treaty adopted by 107 nations in 2008 that prevented the use, stockpile, and transfer of cluster munitions. Additionally, in March 2012, due to ambiguity within the treaty as to the legality of investment in these weapons, the Dutch Government banned all direct investments in the manufacture, sale, or distribution of cluster munitions from 1 January 2013.
linguistic capital by offering it an enabling voice through which it could influence action in the field.

While VBDO’s involvement in the broadcast was exaggerated by many pension funds, its connection to Zembla, an actor that completely ignored the rules of the game in the CSR field, threatened the maintenance of its accumulated cultural capital. The pension funds felt that VBDO had failed to sufficiently censor its expressions thereby reinforcing the importance of censorship in allowing VBDO to build and maintain linguistic and other capitals.

Despite their initial protestations, due to considerable public and political outcry, the pension funds were forced to quickly accept that the initial response of their representatives had been unacceptable and they publicly sought advice on responsible investment. Many funds started developing policies on responsible investment or sought to strengthen their existing policies. This offered VBDO an opportunity to re-establish relations with the sector, and it actively engaged with the funds in order to define responsible investment. It also further developed its pension fund benchmark to promote responsible investment practices. In late 2007, the Dutch Association of Industry-Wide Pension Funds published a 130 page report entitled ‘The future has arrived’ aimed at assisting pension funds grappling with the issue of responsible investment given the existence of VBDO’s benchmark and the escalating public pressure. The report grudgingly acknowledged the influence of the Zembla broadcast. VBDO, among others, was characterised as ‘a credible representative of the public’ and dubbed one of the ‘guardians of the social pattern of expectation’.

3.5.4 Converting social capital into cultural capital: mobilising VBDO members in the co-production of ‘valuable’ accountability mechanisms

From 2006 onwards, VBDO accelerated the development of its accountability mechanisms and sought greater collaboration with targeted companies. It promoted an increased number of CSR themes including human rights, directors’ remuneration and tax transparency policies. In its engagement with corporations, it professionalised its attendance at shareholder meetings thereby allowing it to seek more substantive responses to its CSR requests. It deepened its engagement

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with up to 30 companies by working more closely with CSR managers implementing improved organisational CSR practices. A supply chain benchmark was launched in 2006, and it began coordinating stakeholder dialogues for companies. In its engagement with the financial sector, it relied on benchmarking to promote improved integration of CSR practices, and in 2009 it established a new benchmark on the responsible investment practices of insurance companies. Throughout this expansion, it placed no reliance on state reinforcement of its mechanisms.

The underdeveloped internal procedures informing VBDO’s engagement efforts, however, posed a significant threat to its field position as maintaining and growing its cultural capital depended on continually producing accountability mechanisms deemed valuable by field participants. The SED, therefore, divided VBDO into two sections. One focused directly on VBDO’s engagement with financial institutions, with responsibility for the pension and insurance fund benchmarks along with the production of thematic research reports on CSR integration in the finance sector. The other concentrated on engagement with multi-nationals and was responsible for the supply chain benchmark, stakeholder dialogues, and shareholder meetings. Additionally, a public relations expert was appointed to assist with the promotion of the accountability mechanisms in the media, and an administrator was employed to oversee financial management. The head office was relocated from the low profile location of Culembourg, a small town in central Netherlands, to Utrecht, The Netherland’s fourth largest city.

“In just a few years we have done a lot to normalise ourselves. We have made the financial situation relatively healthy. We have greatly improved the administration, specifically the administration of projects, which is always difficult. We found a new head office, the previous one was very bad. We attracted very good new people. That was just four or five things that required some homework to be done when I started as Chairman.” (VBDO Chairperson 1)

The restructuring allowed VBDO to improve the approach through which it developed and operated its accountability mechanisms. For example, the number of AGMs it attended doubled from 35 to 70 and it was able to select specific CSR themes that it would promote at AGMs over consecutive years. Furthermore, it established a policy where it always gave organisations

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27 As of 2016, these included natural capital, supply chain management and tax transparency and biodiversity.
advance warning of the questions it intended to ask at AGMs in order to provide them with a better opportunity to respond substantively.

While the improvement in VBDO’s internal management was crucial to ensuring it continued to produce comprehensive accountability mechanisms, it also now drew much more heavily on the knowledge and expertise of its institutional network to inform the process through which these mechanisms were developed. Consulting firms played a particularly prominent role given that they worked with companies on a day-to-day basis and possessed insights into what CSR practices field participants were struggling to implement. This increasing reliance on its institutional network represented an evolution in VBDO’s mobilisation of its social capital. While the initial stock of contingent social capital was instrumental in establishing a position in the CSR field, as cultural capital was gradually accumulated, VBDO’s social capital had become less salient to maintaining this field position. Organisations began to engage with VBDO not because of the composition of its network, but because it produced accountability mechanisms that were valued by them:

“We’re more confident in how (VBDO) do their research. And yes, they’re quite transparent in how they do it, how they produce their accountability mechanisms. So the results are more appreciated than those produced by others, which is just a tool for the media.” (VBDO Member 2)

Many of the corporate participants interviewed actually claimed they were largely unaware of the composition of VBDO’s network; a stark contrast to the perceptions of the FED and the role the network played in facilitating VBDO’s initial entry into the CSR field.

“Really, I wouldn't know [who] their [VBDO’s] members are. I haven't looked into it. We do talk to our investors directly and not through VBDO. But the credibility of the SED is very good. I feel the way he acts personally is very good [and] some of his colleagues act very good. So the people at VBDO seem to understand … the business world … That gives them the credibility.” (CSR Manager 2)

The enhanced engagement with institutional members contributed to increasing the durability of VBDO’s social capital and aided its conversion into cultural capital. VBDO’s social capital had therefore evolved to play an important role in informing the construction of its accountability mechanisms. This enabled VBDO to enhance the quality of the mechanisms, ensuring that field participants continued to perceive them as valuable practices. The convertibility of VBDO’s social capital into cultural capital, therefore, became more evident as it mobilised its institutional
network to enhance the mechanisms’ quality thereby consolidating and increasing the cultural capital it derived from them. This capital conversion process was, however, somewhat circular. It was not only social capital that was mobilised to augment cultural capital; the conversion of social capital into cultural capital further enhanced VBDO’s field position thereby attracting new members which further increased its social (and economic) capital. This conversion process represented a central factor in VBDO’s management and strengthening of its stock of capitals over time.

3.5.5 The enduring fragility of cultural capital – the ultimate struggle to convert to symbolic capital

VBDO’s accumulation of capitals was a process that had to be continually managed in order to ensure that VBDO’s field position was maintained. While cultural capital represented VBDO’s most salient capital criticism and suspicion are continually capable of undermining it (Swartz, 2007, p. 80). Hence, its maintenance or growth requires an ongoing, deep understanding of the institutional context in which an actor operates (Neu et al. 2013) which entails a keen sense of the rules of the game. Despite gradually enhancing its position in the CSR field, VBDO was continually challenged by other field members about the nature and content of its accountability mechanisms. Companies were especially critical when these mechanisms failed to show a sufficient understanding of individual organisations and the actions they sought to evaluate. In this respect, a key challenge for VBDO as it expanded the mechanisms was to maintain and develop its required knowledge of organisations and their CSR practices:

“I think that the level of understanding of a company is not always there, that could be better. I think we should include more people that maybe worked for a company before in that sector and they can help us [VBDO] to formulate the right kind of questions, the right topics, and what are the real sensitive points.” (VBDO Manager 3)

While the fragility of its cultural capital placed significant demands on VBDO to continually ensure its maintenance, it was simultaneously a source of influence as it offered VBDO a license to legitimise the CSR practices of corporate field participants (see also, Andon et al. 2014). For example, scoring highly on a VBDO benchmark or receiving favourable comments from VBDO at an AGM were accomplishments that many Dutch-based companies actively sought to achieve by competing against each other in order to be ranked number one in VBDO’s various benchmarks. The outcome of VBDO’s engagement actually often worked to
enhance (or deplete) the cultural capital of other field participants. Hence, being perceived favourably or unfavourably by VBDO following a process of engagement impacted on the efforts of companies to accumulate their own cultural capital in the CSR field:

“Well, I must say, there is certainly competition in the top five or top ten [companies]. I am just referring to the insurance industry, about the benchmark for insurers. When the result is there and they are number eight or something, they go crazy. It’s certainly a point of discussion at board level. [Especially] when they don’t expect to finish that low. I know it from very nearby, from [name of company], because [name of company] was thinking they would be the number one or two without any doubt, and [they were] number five or six. I was still in charge, I was not working with VBDO in those days and there suddenly was this outcome … I was astonished not to be number one. I was sure we would be number one.” (VBDO Chairperson 2)

Given the influence its accountability mechanisms established and the criticism they frequently attracted from field participants, VBDO’s field position was closely and continually monitored by the more economically powerful organisations in the field. This constant observation and critique inhibited the conversion of cultural (and social) capital into symbolic capital, “the form that the various species of capital assume when they are perceived and recognized as legitimate” (Bourdieu 1986, p.17). Cultural capital was the principal capital that could be converted into symbolic capital, a conversion that would have provided VBDO with an elite and prestigious status in the CSR field. To attain symbolic status, however, VBDO’s position in the field needed to be largely unchallenged by field participants with its actions recognised and fully accepted as natural in that specific setting. For this to happen, the ‘interested’ nature of VBDO’s accountability mechanisms had to be ‘misrecognised’ (Bourdieu and Wacquant 1992, p. 119) by powerful field participants and characterised as “disinterested” (Swartz, 2007, p. 90). The saliency of VBDO’s cultural capital was, however, dependent on the continual construction and implementation of accountability mechanisms that were deemed acceptable by, and valuable to the field participants it targeted. As this capital was continuously (re)evaluated following each action VBDO undertook, VBDO struggled to convert it to a symbolic form. VBDO was therefore essentially deprived of the high levels of prestige, renown, reputation and authority central to symbolic capital (Everett, 2002, p. 63; Webb et al. 2002) as the ‘political interests’ embedded in its actions were never ‘denied’ (Swartz, 2012, p. 89), nor could they be if VBDO was to fulfil its mission. Ultimately, this constant critical scrutiny prevented VBDO securing a more prominent position in the CSR field and continued to curtail its possible position-takings.
3.6 Discussion

The case unveils the evolving and dynamic role forms of social and cultural capital played in VBDO’s capital accumulation process, highlighting the convertibility and fragility of these capitals and the struggles VBDO contended with in the presence of this dynamism. This attention to capital trajectories and capital instabilities enhances our understanding of how subordinate actors develop and maintain a social position in a field. While the development of a fragile network of contingent relations allowed VBDO to establish an initial position in the CSR field, it needed to transform this network into necessary relationships implying durable obligations in order to extract ‘value’ which could be converted into cultural capital (see, Xu and Xu, 2008). Accordingly, VBDO’s ability to manage the trajectory and nature of its social capital – in conjunction with its efforts to build economic and cultural capital - represented a fundamental process that influenced its relative position in the field. The contingent and fragile nature of the capitals acquired was partly influenced by VBDO’s initial need to comply with the logic of ‘gentle, consensual reform’ underpinning the rules of the game in the field. Overall, our analysis highlights the need to more explicitly and carefully examine forms of capital as dynamic concepts whose volume and value fluctuates over time, and in particular how the source of their instability and vulnerability poses significant challenges for subordinate actors seeking to position themselves in a field.

3.6.1 Converting durable social capital into cultural capital

Social capital played the most versatile role for VBDO during its evolution. The importance of its durability emanated from the quality of the relationships VBDO established with its members (see, Swartz, 2008). It was initially accumulated through the establishment of a fragile, thin network of powerful financial institutions seeking greater influence, through VBDO, on the development of the CSR field. In the initial absence of cultural capital, VBDO drew on this network to establish a position from where it could gain access to companies it sought to target with its accountability mechanisms. As cultural capital was slowly secured through these mechanisms, VBDO skillfully mobilised its social capital to reinforce this cultural capital by enrolling the knowledge and expertise of its members to inform the construction and operationalisation of new accountability mechanisms. Here, network members, many of whom were targeted by VBDO, played an increasingly important role in informing VBDO about which
CSR topics it should advocate for in the field and in assessing the appropriateness and value of its accountability mechanisms. In this manner, VBDO drew on its members’ knowledge and expertise (its members’ cultural capital) to increase its own cultural capital which simultaneously stabilised its existing social capital. VBDO’s capacity to convert this social capital into field-salient cultural capital was central to its ability to enhance its position among the hierarchy of field participants. In conjunction with early State reinforcement, it facilitated shifts in VBDO’s position-taking aimed at realigning the rules of the game in the CSR field.

The volume and durability of VBDO’s social capital was continually contingent on how it operationalised its accountability mechanisms. There was a persistent tension between VBDO’s need to adhere to the ‘gentle, consensual reform’-oriented rules of the game, thereby maintaining its volume of social capital, and its desire to evolve these rules by challenging its corporate membership base through shifting its position-takings. While an ‘objective complicity’ reigned among field members given their shared investment in the functioning of the field, the antagonisms Bourdieu sees as central to actor relations in a field were never far from the surface, especially considering VBDO’s desire to secure a more prominent field position by creating a more challenging CSR accountability environment for companies (see, Emirbayer and Johnson, 2008). Initial support for this desired shift in position-takings emerged from the government’s valorisation of the cultural capital VBDO had acquired with the promotion of its first benchmark. The pension funds’ withdrawal from the VBDO network due to their opposition to a subsequent benchmark illustrated their failure to appreciate the extent to which the government’s valorisation had evolved the rules of the game by legitimising more direct scrutiny of corporate entities. While the pension funds’ departure reduced VBDO’s volume of social (and economic) capital, other corporate entities’ reluctance to renounce their membership testified to the durability of VBDO’s remaining social capital. This emanated from the quality of VBDO’s enduring relationships with these members (see, Swartz, 2008) who implicitly approved of VBDO’s efforts to evolve the rules of the game.

3.6.2 Accountability mechanisms as sources of cultural (linguistic) capital

Whereas social capital was central to VBDO’s evolution, cultural capital represented its most salient form of capital. The accumulation of cultural capital was also contingent on how VBDO constructed and implemented its accountability mechanisms. VBDO’s ability to draw on these
mechanisms further illustrates how forms of accounting - in this case, accountability mechanisms - can become a source of cultural capital (see, Neu et al. 2013). The core characteristics of VBDO’s accountability mechanisms, especially the manner in which they were co-produced, enabled it to accumulate linguistic capital as the mechanisms’ adherence to the rules governing acceptable and legitimate discourse in the CSR field permitted VBDO to speak easily and meaningfully with key members of its network. This accumulation of linguistic capital was, however, contingent on VBDO accurately assessing the nature of action in the field, adhering to the rules imposed by powerful members, and observing such formalities in the construction of, implementation of, and communication around its accountability mechanisms. Linguistic capital offered VBDO the opportunity to ‘speak’ within the CSR field and to eventually challenge and inform the nature of the CSR practices occurring therein. For example, the co-production of some mechanisms considered the needs and requirements of the organisations VBDO targeted while offering valuable advice and technical expertise that other advocacy organisations frequently failed to furnish. The mechanisms were also constructed so that field participants could respond and improve on any criticisms raised and, following their implementation, facilitated the communication of results in a constructive manner to targeted organisations. It was VBDO’s competency to continuously produce legitimate linguistic expressions through the construction, communication and implementation of these mechanisms that enabled it to gradually strengthen its field position. This offered it the opportunity to produce linguistic expressions that were deemed appropriate, valued, and worth listening to within the context in which it operated. Nevertheless, as with social and other forms of cultural capital, linguistic capital remained fragile as its maintenance required censorship in certain situations, something the second executive director (SED) discovered when the pensions fund industry condemned his contribution to the Zembla television programme.

VBDO’s continual efforts to evolve the methodologies underpinning its mechanisms pushed the boundaries of what was considered legitimate action in the CSR field. Its periodic reappraisal of its evaluation criteria to increase the demands placed on the adoption and implementation of CSR management mechanisms by corporate field participants ensured it increasingly challenged these organisations to improve their CSR policies and practices. In this manner, the accountability mechanisms came to constitute a valuable weapon that VBDO mobilised to contest existing actions and push the boundaries of what was considered legitimate action in the
field. This was especially evident when the pension funds sought to marginalise its efforts to advocate for greater accountability in the pensions industry. Moreover, VBDO’s enhanced position in the field meant that organisations it ranked with its benchmarks were also keen to engage with VBDO as they also accumulated cultural capital through attaining high rankings on these benchmarks.

3.6.3 The struggle to secure symbolic capital

In the face of the dynamism inherent in the capital accumulation process, especially the fragility of its accumulated capitals, the acquisition of symbolic capital for VBDO was a more cumbersome process than much of the existing accounting literature seems to imply (see: Andon et al. 2014; Killian and O’Regan, 2016). For example, Andon et al.’s (2014) ‘strategies’ through which symbolic capital was attained by salary cap auditors - namely, conscious ingratiating, sanctioning, and appeals to fairness - suggest a somewhat smooth, linear progression towards securing symbolic capital (see also, Killian and O’Regan, 2016). Our analysis, however, highlights the potential contradictions subordinate actors can encounter in their efforts to ingratiate themselves with powerful field members they seek to influence through forms of (implicit) sanctioning. Ingratiation through placating institutional members helped VBDO establish an initial position in the CSR field, but in order to progress its position-taking possibilities and enhance its field position (Bourdieu 1996, Emirbayer and Johnson, 2008) VBDO needed to evolve to consider forms of (indirect) sanctioning that the corporate field members it targeted might possibly reject. VBDO exploited the competition for recognition in CSR among these field members by developing its benchmarks encouraging comparisons. This invited companies to implicitly sanction each other given the public profile gained by the benchmarks and associated rankings.

However, our analysis suggests that the strategies of conscious ingratiating and (indirect) sanctioning are potentially conflicting in nature which can complicate the ‘practical coping’ actions subordinate actors may undertake. This was a constant tension VBDO needed to manage in what we contend was VBDO’s ultimately failed attempt to attain symbolic capital. The potential for conflict, largely absent in Andon et al.’s (2014) case, endangered the maintenance of accumulated cultural and social capital. Sanctioning could not be adopted in a direct, oppressive manner, for example, as part of a ‘naming and shaming’ strategy, as powerful field
members would likely see this as operating outside the consensus-oriented rules of the game. The absence of this possible strategy stifled the conversion of cultural and social capital into symbolic capital and meant that the ‘politically’ interested nature of VBDO’s accountability mechanisms was never misrecognised. This contrasts with the ease with which sanctioning became accepted and instrumental in the acquisition of symbolic capital by the salary cap auditors in Andon et al.’s (2014, p.92) case. It suggests that the ‘practical logic’ of the salary cap auditors in Andon et al. (2014) may have resulted in more unreflective, intuitive selections between alternatives (Chia and Holt, 2006, Van Aaken et al, 2013) than in the case of VBDO where considerable caution was required when considering the possibility of adopting a conflict-oriented sanctioning strategy.

Xu and Xu (2008, p.97) discovered that the support of the State was decisive in transforming modern Chinese bankers’ cultural capital into symbolic capital by legitimising the use of specific accounting practices (see also, Neu, 2006). Whereas state support enabled VBDO to gain initial cultural capital with its first benchmark, additional state involvement in the CSR field through enhanced regulation risked contradicting the rules of the game to such an extent that VBDO’s field position could have been undermined. While Bourdieu (1990) argues that the State, as part of the field of power, can exercise significant influence over fields, the species of capital, and the rate of conversion between them, in our case the State’s further more extensive involvement in the Dutch CSR field risked deterring VBDO’s efforts to gain symbolic capital as it could have led to VBDO imposing regulatory sanctions which would likely have reduced the role of its members in developing accountability mechanisms. We contend that state valorisation was only likely to be supportive of VBDO’s positioning efforts in its early development and that the fleeting nature of this valorisation, whereby the State did not seek to dominate the CSR field, was crucial to VBDO’s subsequent efforts to build social and cultural capital. Hence, our analysis indicates how the State’s role in conferring cultural (or even symbolic) capital on entities is contingent on the specific field in which it seeks to operate and on the stage of the field’s evolution.

3.6.4 Contesting the role of CSR reporting in securing symbolic capital

The case counters recent work suggesting that symbolic capital can be readily attained through CSR reports constructed with narrative input from key stakeholders. Killian and O’Regan
suggest (2016) that social reports by Shell using local community input in the north-west of Ireland attained a form of symbolic capital over an extended period. They argue that this ‘social accounting’ process incrementally redefined the local doxa in the region Shell operated in thereby enabling Shell to move inexorably from a ‘fish out of water’ to a ‘fish in water’ in the locality. Local groups who received grants from Shell contributed stories and images to Shell’s social reports and were deemed complicit in affording Shell symbolic power (and legitimacy) in the form of an “invisibly acquired authenticity” (p. 10). The authors contend that the nature of the social reports, in particular their co-construction, meant that this symbolic power was misrecognised as local groups interacted with Shell and offered stories for Shell’s reports. The process was interpreted as embedding Shell’s legitimacy in the locality, with the social capital derived from Shell’s community engagement contributing to this legitimation. Our case, however, queries this assertion that symbolic capital can be so smoothly attained through ‘co-created’ CSR reports and that the symbolic power acquired can so readily shift the doxa of a field\(^2\). VBDO struggled to attain symbolic capital despite its continual engagement with reporting entities and encouragement of improvements in reporting. The resistance VBDO met in the CSR field was also minor compared to that experienced by Shell from parts of the local community, but Killian and O’Regan (2016) downplay the role of this resistance in the process through which the co-construction of social reports is said to have altered their field’s doxa. They offer little indication as to how or whether these resistant actors’ position-takings shifted, which our analysis suggests is essential if a field’s doxa - ‘the stakes of struggle between challengers and incumbents in a field’ - is to be altered.

The notion that the fundamental unconscious beliefs informing actors’ actions and thoughts - the doxa of the field - could be changed in the implicit, linear and rather unproblematic fashion suggested by Killian and O’Regan (2016) contrasts with the struggles we encountered in VBDO’s efforts to attain and retain various forms of capital. Killian and O’Regan (2016) neglect to analyse the close interrelationships we unveil between the different forms of capital, the extent of their fragility, and their rates of conversion. Moreover, they do not indicate how forms of ‘material’ capital other than social capital enabled the acquisition of symbolic capital (see Bourdieu 1990, p. 122; Bourdieu 1977; Gracia and Oats, 2012). For example, they afford no

\(^2\) It is important to note that Killian and O’Regan (2016) do not clearly specify the field they are referring to other than to refer to the locality and region in the north-west of Ireland that Shell was working in.
attention to the importance of cultural capital for the various groups seeking to position themselves in their field and imply that social capital was somewhat smoothly and inexorably converted into symbolic capital. Our analysis, however, shows how social capital requires durability and a sense of mutual obligation in order to enable its conversion to symbolic (or even cultural) capital. Killian and O’Regan (2016) render Shell’s social capital stable even though it was continually dependent on Shell’s presumed beneficence in a context where uneasy relations persisted between Shell and parts of the local community. They do not consider how contingent relations were transformed into the mutually necessary and elective relations central to making social capital stable (Xu and Xu, 2008), whereas their presumption of durability contrasts with the fluidity and fragility of the capitals we uncover. While we acknowledge that our focus is somewhat different from that of Killian and O’Regan (2016), albeit we both examine the evolution of CSR reporting in specific contexts, our analysis suggests that greater nuance is required when examining the role of, the interrelationships between, and the dynamic nature of the various forms of capital when seeking to understand the relations between actors essential to the evolution of fields focused on CSR reporting. Otherwise, there is a danger that too much significance may be afforded to the substantive impact of CSR reporting, co-constructed or otherwise, in inevitably contested fields.

3.6.5 Advocacy organisations and the advancement of CSR reporting norms

VBDO’s efforts to position itself prominently in the CSR field reveal the role that advocacy organisations can play in converging expectations about recognised patterns of behaviour or practice - or norms - in CSR reporting. This extends Bebbington et al.’s (2012) analysis of the way in which norms in CSR reporting evolve. Bebbington et al. (2012) found that norms around a UK CSR reporting regime were initially constructed by the actions of a large group of companies acting as ‘norm entrepreneurs’. These norms were diffused more widely through a reporting award scheme of the ACCA (Association of Chartered Certified Accountants) professional accounting body. In conjunction with support from certification schemes and industry associations, these awards created a competitive reporting environment with material sanctions and incentives. Companies internalised these norms which then influenced the way they reported on the environment. This process was facilitated by the legitimacy of the norms, emanating from their coherence with previous expectations and values, the plurality of the
worldviews involved in their design, and the perceived rationality and certainty of reporting rules which evolved from the norms (Bebbington et al. 2012, p. 90). Our case shows how a specific type of stakeholder-oriented advocacy organisation was a key actor in creating and diffusing CSR reporting norms. VBDO created the conditions whereby multiple stakeholders discussed and debated reporting and benchmarking norms. Unlike the ACCA, it took on a more adversarial role and explicitly engaged a broad range of reporting and non-reporting organisations in its network. While the initial VBDO corporate members such as Rabobank and Triodos operated as ‘norm entrepreneurs’, it was VBDO’s subsequent benchmarking exercises that supported the evolution and diffusion of reporting norms. Similar to Bebbington et al. (2012), this norm diffusion was assisted by the competitive environment the benchmarks created. In contrast to ACCA, which was ‘not … an original pioneer’ (Bebbington et al. 2012, p. 88), VBDO actively pioneered, developed and policed reporting norms through its continual assessment of reporting by part of its membership base, particularly through the publication of relative performance in its benchmarks. Moreover, as with Killian and O’Regan (2016), Bebbington et al.’s (2012) analysis of the production of the UK norm around CSR reporting affords little attention to the tensions between disparate groups seeking to position themselves as having power to determine what the CSR reporting norms should be. Our analysis suggests that we should be careful about too swiftly assuming stability in CSR reporting norms given that the Dutch CSR field we examine was, like most fields, in a constant state of flux characterised by continual battles for position evident in efforts to acquire and retain various forms of capital.

3.7 Conclusion

This study unravels the process of capital accumulation and conversion of an advocacy organisation seeking to enhance the social and environmental accountability of Dutch listed companies and institutional investors through organisational-level engagement. While extant literature suggests that “organisations are prepared to listen to [advocacy organisations] and [may] indeed change or modify their behaviour” (Deegan and Blomquist, 2006, p.370; O'Sullivan and O'Dwyer, 2015), we are limited in our understanding of how these organisations attempt to position themselves in specific fields in order to establish an ability to influence corporate accountability. We develop an in-depth empirical understanding of how this process was undertaken by VBDO, an advocacy organisation operating in the Dutch field of CSR. We
mobilised the institutional sociology of Pierre Bourdieu to reveal how accountability mechanisms were developed and adopted by VBDO in order to build, develop and maintain field-salient capitals. More specifically, we unveiled how these mechanisms provided VBDO with an enabling voice through which it sought to influence and inform the adoption of CSR management and reporting mechanisms by Dutch listed companies. Our case analysis encourages us to expand our thinking beyond current perceptions of how accounting, as constituted through accountability mechanisms, is implicated in establishing order within a field (Vollmer 2007). Prior research predominately examines how various forms of accounting are mobilised by dominant actors in order to change (or reinforce) how people think, speak, and act in specific situations or contexts (Neu, 2006; Walker, 2014). In contrast, we examined the potential for the skillful mobilisation of a suite of accountability mechanisms to augment a subordinate actor’s position within a specific field. This focus responds to calls within the accounting literature for more studies into how subordinate actors attempt to challenge organisational and institutional norms in order to induce improved corporate accountability (Unerman and Chapman, 2014).

The study makes the following contributions. First, it re-orientates the mobilisation of key aspects of Bourdieu’s theory of practice in the accounting literature towards the manner in which subordinate actors draw on forms of accounting to accumulate field-salient capitals. Existing studies tend to examine how influential actors, with pre-existing stores of capital, mobilise various forms of accounting to influence action in disparate fields (Neu et al. 2006; Neu, Silva, and Gomez, 2008; Rahaman, Everett, and Neu, 2007), with limited consideration of the dynamics underlying the process through which capitals are accumulated, converted (and lost) over time (Andon et al. 2014). This paper focuses specifically on the capital accumulation process of a subordinate actor. Our theoretical focus provides a unique insight into the contested nature of the capital accumulation process, highlighting the fragility of capitals, the extent of their convertibility, and the struggles their holders encounter in the face of this dynamism. Second, the paper extends our understanding of how accounting, in the shape of accountability mechanisms, specifically influences the acquisition of cultural capital (Neu et al. 2013). We reveal how the nature of the accountability mechanisms operated by VBDO, in particular manner in which they were developed and mobilised, enabled the accumulation of a fragile form of linguistic capital. Third, the paper extends our understanding of how advocacy organisations
seek to promote corporate accountability by encouraging improved CSR reporting (Arachel et al. 2011; Cooper and Owen, 2007; O’Sullivan and O’Dwyer, 2015). The paper contests recent work suggesting that powerful corporations can smoothly secure symbolic capital through co-creating CSR reports with stakeholder groups (see, Killian and O’Regan, 2016). It also extends work examining the diffusion of CSR reporting norms by uncovering the process through which advocacy organisations can have a leading role in creating and circulating these norms, albeit in a more dynamic, disputed and volatile manner than prior work suggests (see, Bebbington et al. 2012).

The potential exists for future research to offer more in-depth understandings of the impact of stakeholder engagement on CSR management and reporting practices. A continuous insight highlighted by our interviewees focused on the difficulty of measuring the impact of the engagement practices of various stakeholders. Further investigation of this process is required if we wish to better understand the influence these groups possess in advocating for improved corporate accountability, especially through CSR reporting. We suggest an in-depth examination of an advocacy organisation’s engagement with a single organisation would significantly advance our understanding in this area. Additionally, our study revealed how the development of VBDO’s accountability mechanisms allowed it to better promote accountability in the Dutch context. An opportunity exists to examine the internal practices of advocacy organisations in greater detail to further develop our understanding of how these actions inform the nature of their engagement in specific settings. Finally, our study focused on the actions of an advocacy organisation that undertook constructive, collaborative engagement largely aligned with the rules of the game in the CSR field it operated in. We suggest that the field positioning process for activist organisations may substantially differ from our findings and we encourage future research in this area given the influence these actors can exert on CSR management and reporting practices in specific settings.
CHAPTER FOUR: IN SEARCH OF CORPORATE ACCOUNTABILITY – HOW STRATEGIC FRAMING INFLUENCES THE STAKEHOLDER ENGAGEMENT PROCESS

4.1 Abstract

The search for corporate accountability has seen researchers examine the participation of various advocacy organisations in processes of organisational-level engagement (De Bakker et al. 2013), illustrating the institutional, organisational, and managerial characteristics that often thwart the attempts of these actors to challenge corporate power. Extant literature, however, has tended to focus on the tactics and strategies adopted by advocacy organisations, offering limited insights in how these actors work to internally organise their engagement activities. The paper examines the internal systems and practices implemented by a prominent advocacy organisation, VBDO, in an effort to promote the enhanced adoption of CSR management and reporting mechanisms among companies in the Dutch CSR field. Developing an understanding of this process is considered important given the role advocacy organisations are expected to play in administering corporate accountability by evaluating and informing the adoption and enactment of institutional level CSR frameworks at an organisational level (Stafford and Hartman 1996). Mobilising the concepts of strategic frames and frame resonance, the paper reveals the active struggles and negotiations that informed the day-to-day activities undertaken by VBDO during the development and operationalisation of its engagement practices. It offers a number of empirical and theoretical contributions. Empirically, the paper’s findings deepen our understanding of the process through which non-business actors attempt to shape CSR through organisational-level engagement (Rasche et al. 2013). Specifically, the findings illustrate the internal practices that informed how VBDO organised and conducted its engagement practices, while also revealing specific obstacles and impediments it encountered during this process. Theoretically, the paper advances our understanding of how strategic frames emerge through a process of co-construction in a field (Cornelissen and Werner 2014). Specifically, the paper’s findings unpack the characteristics that supported the attainment of resonance for the engagement frame VBDO drew upon in order to operate engagement in the Dutch field of CSR.
4.2 Introduction

The study of advocacy organisations traverses a number of research streams, with the examination of the activities of these organisations gaining the attention of accounting, management, and social movement scholars (Archel et al. 2011, Cooper and Owen 2007, Rasche et al. 2013, De Bakker 2012, De Bakker et al. 2013, Den Hond and De Bakker 2007, King 2007). While these studies examine distinctly different research questions, a common denominator exists through the topic of corporate social responsibility (CSR). Specific interest has been directed towards ‘the search’ for corporate social responsibility and, more specifically, how, when, and why various advocacy organisations mobilise in an effort to influence the nature of CSR policies and practices occurring in specific settings (Fleming, Roberts, and Garsten, 2013).


29 We conceive of a CSR advocacy organisation as an organisation representing various members sharing a common commitment to its mission. It undertakes engagement either at an institutional level, to promote the development of CSR frameworks, or at an organisational level, to promote the better integration of social and environmental management and reporting practices within companies.

30 Corporate social responsibility within the current study represents a broad definition for the reporting practices and day-to-day policies implemented by companies in order to manage the social and environmental impact of their economic activities. The definition includes CSR (corporate social responsibility) reporting (or sustainability reporting) (Bebbington, Larrinaga, and Moneva, 2008; de Villiers and Alexander, 2014; Gray, Owen, and Adams, 1996) which relates to disclosures by companies related to their impact on society or the natural environment (de Villiers and Alexander 2014). The definition also encompasses corporate social responsibility policies implemented by companies in an attempt to minimise their impact on society or the natural environment.
2007b, Arenas et al. 2009). While these studies illustrate the institutional, organisational, and managerial characteristics that thwart their attempts to challenge corporate power, they offer little insight into the characteristics that support the operation of specific engagement practices by advocacy organisations and the role forms of accounting play therein.

The existing literature does offer, however, rich and diverse accounts of the role advocacy organisations play in challenging corporate organisations through processes of engagement. Social movement scholars have tended to focus on tactics and strategies, examining how advocacy organisations have attempted to disrupt corporate activities through the mass mobilisation of constituents and the implementation of anti-corporate campaigns (De Bakker et al. 2013). In contrast, both accounting and management scholars have focused on investigating how corporate actors address stakeholder concerns, examining processes of engagement and their impact on corporate activities (Maak and Pless 2006, Deegan and Blomquist 2006). There is still, however, ample room to develop our knowledge of the actions undertaken by advocacy organisations in promoting initiatives that ultimately strive for enhanced corporate accountability (Arenas et al. 2013, De Bakker 2012, Steen-Johnsen, Eynaud and Wijkström 2011). Specifically, there is a need to further deepen our understanding of how these actors work to organise and coordinate engagement (Rasche et al. 2013). This paper seeks to advance and deepen our understanding of the internal, organisational-level dynamics that inform the operation of engagement practices by one advocacy organisation, VBDO. It examines how the internal structures and systems VBDO implemented influenced its ability to operate engagement in the Dutch field of CSR31.

It is important to further explore the role played by non-business actors in organising processes of engagement for the following two reasons. First, the existing literature highlights how advocacy organisations often struggle to influence corporate behaviour, with researchers suggesting that their participation in engagement processes makes them complicit in institutionalising unfavourable outcomes by virtue of their support of CSR policies and practices

31 We define the Dutch CSR field as the space within which the advocacy organisation examined in this paper operates. The field of CSR represents a space where the economic field and social and environmental field overlap. Accordingly, actors that traditionally operate in the economic field attempt to integrate social and environmental practices into their day-to-day activities meet actors from the social and environmental field that seek to challenge and inform these activities. This definition is developed in the Research Method and Case Study section of the paper in section 4.4.3.
that are often weak, diluted, and overly business-friendly (Fleming et al. 2013, Archel et al. 2011). Given the challenges that these actors face in influencing the nature of corporate accountability administered for CSR issues, there is a clear need to better understand how they prepare and gain the necessary competencies to conduct engagement (O’Dwyer 2005). The current study attempts to reveal the processes through which a prominent advocacy organisation’s engagement practices were developed and operationalised in one CSR field (De Bakker 2012) in order to better understand the complexities and challenges of this process and to further deepen our understanding of why these actors often struggle to hold organisations to account for their actions.

Second, the paper focuses on a non-business actor that adopts reformative engagement strategies. While it is acknowledged that “guerrilla communication groups [can] be effective” as they undertake a more activist approach to engagement, collaborative, reformist engagement is suggested to offer “something more sustainable, systematic and accessible to the general public, workers and other stakeholders” (Fleming et al. 2013, p. 347). While these actors see themselves as adversaries of their engagement targets, they deploy collaborative engagement tactics to create a space for legitimate disagreement and negotiation (Laasonen, Fougère and Kourula 2012). Given the voluntary nature of most existing institutional-level CSR frameworks and the lack of government regulations to promote or monitor their application, advocacy organisations undertaking reformative engagement play an important role in administering corporate accountability by evaluating and informing the enactment of these frameworks at the organisational level (Stafford and Hartman 1996). Accordingly, these actors represent an important group to study in order to better understand the current (and future) status of CSR (Fleming et al. 2013).

This paper presents a case study of VBDO\textsuperscript{32}, a prominent advocacy organisation that promotes the enhanced adoption of CSR practices among companies in the Dutch CSR field. VBDO undertakes reformative engagement by developing and operating various accountability mechanisms in an effort to hold organisations to account for their CSR policies and practices.

\textsuperscript{32} De Vereniging van Beleggers voor Duurzame Ontwikkeling or the Dutch Association of Investors for Sustainable Development. While the English translation of VBDO suggests it is an association for investors, its membership base also includes NGOs and consulting firms and its acts on behalf of both civil society and the institutional investment community.
The case illustrates the everyday actions and routines undertaken by VBDO that inform the development and operationalisation of its engagement practices. The case study is qualitative in nature with twenty-four interviews undertaken with VBDO staff, members of its institutional network, and corporate organisations with which it engages. Document analysis of VBDO’s engagement reports was also used to inform and support the findings.

The paper draws on the theoretical concept of strategic framing which directs attention to how individuals and groups construct meaning for their interactions (Cornelissen and Werner 2014, Goffman 1974). Strategic frames emerge from processes of co-construction between groups of actors (Kaplan 2008) and create a common understanding for how practices (should) unfold in a specific setting. The paper mobilises one form of strategic frame – an engagement frame – that sets the boundaries and expectations for an advocacy organisation’s engagement practices in a CSR field. It examines the process through which VBDO developed an engagement frame in order to understand the underlying frame characteristics that supported the attainment of frame resonance – a theoretical concept that refers to “the effectiveness or mobilising potential” of a strategic frame (Benford and Snow 2000, p. 616). As the process of frame development creates specific ‘common understandings’ with regard to VBDO’s engagement interactions, how it subsequently operates its engagement practices impacts on its ability to maintain resonance for its engagement frame. Accordingly, the paper also examines the internal activities undertaken by VBDO when operating engagement in order to understand how these practices influenced the maintenance of frame resonance over time.

This paper presents the following contributions. First, it responds to requests for an increased focus on the role non-business actors’ play in organising CSR (De Bakker 2012; Rasche et al. 2013). The lack of government regulation enacted in national CSR fields has resulted in advocacy organisations playing a greater role in monitoring and promoting the corporate implementation of institutional level CSR frameworks, ensuring accountability for their CSR policies and practices is discharged. While prior work has illustrated the strategies these actors adopt in order to influence corporate activities (Arenas et al. 2013; de Bakker et al. 2013; Deegan and Blomquist 2006), we are limited in our understanding of how advocacy organisations’ organise and structure their engagement activities. Our case analysis illustrates the internal practices that support the development and operationalisation of VBDO’s engagement practices,
specifically: (1) how specific engagement topics are identified; (2) how accountability mechanisms are constructed; and (3) how engagement processes are managed over time (Rasche et al. 2013). In doing so, we deepen our understanding of the process through which an advocacy organisation gains the competencies, knowledge, and skills required to conduct organisational-level engagement.

Second, the paper highlights the potential impediments to the effective operationalisation of engagement by advocacy organisations. While prior research has suggested that advocacy organisations are often complicit in failing to realise desired organisational reform during their engagement efforts (Cooper and Owen 2007, Archel et al. 2011), it provides little, if any, understanding of how the internal activities of these actors impact, or impede, their operation of engagement. Our findings illustrate how distinct challenges and obstacles arose during the operationalisation of VBDO’s engagement that threatened its ability to challenge and inform the implementation of CSR policies and practices by corporate actors. We reveal how insufficient levels of staff, inadequate internal systems to record and monitor engagement processes, unclear goals when commencing engagements, and lack of knowledge of its engagement targets threatened such operationalisation, jeopardising VBDO’s ability to hold organisations to account.

Third, while prior literature has illustrated how strategic frames impact on the activities of actors in a specific field (Himick and Audousset-Coulier 2016, Yang and Modell 2015), far less attention has been paid to how strategic frames emerge through processes of co-construction and negotiation (Cornelissen and Werner 2014, Kaplan 2008). The paper advances our understanding of the emergence of strategic frames by examining the co-construction process that informed the emergence of VBDO’s engagement frame. Our findings reveal the specific characteristics that supported the attainment of frame resonance, illustrating how specific ‘common understandings’ were negotiated with its membership network and engagement target which subsequently informed VBDO’s engagement interactions. This deepens our understanding of how frame resonance is attained and maintained over time. Furthermore, the paper highlights the restrictive nature of strategic frames by revealing how the development of an engagement frame stifled its ability to expand the nature of its engagement interactions. Specifically, our findings illustrate how the ‘common understandings’ negotiated with field participants acted as a barrier to it undertaking institutional-level engagement in the Dutch CSR field.
The remainder of the paper proceeds as follows. The next section provides a summary of the extant literature examining stakeholder engagement and introduces our theoretical framework. We then discuss the research method adopted in the paper. This is followed by our case narrative. The final two sections of the paper discuss the implications of our findings and conclude the study.

4.3 Theoretical Framework

4.3.1 The nature of stakeholder engagement

Extant institutional CSR frameworks recognise stakeholder engagement as an essential driver of corporate accountability as it obliges “an organisation to involve stakeholders in identifying, understanding and responding to sustainability issues and concerns, and to report, explain and be answerable to stakeholders for decisions, actions, and performance” (Accountability, p.5). The role of the stakeholder in enhancing corporate accountability is widely recognised in current CSR management mechanisms developed by the Global Reporting Initiative, AccountAbility, and the International Integrated Reporting Council. Extant definitions of stakeholder engagement typically direct attention to the structured approach corporate organisations adopt when selecting, and engaging with “relevant” stakeholders. AccountAbility, in their AA1000 Stakeholder Engagement Standard, define stakeholder engagement as follows:

“Stakeholder engagement is defined as the process used by an organisation to engage relevant stakeholders for a clear purpose to achieve agreed outcomes. It is now also recognised as a fundamental accountability mechanism since it obliges an organisation to involve stakeholders in identifying, understanding and responding to sustainability issues and concerns, and to report, explain and answer to stakeholders for decisions, actions, and performance.” (AccountAbility, 2015, p.5).

The definition, however, provides a corporate-focused explanation of stakeholder engagement, where organisations seek out those stakeholders that are deemed “relevant” in order to understand and address social and environmental issues and concerns. We argue that this definition encourages an overt focus on the activities of corporations during engagement processes, a trend that is evident in the existing accounting and organisational studies literature streams where studies primarily focus on the process through which corporate actors engage with specific stakeholder groups (Gao et al. 2006, Owen et al. 2001, Rinaldi, Unerman and Tilt 2014). In doing so, the existing literature provides rich accounts of corporate-initiated engagement but a
less detailed understanding of the efforts stakeholders undertake to operate engagement with corporate actors. We contend that any definition of the stakeholder engagement process should recognise the efforts undertaken by stakeholders when seeking to conduct engagement. This is necessary in order to recognise the reciprocal nature of stakeholder engagement and, in particular, to direct increased attention to stakeholders efforts to establish power and influence in specific fields, the strategies and tactics stakeholders implement when seeking to practice engagement with organisations, and how stakeholders’ develop, mobilise support for, and implement their own engagement practices. Accordingly, we define stakeholder engagement as the structured approach organisations and stakeholders adopt to enhance corporate accountability for specific policies and practices. We draw upon the term “structured approach” to capture within our definition of stakeholder engagement (1) the processes through which a corporate organisation attempts to discharge accountability to its stakeholders for the economic, social and environmental impact of its operations; and (2) the process through which a stakeholder attempts to challenge a corporate organisation’s accountability for, and transparency of, its economic, social and environmental policies and practices. The primary interest of this paper is to examine the latter, specifically for an advocacy organisation undertaking organisational-level engagement.

We use the term advocacy organisation to define the stakeholder organisation empirically examined in the current paper. We define an advocacy organisation as an organisation that represents various members, which seeks to undertake engagement with corporate actors within existing institutional structures on a national or international level, to achieve clear and pre-defined outcomes, through the use of specific accountability mechanisms. Accountability mechanisms, such as benchmarks, are used to guide processes of engagement, informing the interactions between the advocacy organisation and corporate actors. In this respect, they are an important tool often drawn upon by advocacy organisations to operate organisational-level engagement (Deegan and Blomquist 2006).

As extant studies in the accounting and organisational studies literature hold a corporate-centred focus on processes of engagement, this work tends to illustrate the role advocacy organisations

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33 These accountability mechanisms can include benchmarks, reports on an organisations’ adoption of specific social or environmental policies, reports on the adoption of specific institutional CSR frameworks, and/or reports on past engagement processes and their outcomes.
play in informing the outcome of engagement processes (Archel et al. 2011, Edgley et al. 2010, Deegan and Blomquist 2006, Gao et al. 2006). The current paper argues that it is important to distinguish between the process of engagement itself – which directs attention to the collaboration between the advocacy organisation and its target – from the processes undertaken by an advocacy organisation before commencing engagement where its actions are organised. While the former typically sees researchers focus on outcomes or remedies, the latter directs attention to the space where an advocacy organisation plans specific engagement tactics, develops the knowledge and expertise necessary to engage in organisational-level engagement processes, and constructs the specific accountability mechanisms it will leverage to hold organisations to account. Ultimately, the latter examines how engagement is organised and coordinated, which is what this study seeks to examine.

Given how advocacy organisations represent one of the most active stakeholders operating across CSR fields (Stafford et al. 2000), it is particularly surprising that we possess such little knowledge of their internal operation and the role forms of accounting play therein. In order to gain a holistic understanding of how processes of engagement unfold over time, we need to develop and deepen our understanding of the internal activities that inform advocacy organisations’ operation of, and participation in, processes of engagement. In seeking to better understand this process, the paper draws on the theoretical concepts of strategic framing and frame resonance. These concepts are now discussed.

4.3.2 Strategic frames, engagement frames, and frame resonance

Strategic frames. Framing relates to a set of theoretical perspectives that describe how actors communicate about reality (Goffman 1974, Entman 1993). While the construct is widely applied across the management and organisation literature (Cornelissen and Werner 2014), the current paper is situated parallel to existing meso-level studies that examine how actors, through language and symbolic gestures, attempt “to frame courses of action in order to mobilise others to follow suit” (p. 183). Meso-level studies typically draw on the construct of strategic framing to understand the construction and negotiation of meaning within organisations and across groups (Guérard, Bode and Gustafsson 2013, Knight and Greenberg 2011, Kaplan 2008, Markowitz 2007), revealing how frames are strategically deployed in order to mobilise others to
support a specific cause of action, either within an organisation (Kaplan 2008) or between organisations in a specific field (Nadkarni and Narayanan 2007).

Strategic frames have been defined as a “set of cause-effect understandings about industry boundaries, competitive rules, and strategy-environment relationships available to a group of related firms in an industry” (Cornelissen and Werner 2014, p. 197) and typically emerge following interactional processes of co-construction between groups of actors (Kaplan 2008). The concept of strategic framing enables us to better understand how actors negotiate and construct meaning for their interactions, thereby creating a common understanding for how practices unfold in a specific setting (Kaplan 2008, Nadkarni and Narayanan 2007, Himick and Audousset-Coulier 2016). The outcome of the process of co-construction is recognised as particularly important as strategic frames bind actors to a specific course of action (Benner and Tripsas 2012), limiting the nature of interactions that occur in a field.

The existing application of the concept of strategic framing can be divided, broadly, into two categories. The first category sees researchers identify strategic frames across various empirical phenomena in order to understand the impact that these frames have on the day-to-day activities of actors (Himick and Audousset-Coulier 2016, Yang and Modell 2015). Accordingly, this literature tends to illustrate how frames conflict and compete with one another. For example, Himick and Audousset-Coulier (2016) examine how different framings of responsible investment influence the activities of pension funds. Their analysis focuses on how alignment between two frames – the social and financial – occurs in order to give rise to the objectives of responsible investment, with their findings illustrating the challenges of embedding these two contrasting frames in pension funds’ compliance and evaluation practices. Similarly, Yang and Modell (2015) examine “how diverse frames are brought together and how this breeds varying levels of contestation and frame alignment” (p. 3), with their findings illustrating how two strategic frames (the shareholder-focused frame and the work-unit frame) interacted over time in order to influence the management control practices within Chinese state-owned enterprises. Ultimately, this category of research sees strategic frames as relatively static products that impact or guide the activities of actors operating in a field.

The second category of research adopts a more processual approach by examining the development of strategic frames (Kaplan 2008). Frame construction is less understood in the
existing literature, with limited attention afforded to the process of co-construction that informs frame emergence (Cornelissen and Werner 2014). Kaplan (2008) offers rare insights into this process by illustrating how actors use social skill to incite collective action in order for a predominant strategic frame to emerge within an organisation. In doing so, Kaplan (2008) develops a framing contest model where individuals attempt to gain support for their cognitive frames in order to influence organisational strategy making. Ultimately, however, we know relatively little about the co-construction process through which strategic frames emerge and, in particular, the nature of the negotiations and contestations that inform such processes.

The paper seeks to further develop understanding of how strategic frames emerge by examining the development of an engagement frame. We define an engagement frame as an action-oriented set of beliefs and meanings that inform the actions of an advocacy organisation operating engagement in a specific setting. Ultimately, an engagement frame is a form of a strategic frame as it sets the boundaries for interaction between an advocacy organisation and corporations, establishing a common understanding of how such interactions will occur. While strategic framing, in its broadest definition, describes “the process of drawing a window around information to focus on key elements of information”, an engagement frame allows an advocacy organisation to highlight specific characteristics of its engagement activities, enabling engagement targets to understand why its engagement interactions are being undertaken, how its engagement will evolve over time, and what the likely outcome of its engagement will be. Most importantly, an engagement frame guides all the engagement activities undertaken by an advocacy organisation setting the boundaries and expectations for the nature of engagement practices that will be carried out in a specific setting.

Frame resonance. In order to understand how an engagement frame gains support among actors in the field where it is implemented, the paper draws on the concept of resonance. Resonance “is relevant to the issue of the (frame) effectiveness or mobilising potency, thereby attending to the question of why some framings seem to be effective or resonate, while others do not” (Benford and Snow 2000, p. 619). The higher the degree of resonance a frame attains, the greater the probability that the framing effort will be relatively successful (Cornelissen and Werner 2014). Accordingly, frames vary in the extent to which they are deemed resonant in the context where they emerge and, as a result, not all frames will be effective in influencing the problem or issue
that they seek to remedy or rectify. This variance in resonance is influenced by frame credibility\textsuperscript{34}.

Credibility relates to specific frame characteristics and is influenced by three factors: \textit{empirical credibility, the credibility of the claims-maker, and frame consistency} (Benford and Snow 2000). \textit{Empirical credibility} refers to the “fit between framings and the events in the world” (p.620). This form of credibility directs attention to the empirical referents (or evidence) supporting the frame and whether these referents are considered valid indicators of the actor’s claims. More specifically, in constructing a frame, an actor must propose a solution to the identified problem situation. Accordingly, resonance is influenced by the deemed appropriateness of the solution proposed. It is suggested that “the more culturally believable the claimed evidence, and the greater the number of slices of such evidence, the more credible the framing and the broader its appeal” (p.620). The second factor influencing credibility is \textit{the reputation and status of the claims-maker}. This form of credibility suggests that those actors deemed more reputable in a specific context are more likely to produce resonant frames. This does not mean that reputable claims-makers will always construct resonant frames. These actors do, however, tend to be successful in their framing efforts as they typically possess knowledge and expertise on the issue in question which makes their claims more plausible. Lastly, \textit{frame consistency} refers to the congruency between the beliefs, claims, and actions of the claims-maker. Inconsistency manifests itself in two ways: contradictions among the claims-makers beliefs and claims and contradictions among framings and tactical actions. Contradictions among beliefs or claims refer to instances where there are discrepancies between what the claims-maker stands for and what it does. In contrast, contradictions among framings and tactical actions refer to instances where there are discrepancies between what the claims-maker says and what it does. Such contradictions inhibit the attainment of high frame resonance.

\textsuperscript{34} The current paper focuses solely on the concept of \textit{credibility} as this concept directs attention to how the practices of the frame-maker contribute to the attainment of frame resonance. Resonance is also influenced by a frame’s relative salience to targets of mobilisation. This concept directs attention to characteristics of the targets of the action in order to understand how the beliefs, values and ideals of these organisations influence the manner in which they respond to strategic frames in a specific context. As these organisations are not the focus of this paper’s objectives, these insights were not comprehensively examined in this paper.
Just as “a monkey needs to know whether a push from another monkey (as a symbolic gesture) is intended within the frame of play or within the frame of fighting” (Cornelissen and Werner 2014, p. 197), a corporate organisation needs to know whether the actions of an advocacy organisation are intended within the frame of collaboration or activism. Collaboration sees the advocacy organisation actively attempting to support and inform the implementation of CSR policies and practices that will benefit the corporation in the long run\(^{35}\). It is this strategic framing process initiated by VBDO in order to conduct engagement that the current paper investigates. The paper examines the process through which VBDO constructed an engagement frame that set the boundaries and expectations for its actions in order to better understand the underlying characteristics that support the attainment of resonance. As this process establishes specific *common understandings* regarding its engagement interactions, how VBDO subsequently implements its engagement practices impacts on its ability to maintain frame resonance. Accordingly, the paper also examines the internal activities undertaken when operating engagement in order to understand how these practices challenged or stifled the resonance of its engagement frame over time.

### 4.4 Research Method and Case Study

#### 4.4.1 VBDO

VBDO is a Dutch advocacy organisation that works to promote the adoption and implementation of CSR management mechanisms among companies in the Dutch CSR field. Its engagement operates through various self-constructed accountability mechanisms including direct engagement with organisations, the attendance at shareholder meetings, numerous benchmarks, and the facilitation of stakeholder dialogues. VBDO holds a unique structure in that its membership base consists of institutional and private members. Its institutional members consist of three distinct types of organisation: institutional investors, consulting firms and civil society organisations. These members support VBDO’s efforts to promote the integration of improved CSR policies and practices among Dutch listed companies. Since its establishment in 1995, VBDO has grown to hold approximately 75 institutional members and 550 individual members who fund its engagement activities (See Appendix One, p. 240).

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\(^{35}\) As opposed to the frame of activism, where the advocacy organisations holds little interest in supporting the actor in implementing stronger CSR management mechanisms.
4.4.2 Data collection and analysis

The internal actions of advocacy organisations and the role forms of accounting plays therein have not yet been studied in detail and, as a result, are not well understood. Accordingly, the current study adopts a qualitative research method (Patton 2005, Silverman 2013, Cooper and Morgan 2008). Qualitative research provides researchers with an opportunity to study the complexities underlying specific processes (Cooper and Morgan 2008) by conducting an in-depth and contextually informed examination of specific organisations, events, and phenomena. Two qualitative research methods were adopted in the current study: semi-structured interviews and documentary analysis.

Semi-structured interviews were the principal data source drawn upon in this paper (Bryman 2004). In total, twenty-four interviews were conducted between July 2013 and February 2014, with twenty-three interviews being recorded and subsequently transcribed. Interviews ranged from 40 minutes to 2 ½ hours in duration (See Appendix Four, p. 244). Interviews were conducted with a range of individuals associated with VBDO. These included past and present VBDO staff, members of its institutional network, and representatives of VBDO’s engagement targets. Interview themes depended on the nature of the relationship between VBDO and the interviewee. These themes included: VBDO’s internal structure and how it operates, the development and operation of VBDO’s accountability mechanisms, the operationalisation of its engagement processes, perceptions of VBDO’s engagement among targets, and the impact and influence of VBDO’s engagement.

Documentary analysis of VBDO engagement reports was also used to inform and support our findings. VBDO publishes the results of its engagements annually in report format. These reports are available and free-to-access on its website. Engagement reports were downloaded from 2005 and examined by the first-named author. He focused on understanding how these reports developed over time and how such developments were informed by discussions with VBDO members. This was possible as VBDO reports provide a detailed description of the methodologies that underlie its accountability mechanisms. For example, VBDO’s benchmark reports provide a comprehensive description of the process through which VBDO evaluates

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36 The process of data collection and data analysis was undertaken by the first-named author.
37 See www.vbdo.com to access a range of engagement reports published by VBDO.
companies’ CSR practices. This allows organisations to understand how and why they attained a specific ranking. These methodologies are updated annually with VBDO providing a description in each report of how and why its methodology has changed since its previous report. This offered an opportunity to examine the influence members and engagement targets held on the development of VBDO’s engagement practices over time.

Emerging themes were identified and recorded during the interview phase by the first-named author (O’Dwyer 2004, Gioia et al. 2013, Silverman 2006). Following each interview, the interviewer expanded on the notes made during interviews with his initial conclusions. Within twenty-four hours, these notes were compiled in an interview summary sheet. Key themes for each interview were listed, new information highlighted, contradictions to previous interviews noted and new themes accentuated to inform future interviews. Additionally, new contacts received from the interviewee were recorded and their relevance considered. This document was stored with the interview outline and used in the data analysis process. Interviews were organised to facilitate analysis using ATLAS.ti. The analysis followed a two-stage process: the identification of first-order concepts and second-order themes (Gioia et al. 2013). Initially, all interviews were listened to while reading transcripts to ensure accuracy. Additional themes were added to interview summary sheets during this phase. During the second reading of interviews, first round coding took place. A free coding approach was undertaken which resulted in approximately 50 codes existing following this phase. During the second phase, these codes were collapsed into second-order concepts. This process involved re-reading transcripts, interview summary sheets and interview notes. Theory played an important role at this stage of the coding process (Llewelyn 2003, Ahrens and Chapman 2006) and allowed the first named author to collapse the first order concepts into two distinct categories (See Appendix Seven, p. 248). The first category “Development of a resonant engagement frame” focused on understanding how VBDO’s engagement frame was co-constructed over time. Three theoretically informed sub-categories of empirical credibility, status as a claims-maker and frame consistency were highlighted in order to unpack how frame resonance was attained. The second category “Challenges to engagement frame resonance” focused on understanding how the resonance of VBDO’s engagement frame was impacted when VBDO conducted engagement. Four theoretically informed sub-categories of empirical credibility, status as a claims-maker, frame consistency, characteristics of engagement targets were drawn upon in order to unpack how
frame resonance was maintained over time. Following this process, a final re-reading of transcripts was undertaken primarily to seek out contradictions on key themes and findings.

4.4.3 The Dutch CSR field

A CSR field is defined as the space where the economic field and the social and environmental field intersect. As the current paper focuses on the nature of engagement interactions occurring in the Dutch context, we focus on the Dutch CSR field. The Dutch CSR field marks the intersection between the economic field and the social and environmental field. Over the past two decades, it has become increasingly populated, with a wide range of actors in the economic field taking an interest in social and environmental issues (Lockett, Moon and Visser 2006). During this time, advocacy organisations have increased their efforts at challenging the corporate adoption of CSR management mechanisms through processes of engagement. Such actions have seen advocacy organisations’ attempt to contest the logic of material profit (prominent in the economic field) by embedding stringent CSR management mechanisms within corporate actors’ day-to-day activities.

At the time the case study was conducted, the Dutch CSR field was populated by a range of actors seeking to influence the nature of CSR policies and practices undertaken in this context. These included corporations, the government, civil society organisations and advocacy groups, institutional and private investors, consulting firms and (indirectly) supra-national organisations such as the UN and OECD (through the publication of CSR frameworks such as the Equator Principles). As the section below describes, VBDO had established a position in the field as an operator of engagement since its entry to the field in 1995.

4.5 Background to the Case Study

The early years of VBDO’s operation saw its founder (termed “the FED”) endeavour to establish its field position. It initially focused on a single issue, the transparency of organisations’ social and environmental reporting practices. VBDO attended the AGMs of Dutch-based companies promoting the adoption of more detailed and transparent social and environmental reports. Furthermore, VBDO actively sought to engage with these organisations outside of the AGM in an effort to inform the nature and extent of organisations’ CSR reporting. This represented a slow process, with VBDO slowly establishing itself over time. In order to develop the extent of
VBDO’s engagement, a benchmark that evaluated the transparency of Dutch list companies social and environmental reports was launched in 2001. Benchmarking saw VBDO rank Dutch organisations on a scale of best to worst performances, a strategy that sought to create competition among organisations to improve the nature of social and environmental reporting undertaken. The transparency benchmark was widely perceived as a valuable tool in enhancing the quality of reporting by Dutch listed companies and was adopted by the Dutch Government in 2004. The FED resigned from VBDO in 2005. The Board of Directors sought to replace the FED with an individual that could manage VBDO’s internal operations while continuing to grow its external engagement practices.

The second executive director (SED) was appointed in 2006. This appointment marked the beginning of a period of expansion for VBDO. The SED immediately began to increase the number of engagement practices it operated. Attendance at shareholder meetings was expanded, doubling the number of organisations it engaged with annually from 35 to 70. Furthermore, VBDO began to promote multiple CSR themes at these meetings (including biodiversity, directors’ remuneration, human rights, supply chain management). VBDO also developed its usage of benchmarks. For instance, benchmarks were established that evaluated the responsible investment practices of pension funds, the responsible investment practices of insurance companies, the sustainable investment practices of charities and churches, and the supply chain practices and the tax transparency of companies in the Dutch CSR field. The expansion of VBDO’s engagement activities saw the organisation promote a much wider array of topics, to a wider range of organisations. The expansion in activities increased the amount of work undertaken by the organisation on an annual basis, and as a result, VBDO also endeavoured to professionalise the internal practices that informed the development and operationalisation of its engagement activities. This process was particularly important in ensuring the quality of its engagement was maintained. The case narrative examines VBDO’s strategic framing efforts at this time, directing specific attention to the internal practices that supported the vast expansion in its engagement activities.
4.6 Case Narrative

4.6.1 The development of an engagement frame: the characteristics that support the attainment of frame resonance

The current section examines the process through which VBDO’s engagement frame was co-constructed in the Dutch CSR field. We unpack the frame’s underlying characteristics in order to understand how resonance for this frame was attained. In doing so, this section illustrates how the co-construction process leads to the establishment of “common understandings” that guided VBDO’s engagement interactions with field participants. Each of these common understandings is now discussed.

- Promote relevant and pertinent CSR topics in the Dutch CSR field

VBDO was recognised as a first-mover in promoting CSR topics, whereby it held a distinct ability to identify, and subsequently promote, issues that were gaining increased attention from corporate organisations, civil society organisations, and/or supra-national organisations. VBDO operated a number of internal processes that enabled it to identify such topics, one of which was internal strategy meetings. These meetings were held annually where the executive director and VBDO staff would discuss the organisation’s strategic plan. Members of VBDO’s staff played an important role in identifying new engagement topics as they were familiar with which CSR issues were salient among Dutch listed companies. Their role in coordinating and implementing VBDO’s engagements meant that they were frequently in contact with CSR managers, with these interactions providing them with insights into which CSR practices organisations were struggling to implement.

“We have had a strategy day in May or April where we discuss together with [the FED] what the strategy of the VBDO should actually look like and what are potential opportunities and risks. We discuss new ideas [at this meeting], but also throughout the year. Our connections to companies’ means we’re in a good place to see what’s happening out there” (VBDO Manager 3)

VBDO’s ability to identify relevant and pertinent CSR topics was further strengthened through the manner in which liaised with its membership network. VBDO’s institutional members were invited to quarterly meetings to discuss the nature of its engagement interactions. VBDO would

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38 In this thesis, the term supra-national organisation is used to refer to organisations such as the European Union or United Nations who construct institutional level CSR frameworks to govern the implemented of CSR management mechanisms by corporations.
often present potential CSR topics on which it was considering developing engagement practices at these meetings, testing the opinions of its members. The insights gained during these discussions provided it with an opportunity to consider how potential CSR topics would be perceived by field participants. VBDO became particularly skilled at leveraging the knowledge and expertise of its members for its own benefit, with its membership network acting as a crucial sounding board during the identification of engagement topics.

“We come together and we talk about the dilemmas we are facing...so it's a big brainstorming session...they all come from different sorts of organisations...especially civil society....so we can use them as a sound board for dilemmas or what they would like us to do...what they would like for us to [focus our engagement] on.” (VBDO Media Officer)

“And everybody was just like, no, not again... not another benchmark....And then they backed out of it, and they said, “Okay, we’ll do a research first, and we’ll see”. So they listen to us sometimes once in a while, and that’s good thing, I think.” (VBDO Member 2)

VBDO also benefited from its position in pan-European network EUROSIF that sought to promote the enhanced adoption of CSR practices across European financial markets. As the Dutch affiliate in the network of advocacy organisations, it was able to build close relations with other national EUROSIF members, gaining insights into key debates and discourses occurring within other national CSR fields. This position provided VBDO with an opportunity to identify topics gaining increasing prominence in the European CSR field and to consider whether these topics should be promoted in the local Dutch context. For instance, in 2015, it launched a tax transparency benchmark in response to the increased scrutiny placed on the amount of corporation tax paid by global conglomerates in the national contexts in which they operate. It was the first Dutch advocacy organisation to operate engagement on this topic.

VBDO’s positions in the Dutch and European CSR fields ensured it could continually monitor movements in CSR discourses and stay informed on which topics were gaining increasing attention. The identification of salient topics enabled VBDO to be recognised as a “first-mover” in the Dutch CSR field, ensuring field participants expected it to be at the forefront of CSR debates in this setting. Accordingly, when VBDO initiated new engagement practices, organisations typically paid close attention to its actions:

“(Corporations) acknowledge VBDO as a frontrunner in knowledge, a frontrunner in (engagement) activities; a frontrunner (that) is interesting and important to engage with” (VBDO Board 4)
The promotion of relevant and pertinent CSR topics supported the attainment of empirical credibility for VBDO’s engagement frame. In particular, this common understanding allowed VBDO to signal its intention to ensure that there was a close fit between the engagement actions and important developments in the Dutch and European CSR fields (Benford and Snow 2000) which organisations valued. As we now describe, the manner in which VBDO developed its engagement practices following the identification of salient topics reinforced this frame’s mobilising potency.

- **Rely on existing institutional frameworks to operate engagement**

VBDO’s engagement actively policed the adoption of CSR management mechanisms in the Dutch CSR field. In order to do so, it recognised the importance of drawing on existing institutional level CSR frameworks when operating engagement. More specifically, VBDO did not attempt to create new rules that organisations should follow when implementing CSR management mechanisms; instead, it drew upon existing rules that existed at an institutional level. Accordingly, VBDO’s actions were closely linked with institutional CSR frameworks such as the Equator Principles, the OECD Guidelines for Multi-Nationals³⁹, and guidance issued by the International Integrated Reporting Council.

This approach was particularly important for its engagement frame gaining resonance and mobilising potency. VBDO recognised that institutional standards provided a framework through which organisations could advance their CSR practices. However, as these frameworks were voluntary, organisations were free to pick and choose how recommended policies and practices were implemented. Accordingly, VBDO’s engagements sought to challenge and inform the corporate adoption of existing institutional standards, with its interactions focusing on how organisations adopted and implemented institutional-level CSR frameworks through CSR management mechanisms.

“Standards need to be implemented and this is always done locally in a specific context. This is what we try to do” (SED)

³⁹ The OECD Guidelines for Multinational Enterprises are recommendations addressed by governments to multinational enterprises operating in or from adhering countries. They provide non-binding principles and standards for responsible business conduct in a global context consistent with applicable laws and internationally recognised standards. The Guidelines are the only multilaterally agreed and comprehensive code of responsible business conduct that governments have committed to promoting. See: http://mneguidelines.oecd.org/guidelines/
VBDO’s reliance on institutional level frameworks represented a key common understanding regarding how it would act in the Dutch CSR field. Accordingly, it represented a key characteristic that supported the mobilising potency of its engagement frame for a number of reasons. First, the existence of institutional standards meant it was challenging for organisations to completely disregard VBDO’s actions. At a minimum, VBDO could demand responses from organisations that failed to adopt institutional standards, in line with the “comply-or-explain” nature of these frameworks. Second, by relying on these frameworks, VBDO was able to highlight specific policies and practices organisations could implement to rectify the problem situations its engagement highlighted. In order to attain empirical credibility, actors must provide evidence that supports claims-makers actions and provide a solution to the problem situation (Benford and Snow 2000). The manner in which VBDO developed its engagement practices ensured its engagement frame attained this form of credibility. The process through which VBDO constructed its accountability mechanisms to operate engagement further strengthened its frame’s mobilising potency.

- **Partner with expert organisations to develop accurate accountability mechanisms**

A key objective of VBDO’s engagement was to assist and inform how organisations implemented CSR policies and practices. VBDO developed its accountability mechanisms in order to monitor such implementation. It recognised the importance of operating a rigorous process when developing its accountability mechanisms, particularly as its status as a claims-maker was dependent on it (re-)producing quality engagement interactions over time. Accordingly, VBDO liaised with external organisations in order to design and verify its accountability mechanisms. The collaborations ensured VBDO’s engagements continued to be accurate, knowledgeable, and relevant to its engagement targets.

The construction of its accountability mechanisms was an intricate process which saw VBDO and consulting firms establish detailed methodologies to evaluate the CSR performance of companies in the Dutch CSR field. One consulting firm, Profundo, played a significant role in this process. Profundo was a Dutch consulting firm that possessed substantial expertise on CSR, advising organisations and international Governments regarding the implementation of CSR policies.
“Yes. We have a specific consultancy in the Netherlands it’s Profundo and we have developed these benchmarks with and they are involved every year to provide the backgrounds to the studies. [They know] what’s happening in the [real] world and are [able to work with us to develop each] methodology.” (VBDO Manager 3)

These collaborations became increasingly important to VBDO as it expanded the number of CSR topics it promoted in the Dutch CSR field. In particular, they helped ensured that its engagement interactions were both accurate and of high quality. To ensure relevant accounting mechanisms were developed, it also commenced a process of seeking external verification whereby Ernst and Young were consulted to verify the accuracy and quality of these tools.

“Because we are a small organisation, we are stronger with their power and knowledge” (VBDO Manager 1).

“We asked Ernst and Young to [conduct] an analysis of [each] benchmark and how the methodology is perceived by them. They did it this year for the first time; they did an analysis to see what the quality [was], to test the quality of our research.” (VBDO Manager 2)

Credible claims-makers are most likely to produce resonant frames as these actors hold extensive expertise of the issues they promote (Benford and Snow 2000) The process through which VBDO developed its accountability mechanisms allowed it to accumulate the necessary competencies to operate engagement, strengthening its status in the Dutch CSR field. Accordingly, VBDO’s partnerships with external organisations represented a central common understanding regarding the nature of VBDO’s engagement interactions that supported the resonance of its engagement frame.

- **Allow itself to be held accountable for its actions by engagement targets**

VBDO’s actions in the Dutch CSR field strived to hold organisations to account for their CSR practices. A key characteristic of how it operated engagement, however, meant that VBDO allowed itself to be held accountable for its actions by field participants. For instance, prior to commencing a new engagement, VBDO invited organisations to attend roundtable discussions to introduce organisations to the accountability mechanisms it would draw upon during its engagements. Organisations used these meetings to highlight inadequacies or inaccuracies with how VBDO planned to evaluate their “CSR performance”. VBDO valued this feedback and assessed the responses it received in order to consider whether its accountability mechanisms should be amended. As these meetings were undertaken annually, organisations were given the
opportunity to continually challenge and inform the manner in which VBDO evaluated their actions.

“Every year we discuss the process and the methodology used with a group of pension funds, asset managers, and experts. We also did so this year and several points were raised on how to make improvements.” (VBDO Manager 3)

Table 4.1 describes a typical example of this process in an extract from VBDO’s 2014 responsible investment of pension funds benchmark:

Table 4.1. Extract from VBDO’s 2013 Publication – Responsible Investment by Insurance Companies in the Netherlands.

| “Before the start of the benchmark study, a meeting was planned with insurance companies, asset managers, and experts to discuss the methodology used. Several points were raised on how to improve the methodology. Although the individual members did not agree on all topics with each other, the main opinions are described here: |
| • Provide insight into the reasons why there are differences in the scores between insurance companies and give the comparison of similar insurance companies a more prominent place in the report. |
  | Added in this version of the benchmark |
| • Give more emphasis on best practices in the sector. |
  | Added in this version in the benchmark |
| • Present the results in a more visual and transparent way. |
  | Several graphs are added |
| • Adapt the scoring model in the category implementation to prevent scores over 100%. |
  | The scoring model has adapted accordingly.” |

VBDO recognised, however, that it was also necessary to allow to organisations to challenge the outcomes of its engagements. While organisations rarely contested the findings published in its engagement reports, VBDO recognised the importance of further enhancing its accountability to field participants. As a result, it considered establishing an independent oversight board that could manage any complaints regarding the outcome of its engagements:

“We are considering establishing an independent oversight body to monitor our research. It would provide an organisation with objections to what we do to lodge a complaint. These are not issues that arise [often] at the moment, but it is something that can help our independence” (FED)
The manner in which VBDO allowed organisations to hold it accountable for its actions was particularly important given the increased number of advocacy organisations operating in the Dutch CSR field. As the field was becoming increasingly populated, corporate actors were subject to greater attention and lobbying. One advocacy organisation, Eerlijke Bankwijzer (“the Fair Bank Guide”), was becoming increasingly active in challenging financial institutions through the use of benchmarks. The opinions of corporate organisations on these developments were mixed, with many CSR managers believing benchmarks were being increasingly used to attract media coverage. Organisations were highly suspicious of these actions as, at times, the benchmarks held glaring inaccuracies and, as a result, their outcomes or rankings were unreliable. The transparent manner through which VBDO operated its engagement worked to ease any suspicions corporations may have held towards VBDO’s benchmarks, allowing it to maintain strong relations with field participants:

“And there’s a difference between VBDO and Eerlijke Bankwijzer. And I think Eerlijke Bankwijzer the way they do their research and how they assess if an insurance company or a bank is performing is ridiculous. I mean, we could get a one at one point (for a specific policy) and then two (pages) later we’d get an eight for basically the same policy. We’re more confident in how VBDO do their research. And, yes, they’re quite transparent in how they do it and how they weight the figures along your asset classes. The results of their research is more appreciated here than Eerlijke Bankwijzer and most other organisations which are just a tool for the media.” (VBDO Member 4; emphasis added)

Providing organisations with an opportunity to hold itself to account for its actions represented a central common understanding of VBDO’s engagement frame. Opening itself to criticism ensured VBDO operated an inclusive, transparent engagement process which organisations valued and responded to. This further supported the attainment of empirical credibility as it meant the accountability mechanisms it drew upon when operating engagements were deemed accurate and relevant tools by engaged organisations. The final common understanding of VBDO’s engagement frame stemmed from the manner through which its engagement provided benefits to organisations and, in particular, CSR managers.

- **Provide distinct benefits to engaged organisations and CSR managers**

CSR managers within the organisations VBDO engaged were strong proponents of its engagement interactions. These actors gained distinct advantages when VBDO engaged with...
their respective organisations as it assisted them in fulfilling their roles promoting CSR policies internally. CSR managers valued the manner in which VBDO arranged networking events to discuss general trends surrounding the adoption of CSR practices within the Dutch CSR field. VBDO would bring together CSR managers when launching its thematic research reports (See Appendix Two, p. 241) which enabled these actors to share their experiences in implementing CSR practices in their respective organisations. These events provided CSR managers with an opportunity to learn from their peers:

“I think it is for them important to engage with VBDO, especially for the sustainability departments in these organisations because they need all the support they can get, and of course, they want to meet with [their peers] and discuss [issues] with each other. And, I think that’s a very important role that VBDO plays in bringing these sustainability managers from these big organisations together and support them in their internal fights, so to say.” (VBDO Member 1)

VBDO’s status as an operator of engagement meant that the results of its engagement reports had a distinct influence in the Dutch CSR field. Specifically, CSR managers drew on VBDO’s findings in order to promote changes to CSR practices within their respective organisations. Its reports provided CSR managers with the ammunition to carry out their tasks of making organisations more socially and environmentally responsible, providing both impetus and legitimacy for their actions:

“So my position in the company is interesting, because I have to somehow bring a topic on the agenda and keep it there, but there are not a lot of people who are part of [this] coalition internally. Maybe I have five or six or seven people who’re really fanatic about it, and the others are doing a job. So if I have somebody coming from the outside to basically tell my own colleagues, “hey, listen,, you have to do a little bit more than what you’re doing right now.” And if I say it myself, they will laugh at me [in a friendly way] and [not do anything]. But if they see other stakeholders and they are aware of society and the NGOs around them, they probably [be more likely to] really do something about it.” (CSR Manager 1)

By ensuring its engagement enabled CSR managers to better operate in their roles, VBDO was able to further strengthen its status as a claims-maker. The accuracy and detail of its engagement reports allowed CSR managers to draw on these publications to promote the enhanced adoption of CSR management mechanisms within their respective organisations. Accordingly, providing such benefits was a necessary common understanding as it ensured VBDO maintained its reputation as an operator of high-quality engagement in the Dutch CSR field.

To summarise, this section illustrates how VBDO’s engagement frame was co-constructed with participants in the Dutch CSR field. These common understandings represented specific
characteristic that informed how VBDO’s engagement interactions should play-out in the Dutch CSR field, with organisations responding to its engagements when these characteristics were embedded in VBDO’s individual engagement practices. Accordingly, this engagement frame bound VBDO to operate in a specific manner. While its engagement frame stipulated the common understanding regarding its organisational-level engagement activities, the SED had distinct desires for VBDO to inform Government policy making for CSR. We now describe how these proposed actions failed to adhere to the common understandings described above and thus failed to mobilise support among its membership network.

- The restrictive nature of an engagement frame: VBDO’s failed lobbying initiative

VBDO’s director (SED) envisaged it playing a greater role in institutional level policy formation, with his tenure marked by numerous attempts to develop closer links between VBDO and the Dutch Government. In line with this vision, the SED sought to establish a lobbying division which would be have been responsible for informing parliamentary debates on CSR. Attempts by the SED to garner support from its members for this initiative proved consistently challenging. Specific members, most notably financial institutions, firmly opposed the strategy. These organisations were concerned that lobbying would have required it to present clear opinions on various CSR debates and it was evident that certain members were hesitant to provide VBDO with the freedom to speak on their behalf. Instead, these members demanded that a common opinion was first agreed, ensuring VBDO’s proposals were in line with each organisation’s individual standpoints:

“Something that [VBDO] seems to be very interested in recently is lobbying for Public Affairs and that we find a bit difficult, because that really requires that you go in my name, on behalf of [my institution] to the Dutch Parliament. In this case, I'd want full control of what it is that you're saying.” (VBDO Member 2)

These demands meant that it was a significant challenge for VBDO to conduct lobbying. For example, should VBDO seek to lobby Government on the regulatory reform of CSR policies within the finance sector, it would be a distinct challenge to establish a position which its larger financial institution members, such as Rabobank and ABN-Amro, and its smaller more specialist “green-banks”, such as Triodos and ASN-Bank, agreed upon. The diversity of its network acted as a significant barrier to it building support for its proposed lobbying activities:
“To do lobbying, of course, is probably a lot more difficult for VBDO. It’s difficult to achieve some common ground there. As a group, we could never agree. If VBDO could manage it, however, it would be very powerful. Very powerful indeed” (VBDO Member 3)

While members rebuffed the development of its lobbying initiative, VBDO staff also recognised that such an undertaking would have presented significant challenges. Staff were concerned with the volume of work that the operation of both organisational-level and institutional-level engagement would have created. The expansion of VBDO’s organisational-level engagement had already placed increased strain on its internal operations (as the next section 4.6.2 outlines). Developing a lobbying initiative would have required VBDO to implement a new range of internal practices at a time when staff were already significantly over-worked. It would also have required VBDO to hold a permanent position in The Hague and produce legal opinions and comments on legislative bills, which represented a distinctly different type of engagement to that which it traditionally operated.

“For lobbying, well that takes a lot of time. If you really want to do a lobby then you have to be in Dutch Parliament all the time. So you would have to be in the Hague all the time so maybe we'd work better with parties who do lobby or have the experience and the time to do that and maybe take our position. But no [that would be a challenge]” (VBDO Media Officer)

The negative response the SED received to his lobbying proposals highlights how the ‘common understandings’ that underpinned VBDO’s engagement frame acted as an obstacle to it undertaking institutional-level engagement. In particular, the proposal clashed with a key characteristic of VBDO’s actions whereby VBDO sought to police the adoption of CSR frameworks, not set the rules for action. Staff and network members challenged the SED’s proposals, suggesting it created a clear inconsistency between what VBDO stood for and the type of actions it undertook (Benford and Snow 2000). He was therefore forced to abolish the plans.

As the next section illustrates, VBDO’s engagement frame also established clear expectations among field participants with regard to how its engagement practices should unfold over time.

4.6.2 Operating engagement: the internal practices that challenge established frame resonance

The current section focuses on the dynamics surrounding the implementation of VBDO’s engagement practices. It examines the internal practices undertaken by VBDO when operating engagement in order to deepen our understanding of how processes of engagement unfold over time. In doing so, the section directs specific attention to the challenges and obstacles VBDO
faced in ensuring its actions adhered to the ‘common understandings’ its engagement frame promoted. Four obstacles that impeded the effective operationalisation of VBDO’s engagement practices are now discussed.

- Capacity problems and the quality of engagement reports

Challenges to the effective operationalisation of VBDO’s engagement were largely derived from staff capacity issues. Low staff levels meant that VBDO’s employees were exposed to pressures that impacted on their ability to organise and coordinate its engagement activities. Despite the vast expansion in the number of engagement practices it operated, the number of staff had not increased at a rate to meet workload demands. This had significant implications for the nature and quality of engagement interactions undertaken. In particular, organisations were becoming increasingly frustrated with the quality of engagement reports VBDO produced. It was often the case these reports contained errors in the text or illustrative tables, which meant that organisations “CSR performance” was incorrectly assessed. CSR managers, in particular, were frustrated by these inaccuracies. Errors in publishing engagement outcomes limited the potential for these actors to draw on VBDO’s findings to promote the better integration of CSR policies and practices within their respective organisations.

“Well, one of the small items of criticism that I have on the VBDO is that often their reports contain minor errors in points counting, [in] the rankings and the judgement [section]. That’s probably because a lot of – let’s call it interns – work on these reports and they seem to be well, making flaws. And that significantly reduces the credibility. When VBDO produces a report on our company or others, I often pick out errors, and also on other companies.” (CSR Manager 4)

While the expansion of its engagement activities resulted in a greater number of engagement interactions across a broader range of CSR topics, VBDO’s inability to adequately expand its staff base to meet workload demands threatened its status as a claims-maker. In particular, the expertise and accuracy field participants expected of its engagements were, at times, not achieved which resulted in it being subject to increasing levels of criticism. These concerns were evident in the growing demands from its institutional network to reduce the number of engagements it undertook annually in order to ensure its actions had a greater impact on the nature of CSR practices occurring in the Dutch CSR field:
“We discussed this-this morning, and there is one criticism that is repeatedly said to the [FED] about institutional investors. They are more or less a study factory. They have too many researchers, too many benchmarks, too many studies, and [what do] they do them afterwards? What they do is they publish it, they put it on the website and they send out a press release, [but] the next day they present the next one. They don’t take the time to harvest on the impact, on the results of these studies. They should reduce, go down from maybe 20 studies a year to maybe 10, and do them right” (VBDO Member 1)

A key common understanding of VBDO’s engagement interactions related to its ability to operate informative and instructive engagement processes that provided distinct benefits to organisations. The increased pressure on staff following the expansion of its engagement activities threatened the accuracy of its engagement reports which resulted in VBDO, at times, breaching this common understanding during specific engagements, jeopardising the status it attained as an operator of engagement. As the next section illustrates, staff capacity issues created further obstacles to the effective operationalisation of VBDO’s engagements.

- **Maintaining expertise and knowledge of engagement targets**

VBDO’s status as a claims-maker was underpinned by the knowledge and expertise its staff displayed when conducting its engagements. The expansion of its interactions, however, resulted in distinct challenges arising for its staff to accurately monitor the CSR practices of an increasing number of organisations. Staff struggled to develop knowledge on the appropriateness and relevance of each CSR topic promoted for each corporate actor it targeted, an issue that was beginning to impact on the quality of engagements VBDO was undertaking. Pressures associated with the expansion of its engagement interactions meant that individual engagements often commenced despite VBDO not possessing the necessary understanding and knowledge of its engagement targets. This represented a significant risk given organisations had come to expect informed, accurate engagement interactions with VBDO:

> “We have problems sometimes when we commence engagements. We just don’t know what questions we need to ask. So the initial meetings allow us to discover how we can help. And that causes issues as sometimes it feels companies are using us, without offering any [commitments] in return” (VBDO Manager 2)

Challenges with maintaining necessary knowledge and expertise were particularly evident with VBDO’s oldest accountability mechanism, its attendance at shareholder meetings. The appointment of the SED saw VBDO double the number of shareholder meetings it attended, rising from 35 to 70. As the AGMs of these organisations typically occurred between April and
May each year, VBDO was unable to send members of staff to these events. Instead, it established a network of volunteers that attended the AGMs on its behalf. The volunteer network included retirees, knowledgeable experts in specific sectors, and individuals with expertise in CSR. Training was provided to these individuals and, most importantly, pre-assigned questions were allocated to volunteers in advance each AGM. Volunteers were then asked to record each response so that VBDO could use this information in follow-up engagements with each organisation. There was concern among VBDO’s network as to the quality of the volunteers and the nature of the training these individuals were provided. CSR managers were particularly critical for sending uninformed volunteers to AGMs, suggesting that some of these individuals were often not knowledgeable on the topics VBDO was promoting.

“The one thing is that the last time they sent us someone, it was a volunteer. We were a bit surprised at his appearance. So I think it’s important for the VBDO that if you put people there, at shareholder meetings, and if you’re not there yourself, you have to be very, very, very careful because you could burn your image in two or three times if you put people who are not really on top of the topics. And the last time there was someone who was asking questions, and I thought, okay, he’s not…he not really on top” (CSR Manager 1)

The above quotation directs specific attention to the expertise displayed during the process of engagement. VBDO’s status hinged on its ability to produce interactions that were deemed valuable by companies. Worryingly, CSR managers suggested that if such trends continued, it could quickly lose significant support for its actions. Maintaining the necessary expertise to conduct engagements thus represented the most substantial risk VBDO faced from the expansion its engagement activities. This was further exacerbated by a lack of formal systems to monitor VBDO’s engagement interactions.

- Formal systems to monitor the ongoing operation of VBDO’s engagements

VBDO staff recognised that as the number of engagements it conducted expanded, there was a lack of development of formal systems to manage these interactions. This was deemed particularly worrying as stronger internal systems would have allowed VBDO to establish better engagement procedures whereby it could demand more substantial responses from organisations. The absence of formal systems impacted on the nature of engagements undertaken in two ways:

41 This stemmed from the lack of capacity among VBDO’s employees. One member of staff was responsible for the management of VBDO’s attendance at AGMs. It was impossible for him to attend up to 70 AGMs annually. Instead, he coordinated the visits by VBDO’s volunteers and managed VBDO’s subsequent interactions with companies (for which two other staff members assisted).
first, there was, at times, a lack of goal setting during individual engagements with organisations and, second, there was an inability to monitor and evaluate engagement outcomes.

One of the key challenges VBDO faced as a result of the escalation of its engagement interactions was acquiring the necessary knowledge of its targets to adequately conduct engagement. This threat was beginning to have significant implications for how engagements unfolded over time, particularly as it meant VBDO was unable to establish clear engagement goals with engagement targets at the commencement of an engagement process. Instead, VBDO often used the introductory meeting to gain an understanding of the nature of CSR management mechanisms that organisations implemented. This meant, however, that engagements were undertaken with no clear aims or objectives established for subsequent interactions:

“But that is what I call a proper dialogue: having your goals set beforehand, determine what a success is and or is not, or even beforehand have an exit strategy. What is it you do if the company are completely unresponsive? I don't know if they do it in that way” (VBDO Member 6)

A lack of formal systems further complicated the manner in which VBDO staff managed ongoing engagements over time. VBDO’s interactions with organisations were not formally recorded through any internal monitoring system. Staff recognised that better internal systems would enable them to monitor the nature and content of these discussions, ensuring it would be possible to track any commitments VBDO received from organisations in order to examine whether these commitments were subsequently implemented. The lack of formal systems made the continuous monitoring of engagements a distinct challenge:

“But in the VBDO we don’t work with systems, that’s another thing we could massively improve in. One thing that I would like to add, if we have an engagement meeting, it’s not well structured like this is the way we always do it. It’s a more general [approach based] on the themes and sometimes if they are part of the benchmark, it’s not that we have a very systematic [engagement] structure. I’m just being honest, I think there are a lot of things that we could improve on. That is one of the things we could, that we have a more focused engagement strategy. What is engagement and what we can get out of it? If we are there [in meetings with them] that we really make time for preparation [but] that is not always possible.” (VBDO Media Officer)

Lastly, the lack of formal systems made it particularly challenging for VBDO to comprehend the influence its actions held on engagement targets. While its engagements were often deemed valuable by its targets, its inability to monitor engagements meant that it was a distinct challenge to assess whether an engagement could be deemed “successful”. As a result, VBDO often struggled to link its engagement to specific CSR policy changes adopted by its targets. This was
a particularly worrying trend as it stifled the ability for VBDO to hold organisations to account and improve the nature of CSR management mechanisms being adopted in the Dutch CSR field. The final obstacle that threatened the operationalisation of VBDO’s engagements is now discussed.

- **Links to media to promote engagement outcomes**

The final challenge VBDO was exposed to when operating engagement stemmed from its relation with the media. The publicity its engagement reports attained was a divisive topic, with network members and its employees holding contrasting opinions on VBDO’s presence in the mainstream media. Members often challenged it to establish stronger linkages with the media in order to better promote the results of its engagements. Members believed that the quality of its engagement reports was significantly higher than those produced by other advocacy organisations operating in the Dutch CSR field. Despite this, the engagement activities of its peers often gained greater media attention, largely due to the activist nature of the activities these organisations adopted. Members believed that a wider publication of its engagement findings would act as a strong incentive for organisations to respond to VBDO’s engagements.

“We find them in the public relations, in the press relations, in the media relations, the campaigning side, less effective. Maybe because they’re too small, or maybe because they spend most of their time in research or in engagement with individual companies” (VBDO Member 3)

The key concern among VBDO’s institutional members stemmed from the impact VBDO’s engagement attained. However, there was also recognition that the capacity issue among its staff was stifling the influence its actions achieved, particularly through a lack of promotion of its engagement findings. Network members recognised how the expansion in operations meant its staff simply didn’t have the time to adequately promote each engagement report. The capacity issue meant once a project was complete, staff immediately focused their attention on new engagements, with limited effort being made to promote the completed report’s findings. This impacted on the benefits VBDO’s engagements offered organisations, lessening the overall impact its engagement interactions had on field participants.

“I spoke to (VBDO CSR Manager) today, and I said “oh, are you going to present your final report to Ministers or something?” He said “No, we just finished. I don’t even have the time to think about that”, you know, who we should call, for instance. So, yes, I think that’s a shame” (VBDO Member 2)
While there was recognition that its media policy could have been improved, VBDO staff held contrasting opinions on this issue. They believed there was a good link between VBDO and mainstream Dutch media outlets suggesting, instead, that the principal reason its engagement reports did not receive more substantial media coverage was due the lack of knowledge among the general public on the importance of the topics it promoted. VBDO’s staff believed that the results of its engagement were too technical to be discussed in the media, with this issue representing a significant barrier to its reports gaining increased attention. The nature of its engagement interactions involved quite detailed dialogue with organisations about the content and nature of their CSR policies. As understanding of such policies among the general public was low in the Netherlands, any instances of non-compliance highlighted by VBDO often failed to achieve the media attention such exposures deserved.

“Going back to your question on the general public, I mean, the [percentage of the] general public reading the papers and looking at the TV or being engaged in the wake of sustainable investment for instance is only a very small amount of people. A very small amount of people were being really active in this field and there remains something astonishing I think.” (VBDO Board 2)

“But what we are looking at is the process of investment. How is the investment decision being made? And how is sustainability being included in this investment decision? This is really difficult to explain on the street as to why this is important. I think it has a really big impact; if you influence investment decisions, then it influences the entire decision of pension funds and all of their assets.” (VBDO Manager 3)

Ultimately, staff believed that as long as the issues VBDO promoted attracted scarce attention from the general public, its engagements would continue to gain limited media exposure. In this way, a lack of knowledge of CSR stifled the level of resonance VBDO’s engagement frame attained, limiting the potential for its interactions to impact on organisations’ decision making regarding CSR.

4.7 Discussion

The case analysis reveals the efforts undertaken by an advocacy organisation to operate processes of engagement that challenged and informed the nature of CSR management mechanisms implemented by Dutch corporations. It responds to calls to examine the process through which non-business actors attempt to shape CSR (De Bakker 2012) and to deepen our understanding of how these actors’ work to organise their CSR initiatives (Rasche et al. 2013). The case analysis unpacks the characteristics that supported the development of a resonant
engagement frame which set the boundaries for VBDO’s engagement interactions in the Dutch CSR field. It illustrates the obstacles and challenges VBDO faced when seeking to adhere to these “common understandings” when operating engagements that threatened its ability to hold organisations to account for their CSR practices. In doing so, the paper presents an in-depth and comprehensive illustration of the engagement activities of an advocacy organisation, deepening our understanding how one such actor developed the knowledge and competencies required to inform the adoption and implementation of CSR management and reporting mechanisms.

The theoretical concepts of strategic framing and frame resonance are mobilised to illuminate key aspects of the day-to-day activities that inform how VBDO’s engagements unfolded over time. The concept of strategic framing relates to the process through which an actor attempts to mobilise others to support its actions in a field (Cornelissen and Werner 2014). Emerging from processes of co-construction, strategic frames are particularly important as they guide the nature of actions an actor can undertake. Our theoretical focus moves beyond existing tendencies to merely identify the strategic frames occurring in a field (Himick and Audousset-Coulier 2016) which has seen researchers overlook the contested process through which strategic frames emerge. Cornelissen and Werner (2014) suggest that by overlooking the process of frame emergence, researchers risk reducing frames “from socially situated processes of meaning construction to objectified, disembodied, and stable interpretive schemas” (p. 204). The case examines the co-construction process that informed the emergence of VBDO’s engagement frame, revealing the characteristics that supported the attainment of frame resonance. Specifically, it illustrates how this form of strategic framing was undertaken by VBDO in order to establish “common understandings” regarding the nature of its engagement interactions, to ensure its actions were deemed appropriate, relevant and valuable by its engagement targets.

The concept of resonance enables us to better understand how the internal practices undertaken by VBDO enabled it to gain support for its engagement interactions. The case analysis reveals how the common understandings that underpinned VBDO’s engagement frame supported the attainment of empirical credibility and strengthened its reputation as a claims-maker. Empirical credibility was attained due to the close fit between VBDO’s proposed actions and topics that were gaining increased prominence in both the Dutch and international CSR fields. Furthermore, VBDO’s ability to draw upon institutional level frameworks to construct accountability
mechanisms was particularly important as it meant that these tools were deemed valid indicators by its engagement targets and offered clear solutions to the problems VBDO’s engagements identified (Benford and Snow 2000). Operating engagement in this manner broadened the appeal of its engagement interactions as field participants recognised the value engagements with VBDO provided in strengthening their adoption and implementation of CSR management mechanisms. The paper also illustrates how VBDO’s engagements provided distinct benefits to organisations and CSR managers, supporting the latter’s efforts to promote CSR policies and practices in their respective organisations. Additionally, organisations were shown to appreciate the transparent process through which VBDO operated its engagements, particularly the manner in which it allowed itself to be held accountable for its actions. This further strengthened the attainment of empirical credibility, as it ensured the accountability mechanisms it mobilised accurately measured the CSR performance of its engagement targets.

The second section of the case analysis illustrates the challenges and obstacles VBDO experienced during the operationalisation of its engagement practices. The case analysis reveals how VBDO struggled to maintain the necessary knowledge, competencies, and expertise to operate engagement following the vast expansion of its engagement interactions. As the number of CSR topics it promoted expanded, staff struggled to build the necessary knowledge of target organisations to adequately conduct engagement. This meant that the quality of its engagement interactions, at times, declined, with its engagement targets particularly critical of this waning in quality. Furthermore, we reveal how these capacity issues meant that engagement reports contained an increasing number of errors, which limited CSR managers’ ability to draw on these reports’ findings to promote changes internally within their respective organisations. Potentially the most striking impediment to the effective operationalisation of its engagements stemmed from a lack of goal setting. We reveal how VBDO, at times, did not establish clear expectations as to how an engagement would unfold. This created a significant risk that organisations could use engagements to claim that they were addressing CSR issues but, in reality, no policies were implemented to address concerns raised during VBDO engagements. Additionally, the lack of goal setting meant it was particularly challenging for VBDO to assess whether an engagement process was “successful”. Clearer engagement goals would have allowed VBDO to accurately monitor engagement processes and to better assess whether its actions influenced corporate decision-making.
While VBDO’s engagement frame enabled it to establish common understandings regarding its engagement interactions, the case analysis illustrates how this frame stifled its ability to operate institutional-level engagement. VBDO’s membership network rejected the SED’s proposal to establish a lobbying initiative. Institutional-level engagement contradicted a key common understanding that informed how VBDO should act in the Dutch CSR field, specifically conflicting with the manner in which it drew upon CSR standards to operate engagement. By seeking to expand its actions to inform the content of institutional CSR standards, VBDO was deemed to have breached the boundaries for acceptable action set by its engagement frame. As a result, its membership network blocked this proposal, stifling the SED’s strategy to inform Government policy on CSR. In this instance, VBDO’s engagement frame acted as an obstacle to it expanding its engagement interactions, thereby binding VBDO to undertake organisational-level engagement. While restrictive in nature, its engagement frame offered distinct benefits to VBDO. Specifically, it provided it with relative freedom to operate organisational-level engagement, meaning its membership network was unable to exert complete control over VBDO’s actions. While VBDO used its network as a “sounding board” to gain insights into whether engagement on specific topics would be deemed valuable, the SED was not required to listen to member concerns and, as a result, membership held little control over what topics VBDO ultimately decided to promote. Hence, while its engagement frame meant that VBDO was bound to operate organisational-level engagement, it provided VBDO with a distinct ability to push the boundaries of organisations adoption and implementation of CSR management mechanisms in the Dutch CSR field.

CSR fields are often populated by advocacy organisations undertaking both reformative and activist engagement strategies (Den Hond and De Bakker 2007). The nature of this co-existence brings distinct advantages and disadvantages for actors adopting reformative engagement strategies. For example, activism can lead to specific CSR topics gaining increased public attention and subsequently lead to better opportunities for reformative actors to engage with corporations on these matters. Conversely, activism has resulted in increased suspicion from corporate organisations towards all forms of engagement, threatening the “claims-maker” status of reformative actors. The process through which VBDO constructed its engagement frames was pivotal in maintaining VBDO’s field position over time. The case analysis illustrates how the manner in which it allowed itself to be held accountable by its engagement targets supported its
efforts to attain empirical credibility and cemented its position as a claims-maker in the Dutch CSR field. At a time when advocacy organisations were under increased “surveillance” by those organisations they targeted, the transparent manner through which it operated engagement eased any suspicions field participants may have had regarding its actions. This provided VBDO with freedom to manoeuvre in this setting, offering greater opportunity for it to commence engagements with corporate actors.

Stakeholders have sought increased accountability from corporations on the social and environmental impact of their operations since the dawn of the world’s first (limited) company, the East India Trading Corporation, in the 1600s (Robins 2011). These policing efforts, undertaken across national CSR fields, work to enhance the nature of accountability discharged by corporate actors for the social and environmental impact of their economic activities. While power relations ultimately limit the influence advocacy organisations achieve (Archel et al. 2011), the current study illustrates how an advocacy organisation can undertake actions that guide the implementation of CSR management mechanisms by corporate actors (Arenas et al. 2009, Arenas et al. 2013). Our findings develop understanding of how corporate actors can be held to account, highlighting the central role accountability mechanisms play in informing the operation of engagement. The process through which these tools were constructed required VBDO to translate institutional level CSR frameworks into accountability mechanisms that were valued by companies in the Dutch CSR field. These accountability mechanisms encouraged organisations to identify deficiencies in their adoption of CSR management mechanisms and undertake actions to correct for such inadequacies. Our findings, therefore, illustrate how, through the adoption of one form of accounting, an advocacy organisation was able to sanction powerful corporate actors making these organisations, at a minimum, less unaccountable for their actions.

4.8 Conclusion

This paper aims to advance our understanding of the internal, organisational-level processes undertaken by VBDO that supported the operationalisation of its engagement practices. Extant literature has largely examined the potential for, and consequences of, the participation of advocacy organisations within processes of organisational-level and institutional-level engagement (Archel et al. 2011; Cooper and Owen 2007; Deegan and Blomquist 2006) with
these studies often highlighting the difficulties these actors face in challenging corporate power. Prior to the current study, however, there was limited attention directed at the actions undertaken by advocacy organisations to organise and operate engagement. Drawing on the theoretical concept of strategic framing, the paper examines how VBDO developed a resonant engagement frame in the Dutch CSR field that set the boundaries and expectations for its engagement interactions within this setting. The paper also examines how the internal activities undertaken by VBDO when operating engagement impacted on its ability to maintain frame established resonance over time. Accordingly, our theoretical framework allowed us to illuminate the day-to-day activities undertaken by VBDO when operating engagement in the Dutch CSR field.

The paper presents three contributions. First, the paper responds to Rasche et al.’s (2013) call to place an enhanced focus on the role non-business actors’ play in organising CSR. The case analysis unpacks the process through which VBDO organised and operated its engagement practices thereby deepening our understanding of how an advocacy organisation structures its CSR activities. The findings provide a detailed understanding of the internal processes that supported the development and implementation of its engagements, illustrating the work that was undertaken (1) to identify specific CSR topics to promote, (2) to construct the accountability mechanisms it drew upon when operating engagement, and (3) to maintain engagement with corporate actors. In doing so, these findings enable us to better understand how processes of organisational-level engagement unfold over time (Rasche et al. 2013).

Second, while extant studies suggest that advocacy organisations are often complicit in failing to achieve desired institutional and organisational reform (Archel et al. 2011; Fleming et al. 2013), they provide little understanding of how obstacles that arise when these actors’ operate engagement impede their interactions with corporations. The paper illustrates the distinct challenges that arose during the operationalisation of VBDO’s engagement practices that threatened its ability to challenge and inform the adoption and implementation of CSR management mechanisms in the Dutch CSR field. Specifically, errors in reporting, inadequate internal systems and a lack of goal setting stifled VBDO’s ability to challenge organisations through engagement.

Third, the paper offers a theoretical contribution by advancing our understanding of how strategic frames emerge and attain resonance in a field (Cornelissen and Werner 2014). Our
findings reveal how common understandings for VBDO’s engagement interactions were negotiated with its membership network and its engagement targets. The emerging engagement frame sets the boundaries for interaction between VBDO and field participants, guiding the nature and content of its actions in the Dutch CSR field. In doing so, the paper extends our understanding of the specific characteristics that support the attainment and maintenance of frame resonance. Furthermore, the paper illustrates the restrictive nature of strategic frames, revealing how actors struggle to undertake actions that contradict with frame characteristics. The case analysis illustrates how VBDO’s efforts to expand its actions to include institutional-level engagement practices were rejected by its membership network as these actions contradicted with a key common understanding VBDO negotiated as an operator of organisational-level engagement in the Dutch CSR field.

Recent years have seen an increased focus on CSR accountability with a growing number of institutional frameworks being developed in an effort to influence the corporate adoption of stronger CSR management and reporting mechanisms. To date, however, these frameworks have rarely been enforced through regulation on a national or trans-national level. Accordingly, it seems advocacy organisations will to continue to be charged with the responsibility to ensure that corporate actors are held accountable for the social and environmental impact of their actions. The current paper highlights two distinct research streams that hold the potential to investigate how such stakeholder initiatives are implemented. The first relates to the policing efforts of advocacy organisations. It is clear that institutional frameworks will only prove beneficial if corporations abide by the voluntary standards they endorse. As a result, advocacy organisations play an invaluable role in policing various national and international contexts, encouraging the adoption and implementation of these frameworks at an organisational level. It is not an exaggeration to suggest that the activities of these actors encompass the space where corporate accountability is truly discharged and represents a research area that requires more extensive examination. There is a particular need to evaluate how advocacy organisations measure and evaluate the impact of their engagement efforts, as research questions examining how advocacy organisations assess if their actions are successful, or not, have received little attention to date. The second research stream relates to the role stakeholders play in the emergence of institutional CSR frameworks. It has been suggested that CSR initiatives are often diluted before they get into the hands of civil society due to the inadequate nature of existing
institutional level regulations (Archel et al. 2011). Given the central role these frameworks play in influencing how advocacy organisations promote the implementation of CSR management mechanisms in national CSR fields, it is surprising to see sparse focus on their development. Accordingly, we encourage future research to follow O’Sullivan and O’Dwyer (2015) and to examine their emergence in greater detail.
5.1 Abstract

The paper extends our understanding of the role advocacy organisations play in influencing processes of institutionalisation of corporate social responsibility and accountability. While extant studies have examined the process through which corporate social responsibility (CSR) frameworks emerge (O'Sullivan and O'Dwyer 2015; O'Sullivan and O'Dwyer 2009), we are limited in our understanding of the dynamics through which advocacy organisations’ organise their actions, interact with others in the reform process, and endeavour to bring about institutional change. Drawing on the concept of institutional work, the paper examines the organisational-level dynamics surrounding the corporate accountability campaign instigated by the Corporate Responsibility Coalition (CORE) during the process of UK company law reform between 2000 and 2007 in an effort to embed stringent social and environmental standards in UK companies’ legislation. The paper examines the interactional nature of the forms of work instigated by CORE and the Government during the company law reform process and offers the following contributions. First, it directs attention to the concept of suppression in the institutional work framework, deepening our understanding of the challenges subordinate actors face when seeking to influence institutional configuration. Second, it advances the existing application of institutional work by introducing three new forms of work: work refutation, subdual and marginalisation work, and justification and acclamation work. Third, it responds to calls for further examination of the role non-business actors play in shaping the nature of CSR policies enacted in an institutional context (Rasche et al. 2013), nuancing existing criticisms of the role that these actors play in influencing processes of CSR reform (Archel et al. 2011, Bebbington et al. 2012).
5.2 Introduction

In December 2006, after a consultation period of over eight years, the first commencement order of the modernised Companies Act (“the Act”) in the United Kingdom (UK) was brought into force. The Act was the longest in British Parliament history totalling over 1,300 sections and 700 pages. It represented the most substantial reform of UK company law in over a century, primarily in response to the recognition that, over time, legislation had become “outdated and risked presenting obstacles to the ways companies wanted and needed to do business in today’s world” (White Paper 2003, p. 3). While addressing a wide-range of issues, one of the most controversial sections of the Act outlined new legislative requirements governing the social and environmental responsibilities of British listed companies. More specifically, through two Sections\(^{42}\), the Act legislated for the enhanced responsibility of company directors for the impact of their business operations on the local community and the environment and implemented stricter reporting requirements for companies for ‘material’ environmental, social and community issues (White-Paper 2003). While the reform process saw the words “Community” and “Environment” embedded in UK company law for the first time, there was disappointment within the civil society sector that the reform process represented a missed opportunity for the UK to establish more stringent CSR legislation (CORE 2010).

A dynamic civil society operation crystallised around the process of company law reform. Specifically, one advocacy organisation, the Corporate Responsibility Coalition (CORE), actively campaigned for the Act to include a range of social and environmental standards, including obligations for companies to report on the social and environmental impact of their activities and requirements for company directors to minimise the impact of their companies’ operations on local communities and the environment (CORE 2006a). In the immediate aftermath of the reform process, the campaign was widely praised as having achieved unprecedented outcomes, with the Financial Times reporting that “business had been comprehensively outmanoeuvred by environmental and corporate responsibility campaigners in a stunning lobby victory” (Eaglesham 2006). In reality, however, CORE’s campaign failed to gain support for the majority of its proposals, with the coalition gaining minor concessions in the

\(^{42}\) The specific sections in question were Section 172 relating to Duties of Directors and Section 417 relating to the Directors Report and Business Review.
Act. In fact, throughout the reform process, CORE’s proposals were consistently ignored, dismissed, or diluted by the Government\textsuperscript{43}, limiting the influence it held in the reform process.

The current paper has two aims. First, it seeks to develop the existing literature that examines the process of institutionalisation surrounding corporate social responsibility and accountability (Archel, Husillos, and Spence 2011; Bebbington, Kirk, and Larrinaga 2012; Cooper and Owen, 2007; O’Sullivan and O’Dwyer 2015) in order to extend our understanding of the role civil society plays\textsuperscript{44} during such processes to promote institutional change (Archel et al. 2011; O’Sullivan and O’Dwyer, 2015). Prior literature has illustrated how these actors, who typically hold subordinate field positions, have attempted to influence CSR legislative reform, questioning their ability to achieve significant institutional transformation (Archel et al. 2011; Cooper and Owen 2007). While extant studies have examined the process through which CSR frameworks emerge (O’Sullivan and O’Dwyer 2015; O’Sullivan and O’Dwyer 2009), we are limited in our understanding of the dynamics through which civil society actors organise their actions, interact with others in the reform process, and endeavour to bring about institutional change. This paper seeks to develop our understanding of this process by providing insight into the civil society dynamics that crystallised around company law reform in the UK, specifically examining CORE’s corporate accountability campaign regarding companies’ social and environmental responsibilities. In particular, we examine the strategies CORE adopted in order to influence the emergence of new CSR legislation.

Second, the paper aims to unpack the forms of institutional work associated with institutional preservation (Hirsch and Bermiss 2009). The institutional work framework directs attention to the purposeful actions undertaken by actors to reconfigure the institutional dynamics within which they operate (Lawrence and Suddaby 2006). While three categories of creating, maintaining, and disrupting institutions were initially proposed by Lawrence and Suddaby (2006), Hirsch and Bermiss (2009) build upon this typology by identifying a preservation category that is “most pertinent in the stage between the disruption of incumbent institutions and

\textsuperscript{43} The term “the Government” is used throughout this Chapter to refer to the UK Labour Party which held a majority in the House of Commons throughout the company law reform process, winning parliamentary elections in May 1997, June 2001, and June 2005.

\textsuperscript{44} The term civil society is used to refer to organisations such as advocacy organisations and social movement organisations which are characterised as organisations that hold members linked by common interests regarding a collective activity.
the creation of nascent institutions” (p. 262). Institutional preservation “entails the actions undertaken by actors searching for ways to carry over norms from the previous regime into the construction of the new institutional order” (p. 263). It differs from institutional maintenance as it represents an empirical phenomenon where a field45 or its institutional order becomes defunct, and a new institutional order must emerge. As a result, preserving institutions sees actors compete to establish the rules governing the emerging institutional order, mobilising forms of work traditionally associated with the creation and disruption categories. Institutional preservation provides researchers with an opportunity to better understand the forms of work that affect institutional arrangements, specifically the unique forms of work instigated to oppose competing actors’ claims (Martí and Fernández 2013). The paper seeks to unpack this so-called “dirty work” (Hirsch and Bermiss 2009) by examining the relational nature of the forms of work instigated by CORE and the Government during one process of institutional preservation – company law reform.

Our aims are considered important for the following reasons. Researchers have become increasingly interested in examining how organisations implement policies and practices that promote sustainable development in order to avoid irreversible ecological and social damage (Unerman and Chapman 2014). The development of CSR legislation is particularly important in promoting more sustainable business practices as legislative standards guide the implementation of CSR management mechanisms at the organisational level. However, researchers are increasingly critical of existing CSR frameworks (Cooper and Owen 2007) questioning the strength of the standards they promote, the inclusive nature of the consultation processes through which such frameworks emerge and, in particular, the participation of civil society actors in their development (Archel et al. 2011). Accordingly, it is important to gain a deeper understanding of the complex process through which CSR legislation emerges, the challenges placed on civil

45 The notion of a field in institutional work is inspired by Bourdieu’s theory of practice which relates to networks of social relations, structured systems of social position within which struggles or manoeuvres take places over resources, stakes and access (Bourdieu, 1990). The concept of a field directs attention “to the situated actions of individuals and groups as they cope with and attempt to respond to the demands of their everyday lives” (Lawrence and Suddaby, 2006; p. 218). The field in the current case represents the economic field in the UK. The rules for action in this field are set by the Company Law framework which, at any one time, represents the institutional order. In the current case, the institutional order of the economic field was set to be replaced through the company law reform process, where the rules governing action in the economic field were to be restructured. This is further discussed in the “background to case study” section in sections 5.5.2 and 5.5.3
society actors operating in these spaces, and the emancipatory (or suppressive) role of the state as a producer of social order.

The paper makes the following contributions. First, there is a growing concern surrounding the empirical diversity of studies drawing on the concept of institutional work (Empson et al. 2013, Lawrence et al. 2013, Martí and Fernández 2013). Existing studies largely examine the activities of actors or groups in “dominant” field positions (Bourdieu 1984) such as professionals (Empson et al. 2013, Hayne and Free 2014, Mulligan and Oats 2016, Lawrence et al. 2011, Suddaby and Viale 2011, Suddaby, Saxton and Gunz 2015), professions (Micelotta and Washington 2013, Canning and O'Dwyer 2016), governments (Moisander et al. 2016) or elite organisations46 (Lawrence et al. 2013, Gawer and Phillips 2013). In doing so, researchers have a tendency to illustrate the “successful” implementation of institutional work with this focus seemingly contrasting with the original definition of institutional work which encouraged researchers to investigate purposeful actions aimed at affecting institutions “whether those efforts (were) successful in shaping institutions, have no effect on them, or have significant unintended consequences” (Lawrence et al. 2013, p. 1029, emphasis added). The paper addresses this lack of empirical diversity by examining “a familiar set of processes and phenomena on fresh terms” (Martí and Fernández 2013) unveiling the forms of institutional work instigated by one subordinate actor in order to understand why these actions largely failed to influence the emerging institutional order. Our findings direct attention to the interactional nature of institutional work instigated by a subordinate actor (CORE) and a powerful actor (the Government) during the process of institutional preservation, revealing the forms of work undertaken by CORE to propose new rules and regulations and how these actions were countered and quelled by the UK Government. Our illustration of the dynamics of these interactions allows us to direct attention to the concept of suppression within the institutional work framework, deepening our understanding of how dominant actors stifle and dilute resistance in an organisational field (Moisander et al. 2016).

Second, the paper unpacks the so-called ‘dirty work’ associated with preserving institutions by unveiling three new forms of institutional work – work refutation, subdual and marginalisation

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46 Elite organisations refer to the organisations studied within the extant literature such as Intel (Gawer and Phillips). These organisations, given their size and status, hold prominent field positions. Lawrence et al. (2011) suggest that these organisations are “relatively powerful within their own professional group” (p. 1025).
work, and justification and acclamation work. These forms of work reveal the strategies and actions dominant actors adopt to marginalise and suppress the actions of competing actors in order to influence the evolving institutional dynamics. Work refutation directs attention to the instances where institutional work instigated by a competing actor is purposively ignored, thereby gaining little if any, influence on field configuration. The concept of work refutation sees dominant actors purposively exclude the forms of work instigated by subordinate actors from negotiations and discussions regarding the emerging institutional order, with limited, if any, justification given for such work suppression. In contrast, subdual and marginalisation work is implemented to actively challenge, dilute and/or dismiss the institutional work instigated by competing actors. In contrast to work refutation, where the work is suppressed through exclusion, subdual and marginalisation work requires actors to respond to the instigator's claims and to actively attempt to dismiss, counter, and quell their actions. Importantly, subdual and marginalisation work may result in the competing actor being awarded minor concessions in the institutional change process. Justification and acclamation work represents a form of work instigated by the dominant that promotes, commends, and celebrates these minor concessions. This form of work is important in instigating suppression as it supports actors’ justification of the inclusive nature of the reform process and praises the actions of the subordinate actor, despite the minor, often inconsequential, concessions they achieve. Our unpacking of the “dirty work” associated with preserving institutions enables us to extend our understanding of the forms of work that affect institutional arrangements (Martí and Fernández 2013) by marginalising and suppressing competing actors in an organisational field.

Third, the paper responds to calls for further examination of the role non-business actors’ play in shaping CSR in institutional contexts (de Bakker 2011, Rasche et al. 2013). Our focus on the process of company law reform allows us to undertake a comprehensive examination of the organisational-level dynamics that support the efforts of a subordinate actor to influence institutional change. Our findings reveal both the internal efforts through which CORE became operationalised in order to organise its campaign and the external efforts it undertook to embed social and environmental standards in legislation. In particular, we illustrate how CORE interacted with actors involved in the political process throughout the three-stage process of legislative reform (Andrews and Edwards 2004). Our findings nuance existing criticisms of the efforts (subordinate) non-business actors play in influencing processes of institutional change on
matters of CSR (Spence 2009, Archel et al. 2011). In particular, we challenge accusations that question the participation of subordinate actors in these processes due to the unfavourable CSR outcomes such consultations often achieve.

The paper proceeds as follows. The next section provides a detailed outline of the process of legislative reform, introduces our theoretical concepts, and provides a review of existing accounting literature that examines how subordinate actors attempt to influence processes of institutional change regarding CSR. We then discuss our research method and provide background information to the process of company law reform. The findings of the paper are then discussed in the context of our theoretical framework. The implications of these findings are outlined in the discussion section, and the final section concludes the paper.

5.3 Theoretical Framework

The current section is divided into two sub-sections. The first sub-section (section 5.3.1) discusses the three-stage process of legislative reform, illustrating the tactics drawn on by advocacy organisations in order to influence emerging legislation. The second sub-section (section 5.3.2) outlines the theoretical concept of institutional work. This section introduces the foundations of the concept, critiques its application in the literature, and outlines how the concept, particularly the notion of institutional preservation, are mobilised in the current study.

5.3.1 Process of legislative reform: agenda setting, legislative passage, and policy implementation

Andrews and Edwards (2004) reveal the role advocacy organisations play in attempting to influence the three stages of legislative reform: agenda setting, legislative passage, and policy implementation. The first stage, agenda setting, describes the efforts undertaken to raise awareness and create urgency for a specific policy. The process ultimately aims to influence the creation of a legislative bill that will undergo debate and negotiation in Parliament. Agenda setting often sees advocacy organisations launch demonstrations, implement educational and awareness campaigns, or undertake lobbying. These strategies are implemented to gain coverage of its claims in the mass media and to influence public opinion. The agenda setting stage requires the advocacy organisation “to shape whether and how their claims influence the broader society” (p.493). Their efforts in implementing education and awareness campaigns can play a central
role in constructing public opinions, which in turn, can influence the decision-making of political actors. Despite advocacy organisations often facing opposition from better-funded opponents, it is suggested that “agenda setting is the arena where advocacy organisations (can) have their greatest influence” (p. 493).

The second stage, setting and participating in decision making, focuses on the potential for advocacy organisations to participate in the process of legislative passage. Legislative passage relates to the period during which a legislative bill is debated and negotiated in parliament. During this process, key aspects of the bill are contested by various political actors. Advocacy organisations often adopt either insider or outsider strategies to inform this process (Walker 1991). Insider tactics see advocacy organisations’ attempt to gain political allies early in the legislative passage process, often by attempting to attain the support of undecided political actors. The primary insider-strategy adopted in such instances is lobbying which sees advocacy organisations endeavour to build support for specific bill content. Lobbying, however, is not the only manner in which advocacy organisations can influence legislative passage. These actors can also be consulted to participate in specific working groups (Archel et al. 2011). The consultation process often involves the contribution of a wide range of actors including politicians, policy advisors, specific interest groups, and academics (Sabatier 1975). This direct participation in the decision-making process indicates “a level of legitimacy and recognition for advocacy organisations that differs from agenda setting” (p.495). In contrast to the collaborative nature of these insider strategies, outsider strategies describe the efforts of advocacy organisations to enhance public interest in specific policies and to mould public opinion. Such strategies are similar to those adopted at the agenda setting stage and often see advocacy organisations’ launch awareness campaigns and demonstrations to force political actors to adhere to constituent and societal demands.

Policy enactment and implementation is the final stage of the legislative reform process. This stage follows the outcome of legislative passage where a bill is signed into law to become a binding piece of legislation. At this stage, it is possible that favourable policies have been embedded in legislation. Despite this success, the period following policy enactment is considered decisive as “policies can be reduced to symbolic policies through unfavourable implementation” (Andrews and Edwards 2004, p. 498). Advocacy organisations often attempt to
ensure that new legislation is adequately implemented through monitoring, whistleblowing, and, where necessary, litigation. Alternatively, it is possible that the emerged legislation did not favour the policies promoted by an advocacy organisation. In such incidences, advocacy organisations often resort to protest in the form of demonstrations to have the enacted policies overturned.

While examining CORE’s influence throughout the process of legislative reform, the current paper provides an opportunity to examine the insider and outsider strategies it adopted. This focus allows us to examine how CORE’s strategies evolved over time, illustrating how it responded to evolving proposals and recommendations by Government and competing actors throughout the reform process. In order to conceptualise the dynamic, interactional nature of this process, the paper draws on the theoretical concept of institutional work which is now described.

5.3.2 The concept of institutional work

5.3.2.1 The foundations of institutional work

Institutional work describes “the purposeful action of individuals and organisations aimed at creating, maintaining, and disrupting institutions” (Lawrence and Suddaby 2006, p. 215). In contrast to the traditional focus of institutional theory, which directs attention to how institutions shape the behaviour of actors in a specific field, institutional work examines how actors actively attempt to inform and (re-)shape the institutional dynamics in which they operate. A central contribution of institutional work is the reconsideration of the relation between actors and institutions, where actors are no longer perceived as “cultural dopes” confined by institutional structures (Lawrence, Suddaby, and Leca 2009). Instead, institutional work “is based on a growing awareness of institutions as products of human action and reaction, motivated by idiosyncratic personal interests and agendas for institutional change or preservation” (p. 6). This refocus recognises actors as culturally competent individuals who can navigate and adapt within organisational fields, with their ability to do so dependent on the possession of field salient competence and knowledge. In this respect, institutional work recognises that specific institutional rules influence actions aimed at transforming fields. The awareness, skill, and reflexivity of actors will influence their ability to inform institutional development, transformation or maintenance (Lawrence and Suddaby 2006).
Lawrence and Suddaby (2006) reveal the forms of work instigated by actors in order to create, maintain, and disrupt institutional configurations. Three sub-categories of work are associated with creating institutions; political work, belief system reconfiguration, and changes to abstract categories of meaning. Political work – which comprises of advocacy, defining and vesting – focuses on the efforts of actors to reconstruct the rule systems within a field (Lawrence and Suddaby 2006). Political work is a particularly powerful form of work for advocacy organisations as it enables these actors to inform what rules and norms are to be followed. Belief system reconfiguration – which comprises constructing identities, changing normative assumptions, and constructing normative networks – attends “to the roles, values and norms that underpin institutions” (p. 225) and attempts to manipulate existing actor-field, norm-field, and actor-actor relations. Lastly, changes to abstract categories of meaning – which comprises mimicry, theorising, and educating – “focus primarily on the cognitive side of institutions; the beliefs, assumptions, and frames that inform action by providing meaningful and understandable interaction patterns to be followed.”

Table 5.1. Forms of Creation work.

<table>
<thead>
<tr>
<th>Creating institutions</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advocacy</td>
<td>The mobilisation of political support through direct and deliberate techniques of social suasion.</td>
</tr>
<tr>
<td>Defining</td>
<td>The construction of rules systems that confer status or identity, define boundaries or membership or create status of hierarchies within a field.</td>
</tr>
<tr>
<td>Vesting</td>
<td>The creation of rules structures that confer property rights. This typically involves the State and another interested actor transfer sharing power.</td>
</tr>
<tr>
<td>Constructing identities</td>
<td>Defining the relationship between an actor and the field in which that actor operates.</td>
</tr>
<tr>
<td>Changing normative assumptions</td>
<td>Re-making the connections between sets of practices and the moral and cultural foundations of those practices.</td>
</tr>
<tr>
<td>Constructing normative networks</td>
<td>Constructing of inter-organisational connections through which practices become normatively sanctioned and form the relevant peer group with respect to compliance, monitoring and evaluating.</td>
</tr>
<tr>
<td>Mimicry</td>
<td>Associating new practices with existing sets of taken-for-granted practices, technologies, and rules.</td>
</tr>
<tr>
<td>Theorising</td>
<td>The development and specification of abstract categories and the elaborating of chains of cause and effect.</td>
</tr>
<tr>
<td>Educating</td>
<td>The educating of actors in skills and knowledge necessary to support the new institution.</td>
</tr>
</tbody>
</table>

Adopted from Lawrence and Suddaby, 2006.
The maintaining institutions category recognises that there are few institutions that require little or no ongoing repairs to continue to reproduce and maintain support for existing institutional structures (Lawrence and Suddaby 2006). Six forms of work were proposed across two sub-categories; enabling, policing, and deterring address how maintenance occurs by ensuring adherence to existing rules systems while valorising and demonising, mythologizing, and embedded and routinising represent forms of work that attempt to reproduce existing norms and beliefs.

**Table 5.2. Forms of Maintenance work.**

<table>
<thead>
<tr>
<th>Maintaining institutions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Enabling</td>
<td>The creation of rules that facilitate, supplement and support institutions, such as the creation of authorising agents or diverting resources.</td>
</tr>
<tr>
<td>Policing</td>
<td>Ensuring compliance through enforcement, auditing and monitoring.</td>
</tr>
<tr>
<td>Deterring</td>
<td>Establishing coercive barriers to institutional change.</td>
</tr>
<tr>
<td>Valorising and Demonising</td>
<td>Providing for public consumption positive and negative examples that illustrate the normative foundations of an institution.</td>
</tr>
<tr>
<td>Mythologizing</td>
<td>Preserving the normative underpinning of an institution by creating and sustaining myths regarding its history.</td>
</tr>
<tr>
<td>Embedding and routinising</td>
<td>Actively infusing the normative foundations of an institution into the participants’ day to day routines and organisational practices.</td>
</tr>
</tbody>
</table>

Adopted from Lawrence and Suddaby, 2006.

Disrupting institutions recognises that fields will not always serve the interests of those actors that populate their boundaries and, thus, are likely to face some form of activities that actively seek to disrupt existing structures and dynamics (Lawrence and Suddaby 2006). The disrupting institution category directs specific attention to a key configuration of fields where actors hold hierarchically distributed positions based on the nature of capitals they hold (Bourdieu 1977). As a result, conflicts can arise between actors holding dominant, prestigious positions and actors’ holding subordinate, marginalised positions. Institutional work aimed at disrupting institutions involves “attacking or undermining the mechanisms that lead members to comply with institutions” (Lawrence and Suddaby 2006, p. 235). The three forms of institutional work associated with disrupting institutions are disconnecting sanctions, disassociating moral foundations, and undermining assumptions and beliefs.
Table 5.3. Forms of Disruption work.

<table>
<thead>
<tr>
<th>Disrupting institutions</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disconnecting sanctions</td>
<td>Working through state apparatus to disconnect rewards sanctions from some</td>
</tr>
<tr>
<td></td>
<td>set of practice, technologies or rules.</td>
</tr>
<tr>
<td>Disassociating morale foundations</td>
<td>Disassociating the practice, rule or technology from its moral foundation as</td>
</tr>
<tr>
<td></td>
<td>appropriate within a specific cultural context.</td>
</tr>
<tr>
<td>Undermining assumptions and beliefs</td>
<td>Decreasing the perceived risks of innovation and differentiation by</td>
</tr>
<tr>
<td></td>
<td>undermining core assumptions and beliefs.</td>
</tr>
</tbody>
</table>

Adopted from Lawrence and Suddaby, 2006.

2.3.2.2 Existing research on institutional work

Existing research on institutional work is broadly spread across studies that examine how institutional work occurs, who does institutional work, and what constitutes institutional work (Lawrence et al. 2013). Studies examining how institutional work occurs are the most predominant in the existing literature (Hayne and Free 2014, Zietsma and Lawrence 2010, Micelotta and Washington 2013, Currie et al. 2012, Gawer and Phillips 2013). These studies typically focus on a single category of institutional work (Empson et al. 2013), with a limited, but growing, body of researchers examining the simultaneous occurrence of multiple categories of institutional work (such as work aimed at creating, maintaining and disrupting institutions) (Hirsch and Bermis 2009, Mena and Suddaby 2016, Jarzabkowski, Matthiesen and Van de Ven 2009). In their review of the existing literature, Lawrence et al. (2013) highlight that research on creating institutions has been sparsely theorised through institutional work (Slager, Gond and Moon 2012), with the majority of researchers continuing to theorise institutional creation through the concept of institutional entrepreneurship. Instead, institutional work has been widely applied to examine processes of institutional change (Gawer and Phillips 2013, Hayne and Free 2014, Mulligan and Oats 2016, Suddaby et al. 2015, Suddaby and Viale 2011, Zietsma and Lawrence 2010, Canning and O'Dwyer 2016) and, to a lesser extent, institutional maintenance (Currie et al. 2012, Micelotta and Washington 2013, Mena and Suddaby 2016). A prominent observation of these studies is the inter-related, supportive nature of the forms of work adopted by actors (Hayne and Free 2014), with researchers illustrating how forms of work are applied in a non-sequential manner and do not neatly fit into the original three-category typology outlined by Lawrence and Suddaby (2006) (Canning and O'Dwyer 2016).
Studies that examine how institutional work occurs simultaneously address research questions that examine who engages in institutional work. Researchers have tended to examine how professionals (Empson et al. 2013; Suddaby and Viale 2011), professions (Micelotta and Washington 2013), regulatory authorities (Canning and O'Dwyer 2016), governments (Moisander et al. 2016) and elite organisations47 (Gawer and Phillips 2013) instigate institutional work in order to shape the institutional dynamics within which they operate. Researchers seem to hold a distinct preference to study the actions of dominant actors, revealing how professions interact with the State to maintain fields (Micelotta and Washington 2013), how regulatory authorities instigate institutional change in the accounting profession (Canning and O'Dwyer 2016), and how professionals or elite organisations instigate institutional work in their respective organisations (Empson et al. 2013; Gawer and Phillips 2013). Given the nature of actors examined, these studies have a tendency to illustrate how the dominant seek to maintain, alter or preserve existing institutional orders, with little focus on the institutional work adopted by less powerful subordinate actors.

Lastly, there is a small but emerging stream of research that examines what constitutes institutional work (Hirsch and Bermiss 2009, Battilana, Leca and Boxenbaum 2009, Micelotta and Washington 2013). Studies focusing on what constitutes institutional work are particularly salient as they provide an opportunity to extend the empirical application and theoretical understanding of the forms of work drawn upon to shape institutional structures (Hirsch and Bermiss 2009). While existing studies have comprehensively illustrated the application of the forms of institutional work originally outlined by Lawrence and Suddaby (2006) and unpacked their composition (Canning and O'Dwyer 2016), there has been a distinct lack of innovation regarding the development and emergence of new forms of institutional work. The notable exceptions to this statement include: Micelotta and Washington (2013) who illustrated the repair work instigated in a “broken” institutional order in an effort to maintain an Italian profession; Marti and Fernandez (2013) who theorised the institutional work of oppression and resistance from a case study of the Holocaust; Hirsch and Bermiss (2009) who developed a fourth category of institutional work, preserving institutions; and Battilana and D’Aunno (2009) who examined what exactly constitutes institutional work by “drawing on a relational, multi-dimensional

47 As outlined in section 5.2, elite organisations refer to the organisations such as Intel (Gawer and Phillips, 2013) that are “relatively powerful within their own professional group” (Lawrence et al. 2011, p. 1025).
understanding of agency that includes habit, imagination and practice evaluation (Lawrence et al. 2013, p. 1026).

More recently, Moisander et. al (2016) have examined the interplay between meaning, emotions, and power to reveal three forms of emotion work: eclipsing, diverting, and evoking emotions. The papers findings are particularly salient as they identify, for the first time in the institutional work framework, forms of work instigated to directly counter resistance in a field. In doing so, Moisander et al. (2016) “demonstrate how power is exercised in and through discursive institutional work not only by inducing compliance with existing norms but also by shaping the interpretive and moral agency of field constituents” (p. 3). Their three forms of emotion work direct attention to the efforts undertaken by actors to stifle resistance through incapacitating emotion based reasoning (eclipsing emotions), fending off resistance by invalidating salient emotion-based moral concerns (diverting emotions), and enrolling constituents by mobilising emotions for ethical reasons (evoking emotions). Emotion work thus enables us to understand better how dominant actors “manage resistance and create support for their institutional projects” during the creation of a new institution (p. 19).

5.3.2.3 Institutional preservation, suppression, and the regulation of corporate social responsibility

Despite deepening our understanding of how actors seek to alter and mould institutional structures, institutional work is not without its criticisms (Empson et al. 2013) with researchers suggesting that the application of institutional work is limited both empirically and theoretically (Marti and Fernandez 2013). Such criticisms stem from the current type of actors researchers tend to examine when studying institutional work and the subsequent lack of theoretical development in its framework. We have previously described that studies examining who engages in institutional work typically focus on powerful, elite actors in organisational fields. Focusing solely on the actions of these actors is troublesome for a number of reasons. First, dominant actors hold unique field positions which provide them with better opportunities to shape the institutional dynamics in which they operate (Bourdieu 1984). There exists a risk that focusing solely on the actions of the dominant risks oversimplifying the messy reality of institutional change (Empson et al. 2013). The current lack of empirical diversity within the institutional work literature means insufficient attention has been paid to subordinate actors.
which risks researchers ignoring other types of work that affect the structure and reproduction of institutional dynamics (Marti and Fernandez 2013) – both the visible forms of work that they enact and the less visible forms of work they are subject to in order to resist their claims in a field. Second, continued focus on dominant actors leads researchers to examine phenomena where institutional work is largely “successful” in shaping institutions. This is in stark contrast to the original definition of institutional work which encouraged researchers to examine actions “whether those efforts (were) successful in shaping institutions, have no effect on them, or have significant unintended consequences” (Lawrence et al. 2013, p. 1029). Focusing continuously on successful instances of institutional change represents a significant risk to the institutional work framework. For instance, one of the principal arguments made for the emergence of institutional work stemmed from a criticism of institutional entrepreneurship which views actors as hyper-muscular shapers of institutional structures.

“Institutional entrepreneurship has thus been criticised as a deus ex machina within the institutional theory, used to explain institutional change as the outcomes of attempts by a few rational and powerful actors” (Lawrence et al. 2009, p. 5, emphasis in original).

There seems to be a growing threat that without stronger empirical diversity in the actors or phenomena examined by researchers, institutional work could open itself to similar criticisms.

There is a notable absence within the existing institutional work framework of the forms of work instigated by actors to directly quell or counter the claims of competing actors. Institutional work recognises individuals as skilled social actors who undertake attempts to influence the institutional dynamics under which they operate “motivated by idiosyncratic personal interests and agendas for institutional change or preservation” (Lawrence et al. 2009, p. 6). Given that suppression is a key characteristic of field transformation (Bourdieu 1984), it is reasonable to assume that actors undertake forms of work that indirectly seek to influence field dynamics by targeting and quashing the forms of work instigated by competing actors. Accordingly, it is surprising that the interactional nature of institutional work instigated by actors competing to influence institutional configuration has received little attention in the existing literature. This limitation was recently addressed by Moisander et al. (2016) who revealed the emotion work instigated to sanction and reinforce particular views among field populations and silence competing emotion-based claims in a process of institutional change. Despite this advancement developing our understanding of how actors compete with resistance, there remains a limited
understanding of how tactics are suppression are administered and through which forms of work. The paper seeks to address this gap in the institutional work framework by examining the interactional nature of the forms of work instigated by actors during a process of institutional preservation.

_Institutional preservation_ is a category of institutional work “that is most pertinent in the stage between the disruption of incumbent institutions and the creation of nascent institutions” (p. 262). Hirsch and Bermiss (2009) highlight how “preservation entails the actions undertaken by actors searching for ways to carry over norms from the previous regime into the construction of the new institutional order” (p. 263). Examining the Czech Republic’s transformation from a communist to a capitalist polity, the paper outlines the forms of work instigated to ensure favourable norms were carried over from the defunct institution to the emerging institution. While not directly highlighting new forms of institutional work, Hirsch and Bermiss (2009) direct attention to what they refer to as the ‘dirty work’ associated with institutional preservation. This process sees dominant actors seek to counter and resist the claims of competing actors who try to disrupt the process of reform through the creation of new rules, norms, and practices.

Institutional preservation represents an empirical phenomenon where an existing institutional order becomes defunct and must be replaced. As a result, various forms of work are instigated by those actors competing to influence the emerging institutional order. For instance, dominant actors, which often seek to transfer favourable norms and rules from the defunct regime, instigate a mixture of creation and maintenance work. In contrast, competing actors, which often seek to embed new norms and rules in the emerging institutional order, instigate a mixture of creation and disruption work. The interactive nature of this process results in actors undertaking purposeful actions to counter and quell competing claims. Accordingly, this lesser studied category of institutional work provides researchers to with an opportunity to direct specific attention to the forms of work instigated to indirectly affect institutional configurations by marginalising competing actors’ claims (Martí and Fernández 2013).

Extant studies on CSR institutionalisation, while not directly applying the concept of institutional work, examine how the actions of advocacy organisations can have varying degrees of influence on the consultation processes that inform the emergence of new institutional standards (Archel et al. 2011, Bebbington et al. 2012, Cooper and Owen 2007, O’Sullivan and O’Dwyer 2015,
Contrafatto 2014). Archel et al. (2011) reveal the challenges that these actors encounter when engaging in such processes, suggesting advocacy organisations often succumb to the dominant and gain little, if any, concessions. Furthermore, by virtue of their participation, these actors legitimise the outcomes of these reform processes and unwittingly support the emergence of new rules which do not reflect or embody their original demands. In contrast, O’Sullivan and O’Dwyer (2015) challenge the suggestion that processes of institutionalisation condition advocacy organisations. While recognising that these actors often only achieve secondary concessions during the process of CSR reform, O’Sullivan and O’Dwyer (2015) encourage us not to dismiss concessions obtained as insignificant and reveal how advocacy organisations can progress the nature of CSR practices undertaken in a specific field.

The current paper draws on the concept of institutional work in order to examine (1) how CORE attempted to influence the company law reform process and (2) how its claims and actions were received, responded to, and countered by the Government over time. The company law reform process provides us with an opportunity to examine a process of institutional preservation, where the Government, who sought to carry over existing rules and norms to the new institutional order, were faced by an unexpected competing lobby from civil society, who sought to embed stronger CSR standards in legislation. Our focus allows us to examine the interactional nature of institutional work instigated by these actors in their efforts to influence the emergence of the new institutional order.

5.4 Research Methods

Qualitative research methods were deployed to this answer the paper’s primary aim which seeks to examine how the Corporate Responsibility Coalition (CORE) sought to promote the adoption of stringent social and environmental legislative standards during the process of UK company law reform (Cunliffe 2011; Silverman 2013). Two primary data collection methods were applied: interview data and documentary data. Qualitative research is recognised as an appropriate method to study how actors perform institutional work (Lawrence and Suddaby 2006). Accordingly, we focused on collecting various accounts that reveal, and reflect upon, the process through which CORE sought to influence the emergence of social and environmental legislation and the responses, if any, its actions attained from the UK Government.
5.4.1 Documentory Data

A range of primary data was collected to understand the development of the company law reform process between 1998 and 2006. These included all reports published by the Company Law Reform Steering Committee, the two Government White Papers, CORE submissions to various consultations operated by Government, internal documents provided by CORE that recorded its corporate accountability campaign, draft Private Members Bill’s initiated by CORE, draft Companies Bill legislation, and amendments proposed in the Houses of Parliament to the Company Law Reform Bill (hereafter “the Bill”). This data was supplemented by newspaper articles published during the reform process that included the terms “Corporate Responsibility Coalition” or “CORE,” “Operating and Financial Review,” “Company Law Reform,” and “Directors Duties” in the Financial Times and the Guardian. Lastly, debates in the House of Lords and the House of Commons during the process of legislative passage (November 2005 to November 2006) were also collected in order to examine the progression of the Bill through Parliament, CORE’s political efforts to affect the Bill’s structure, and the response of the Government to social and environmental amendments proposed by CORE.

The documentary data provides in-depth narratives of the political and public debate that crystallised around company law reform in the UK. It is suggested that “narrative analysis can help to illuminate the processes through which actors can fashion, communicate and embed stories that support the creating, maintaining or disputing of institutions (Lawrence and Suddaby 2006; p. 241). The availability of government proposals enables us to track the Government’s stance on social and environmental reform over time. Furthermore, the internal documents provided by CORE enable us to examine how its proposals evolved as the Bill made its way through the reform process. Importantly, debates in the Houses of Parliament enable us to examine how supporters of CORE’s campaign introduced amendments, while simultaneously analysing how Government responded to these actions. Lastly, media reports and newspaper articles offer independent commentary on the nature of social and environmental reforms embedded in the emerging legislation (Cunliffe 2011), allowing us to gauge how social and environmental standards resonated with the general public and how controversial these reforms were deemed at the time.
5.4.2 Interview Data

We selected for interview members of CORE’s steering committee that were involved in the implementation of its corporate accountability campaign. In total, ten interviews were conducted which ranged in duration from 45 minutes to 75 minutes. All interviews took place over Skype and were transcribed. During the interviews, broad, open-ended questions were asked across the following key topics: the establishment of the coalition, the implementation of CORE’s corporate accountability campaign, how CORE’s actions evolved over time, key challenges CORE experienced during the process, how Government reacted to CORE’s actions and overall perceptions on CORE’s corporate accountability campaign (See Table 2.4, p. 48).

The interview data extends and supports the documentary data collected by the first-named author. It extends understanding of CORE’s actions by providing first-hand accounts of (1) how it sought to influence the process of company law reform, (2) the response its actions attained from Government, and (3) the influence its corporate accountability campaign achieved. The interview data thus enabled the first-named author to examine the broad patterns of action CORE’s corporate accountability campaign implemented to influence the reform process (Kreiner and Mouritsen 2005, Bryman 2004). It also enabled him to triangulate key insights (Bryman and Bell 2015, Bryman 2006, Bryman 2004), ensuring the case narrative provided a rich, robust and comprehensive description of the role CORE played in influencing the process of company law reform (Ahrens and Chapman 2006, Patton 1990)

5.4.3 Data Analysis

Data analysis was undertaken throughout the study by the first-named author. He initially drew on documentary analysis to gain an understanding of how company law reform evolved over time and to comprehend the extent of reforms the Companies Act instigated. This modified form of content analysis (Canning and O'Dwyer 2016) enabled him to highlight key debates that occurred during the reform process and key actors involved and formed the basis for the initial interviews with members of CORE’s steering committee. Ongoing analysis of interviews and documentary data was undertaken until interviews were completed. Following the completion of interviews, an extensive analysis of both data sources was undertaken to gain a complete understanding of the interactional nature of the institutional work instigated by CORE and the Government throughout the reform process.
All documentary data was collated in Atlas.Ti and subsequently coded (Silverman 2013, Silverman 2006). Interviews were initially listened to while the reading transcripts to ensure accuracy (Kreiner and Mouritsen 2005). The first round of coding saw a loose coding approach implemented that resulted in approximately 65 codes being produced (Appendix Nine, p. 251). The principal aims at this stage of the coding process were (1) to gain deeper insight into the efforts CORE undertook to influence company law reform at each stage of the reform process (agenda setting, process of legislative passage, and policy implementation), (2) to examine Government proposals and consolation processes in order to understand how the reform process evolved over time, particularly in response to CORE’s proposals, and (3) to examine the coverage of the reform process in the media, particularly regarding CORE’s corporate accountability campaign.

During the second round of coding (Gioia, Corley, and Hamilton 2013), an extensive effort was undertaken to incorporate theory into the analysis. Accordingly, the forms of work proposed by Lawrence and Suddaby (2006) were used as a guide to understand the nature of institutional work instigated by both CORE and the Government throughout the reform process. It was at this stage of data analysis that the first named author identified an opportunity to develop the institutional work framework. Specifically, the existing forms of work did not allow him to understand and explain the interactions he evidenced between CORE and the Government during this process. In particular, he was unable to theorise the Government’s response to, and active suppression of, CORE’s lobbying. Accordingly, first round codes relating to the Government actions and strategies were grouped into distinct categories that illuminated the Government’s response to CORE’s actions over time (See Appendix Ten, p. 253). This process involved an intricate process of moving between data and the existing literature on institutional work in order to provide a comprehensive description of the foundations of the emerging forms of institutional work the paper sought to introduce to the literature.

The final stage of the coding process grouped second order themes into distinct categories that represented the forms of institutional work evidenced during the reform process (See Appendix Eleven, p.254). This largely focused on identifying and naming the new forms of suppression work. Following a further review of existing institutional work literature, three new forms of suppression work were ultimately identified. A final re-reading of interview data and
documentary data was undertaken upon completion, primarily to identify contradictions in my understanding of the reform process (Huberman and Miles 2002).

5.5 Background to Case Study

The current section provides important background information to the case narrative (which commences in section 5.6). Section 5.5.1 outlines the process through which a Bill flows through the Houses of Parliament. This section outlines how advocacy organisations often attempt to influence legislative reform through the introduction of Private Members’ Bills (PMBs). Sections 5.5.2 and 5.5.3 discuss the emergence of company law reform, highlighting why this process was necessary and, most importantly, how the Government’s enlightened shareholder value (ESV) proposals established a process of institutional preservation.

5.5.1 The legislative process in the UK: taking a Bill through Parliament

Bills emerge from a process of consultation between government and various interest groups and can undergo significant negotiation before entering Parliament. Typically, when the Government announces plans to introduce a specific piece of legislation, it establishes a steering committee which is charged with undertaking a consultation process. The consultation process provides the committee with an opportunity to review the existing legislation and consider proposals for how it can be improved and amended. This process can vary in duration and is dependent on the nature of legislative reform proposed. Importantly, many rounds of consultation can be undertaken, where interested actors or groups are provided with an opportunity to submit recommendations. The steering committee then produces a final report which details its recommendations. While Government is under no obligation to abide by the committee’s recommendations, these reports often form the basis of a White Paper, which represents the commencement of the Government’s consultation process. A White Paper typically outlines the area of legislative reform, why it is needed, what reforms should take place, and a draft Bill. It also encourages any interested actor to make submissions on the proposed legislation. Following this consultation process, the draft Bill is finalised and can be introduced to the Houses of Parliament. Bills can be introduced in either the House of Commons or the House of Lords and must be approved by both Houses to receive royal assent. Appendix Twelve (p. 257) depicts this process while also describing the activities performed at each stage of legislative passage.
While the majority of primary legislation\textsuperscript{48} passed originates from Bills introduced by the Government, Members of Parliament, who hold no governmental responsibilities, may also initiate Bills. These are referred to as Private Members’ Bills (PMBs). PMBs do not emerge from specific committees or White Papers; instead, these Bills are typically drafted by interest groups who wish to propose a specific piece of legislation. These interest groups then seek a Member of Parliament (MP) to it in the House of Commons.

In each annual session\textsuperscript{49} of the House of Commons, thirteen Fridays are set aside for PMBs. There are three ways to introduce a PMB to the House of Commons: the ballot, ordinary presentation, and the ten-minute rule procedure. The ballot occurs at the beginning of an annual session and is used to decide which MPs will gain priority to introduce PMBs to the House of Commons. Twenty members are drawn, at random, who gain priority to introduce a PMB across the thirteen Fridays. Members successful in the ballot gain a crucial advantage as they can schedule when their PMB will gain a second reading. PMBs introduced through the Ballot are typically serious attempts at legislation and tend to have the best chance of becoming law. Ordinary presentation provides MPs with an opportunity to introduce Bills on a Friday allotted to PMBs once due notice is given. This type of PMB cannot be introduced until all ballot Bills have been presented and, as a result, have significantly less chance of gaining a second reading. The ten-minute procedure provides MPs with an opportunity to present a Bill in the House of Commons after question time\textsuperscript{50} during which members are given the opportunity to make a brief address to parliament. It is typically not viewed as a serious attempt to get a Bill passed and is often used to test the opinion of Parliament on a subject which members may seek to legislate in later periods.

On each of the thirteen Fridays allocated to PMBs, sittings in the House of Commons last from 9.30am to 2.30pm during which time second readings of the Bill occurs. Debate on important PMBs can often last the entire sitting, hence why gaining priority through the Ballot is so important. For a Bill to proceed to the committee stage, the debate needs to be concluded by

\textsuperscript{48} Primary legislation refers to Acts of Parliament and Statues and is in contrast to secondary legislation which refers to statutory instruments.

\textsuperscript{49} Each five year Parliament is divided into sessions. These have usually begin in November with the State Opening of Parliament and conclude the following November See: http://www.parliament.uk/about/how/occasions/calendar/

\textsuperscript{50} Typically scheduled on a Wednesday between 12pm and 12.30pm
2.30pm, with at least 100 members voting, by majority, in favour of the Bill’s passage. Often, however, such votes do not occur as opponents of a Bill speak through the 2.30pm deadline which results in the debate being adjourned\(^{51}\). Given the number of PMBs scheduled, debates do not always resume and Bills are often dropped\(^{52}\) or lost on prorogation\(^{53}\).

5.5.2 **Company law reform: why was it necessary and from where did it emerge?**

In the late 1990s, the Labour Government announced proposals to radically modernise UK company law (DTI 1998). At the time, company law was comprised of an assemblage of legislative amendments that dated back to the 1844 Companies Act\(^{54}\). While many attempts at reform had previously occurred\(^{55}\), these resulting amendments did not result in radical changes to the legislation (Sheikh 2013). This meant that the existing framework was archaic and burdensome and was seen as an obstacle for companies to conduct business in the 21\(^{st}\) century. This was particularly relevant for issues surrounding corporate governance. Following major scandals, such as Enron and Worldcom, corporate governance was recognised as a central element of the law that needed to be strengthened, particularly as the lack of corporate governance standards in the existing framework made it increasingly difficult for company directors to know what exactly the law relating to companies was (Sheikh 2013).

In 1998, the Department of Trade and Industry (DTI) opened a consultation process to examine how company law could be reformed. On its establishment, the steering committee highlighted four main issues that needed to be addressed: the outdated structure that caused problems and imposed unnecessary costs on business, the sheer complexity of the framework, the removal of obsolescent and ineffective legislation, and the need to address the limited integration of best-practice governance guidelines in legislation (DTI 1998). In seeking to modernise the company law framework, the steering committee stressed that “there should be freedom for companies but also protection from abuse” (Sheikh 2013 p.13) and “that the law should be modern, flexible,

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\(^{51}\) The term “talked-out” is often used to describe this strategy.

\(^{52}\) A Bill or Order is considered to have been ‘dropped’ if no date has been named for its next stage by the MP who has been responsible for it. The term is also used for Bills which cannot progress due to a lack of parliamentary time.

\(^{53}\) Refers to the end of a Parliamentary session. It marks an end to all parliamentary business.

\(^{54}\) The Joint Stock Companies Registration and Regulation Act 1884

\(^{55}\) Sheikh (2013) reveals how new companies legislation was launched through the Companies Act 1908, the Companies Act 1917 Companies Act 1929, the Cohen Committee in 1945, the Companies Act 1948, the Jenkins Committee in 1962 the Companies Act 1985, and the Companies Act 1989.
easily accessible, user-friendly” (p. 35). Importantly, the committee stressed that while directors should continue to be primarily responsible to shareholders, they should also be legally required to consider wider economic, environmental and social needs. This commenced an important debate on a key characteristic of the company – in whose interest should it be run?

5.5.3 The enabling conditions for institutional preservation: the preferred enlightened shareholder value perspective

Given the desire to incorporate corporate governance practices into legislation for the first time, it was recognised that company directors needed to take into consideration broader considerations than short-term profit maximisation when seeking to promote the best interests of the company (DTI 1999). Two contrasting perspectives were debated: enlightened shareholder value (ESV) approach and the pluralistic approach. This debate was particularly salient. The ESV perspective focused on profit maximisation in the long run. It deemed a short-term focus on profit maximisation as erroneous; instead, a company should focus on building relationships that would ensure its long-term prosperity. While ESV ruled that directors must exercise a primary duty to company shareholders, it stipulated that they must recognise that wider interests should be understood and managed. Specifically, directors held a secondary duty to consider a wide range of interests including, but not limited to, customers, employees, suppliers, the community and the environment. Taking these interests into consideration was deemed necessary to promote the long-term success of the company. While ESV promoted substantial development to existing institutional arrangements, this perspective provided an opportunity for the majority of existing rules, norms, and beliefs to be “transferred” to the new institutional order, providing dominant actors with the opportunity to preserve the majority of existing institutional standards.

In contrast, the pluralistic approach promoted radical changes to company law (DTI 1999). Under this perspective, the company would no longer be run solely in the shareholders’ interest and directors would owe a primary duty to a wider group of stakeholders. The pluralistic approach promoted the substantial overhaul of the company law framework. Accordingly, to accommodate this perspective, the company law reform process would have had to create a new institutional order so that rules, structures, and norms matched the fields underlying legislation.
The steering committee's final report was published in July 2001\textsuperscript{56} (DTI 2001). Within this report, the pluralistic approach was rejected, with the committee stressing the importance of developing a framework based on the ESV model. While encompassing a broad range of recommendations, the final report outlined a need for a clear, authoritative statement on directors’ duties and the necessity for directors to take into account all material factors when promoting the success of the company. The committee placed specific emphasis on the importance of fostering business relationships with employees, suppliers, and customers and having regard for the impact of company operations on the community and the environment. Furthermore, the committee recommended that companies should be required to disclose broad strategic information through an operating and financial review (OFR)\textsuperscript{57}. Importantly, the OFR was recognised as a mechanism through which companies could be legally required to report on social and environmental matters for the first time.

Company law reform represented a substantial disturbance to an existing, powerful institution – the economic field – providing an opportunity for interested actors to attempt to mould new institutional structures through creation, maintenance, or disruption strategies. This reconfiguration of the institutional order saw the rules of the field be restructured, providing an opportunity for interested field participants to participate, and seek to inform, this reform process. The committee’s recommendation on the foundations of company law reform played a central role in influencing the nature of the institutional disturbance that occurred. More specifically, its recommendation for an ESV approach meant that a process of institutional preservation occurred, where actors supporting the traditional institutional configuration could seek to transfer favourable norms to the new institutional order. These field participants were largely comprised of the Government and big business and held a dominant field position. These actors faced competition from various civil society organisations that were taking an increasing interested in the development of company law reform. As these actors sought to challenge the proposed institutional order (i.e. ESV), they contested the institutional preservation process from subordinate field positions. As our case narrative now illustrates, CORE’S mobilisation at this

\textsuperscript{56} The report included two volumes: the first, its recommendations for company law reform, and the second, a set of draft clauses that could form the basis for the new legislation

\textsuperscript{57} While directors’ duties amendments would be considered during the company law reform process, the Operating Financial Review was fast-tracked in the expectation that the statement would be implemented in advance of the new Companies’ Bill gaining royal assent
stage of the reform process brought distinct disadvantages as the preferred foundations of the evolving company law framework – namely ESV – had already been recommended.

5.6 Case Narrative

The case narrative is divided into three sections. The first section (section 5.6.1) focuses on the process of agenda setting (Andrews and Edwards 2004), examining CORE’s emergence and its attempts to get social and environmental issues on the legislative agenda. The section highlights how CORE was initially subject to significant work refutation from the Government, whereby its claims for pluralistic companies’ legislation were suppressed and thereby failed to influence the Company Law Reform Bill\(^{58}\) (hereafter, “the Bill”). The section also illustrates that when CORE realigned its corporate accountability campaign with the Government’s enlightened shareholder value (ESV) proposals, it was subject to subdual and marginalisation work where the Government actively sought to dilute and marginalise the majority of its claims. The second section (section 5.6.2) focuses on the process of legislative passage, examining the interactional nature of the forms of work instigated by CORE and the Government as the Bill progressed through the Houses of Parliament. This section reveals the subdual and marginalisation work CORE was subject to in order to suppress its claims and the justification and acclamation work instigated by the Government in the final stages of legislative passage. The third section (section 5.6.3) focuses on the immediate aftermath of the Companies Act gaining royal assent, highlighting the implementation work and education work instigated by CORE in order to ensure the adoption of the new social and environmental legislation by UK companies. This section concludes by discussing the demise of CORE’s corporate accountability campaign.

5.6.1 Phase One: Formation and attempts to get issues on the regulatory agenda (2000 – 2005)

5.6.1.1 The emergence of the CORE Coalition – formal establishment, internal dynamics and agenda setting

In 2000, in direct response to the company law reform process, representatives of a number of civil society organisations (CSO’s), including Amnesty International, New Economics Foundation, Traidcraft, and World Wildlife Fund, established an informal working group called

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\(^{58}\) For key dates regarding the Company Law Reform Bill’s development, see Appendix Thirteen (p. 257).
the Corporate Accounting Network (CAN). Individually, these CSOs were in the process of developing campaigns and hosting various events to see if and how company law could be used as a tool for corporate accountability\(^5^9\) (CORE 2005). The CAN acted as a platform where such tactics could be discussed, largely through e-mail correspondence and informal meetings. In December 2000, the potential development of a joint corporate accountability campaign was discussed, with the network’s members recognising the opportunity that company law reform presented to establish social and environmental legislation for companies. These discussions lead to the formal establishment of the Corporate Responsibly Coalition (CORE) in early 2001\(^6^0\).

“There was a nascent thing called the corporate accountability network that was occasionally e-mailing so I just convened a meeting and literally I think within a couple of meetings we realised this was an opportunity to do something, to actually regulatory CSR. [At the time] we would have been working on these issues in their own organisations, some of them very large, sweeping organisations. But corporate accountability was our passion, so within CORE we found a real solid group of kindred spirits I would say” (CORE Chairperson)

“I think we all felt that we could work more effectively if we set up a coalition, we could better work together to achieve the purpose of the coalition, which was to try to influence the review of company law and the legislation that would follow on from this review” (CORE Director 1)

To fund its corporate accountability campaign, CORE acquired a four-year grant from the Joseph Rowntree Charitable Trust which was topped-up by funding from its member organisations. This enabled a coordinator and director to be hired to oversee its day-to-day operations. The early meetings of CORE sought to establish a formal strategy. CORE members uniformly recognised the importance of two issues that were being discussed by the company law review steering committee, specifically the Operating and Financial Review (OFR), which highlighted the need for mandatory reporting on social and environmental matters, and directors’ duties, which provided an opportunity to adopt stringent directors duties’ clauses in order to minimise the impact of companies’ operations on local communities and the environment (DTI 2001). Members of CORE’s steering committee also believed that the coalition should campaign for access to justice. While this issue had not received attention from the company law review steering committee, member organisations were actively involved in campaigns in this area and pushed for CORE to promote this issue.

\(^5^9\) For example, the Traidcraft Exchange Seminar in 1999 discussed broadening the reporting requirements for companies to include environmental considerations.

\(^6^0\) The founding members were individuals that represented Amnesty International, Christian Aid, Friends of the Earth, New Economics Foundation and Traidcraft. Soon after CORE’s establishment representatives from Action Aid, Save the Children, Unison, War on want and WWF-UK joined the coalition.
“That I think was quite an easy decision (reporting and directors duties) to make on the basis that we were aware that trying to get any sort of big wins if you like under company law was going to be difficult. Company reporting was one [issue] that seemed to not be so challenging as to scare the horses, while from our perspective transparency was incredibly important. [As for access to justice], my recollection is that both Friends of the Earth and Amnesty had both close experiences of trying to support local communities who were being impacted by UK multinationals and who were not able to get a proper [legal] remedy. That [issue] came from their experiences” (CORE Member 2)

Central to CORE’s ability to instigate a corporate accountability campaign was the relative freedom its steering committee representatives were given by their respective organisations. As an amalgamation of numerous CSOs, a risk existed that members of CORE would be unduly influenced by their respective organisations, whereby the supporting organisations would seek to limit the involvement of their representatives in the coalition’s actions. This, however, was not the case and representatives were given significant autonomy to instigate a campaign in a manner that would have the strongest impact on company law reform. CORE’s director reflected how this allowed them to “very quickly become a peer group that were closer as CORE than we were in our own organisations”.

5.6.1.2 The commencement of institutional work: gaining parliamentary attention through political work

By September 2001, attention was being directed as to how CORE could seek to influence the reform process. Members of the steering committee recognised the importance of selecting a strategy that would allow it to augment parliamentary pressure for the issues it sought to embed in company law. Political work was recognised as a fundamental strategy for this to be achieved. CORE initially decided to combine both advocacy work and defining work in an attempt to get issues on the legislative agenda. Importantly, CORE’s members held significant experience in this area, with Friends of the Earth previously being successful in getting a Private Members’ Bill through Parliament to royal assent61.

“At a fairly early stage, when we tried to determine our strategy, one of the key people there was a Friends of the Earth parliamentary officer and he was convinced that our most effective strategy would be a parliamentary one. Friends of the Earth had done this in other cases; they had been successful in getting a private members bill on the Statute book. Parliamentary pressure was a key element of our work and [the coordinator] particularly in those days spent a lot of time trying to get cross-party support from MPs” (CORE Member 3)

61 Specifically, the Road Traffic Reduction Act (1997) and the Warm Homes and Energy Conservation Act (2000) originated as private members’ bills put forward by MPs with the support of Friends of the Earth.
“The more parliamentary support that there’d be, the more pressure on the government to actually embody these issues in the legislation. So I think the idea was to get the government to move as far as we could, get the government to move as far as we could get then to move. Parliamentary pressure was seen as the vehicle for achieving this on the grounds that we through we had a government that would be amenable to that kind of pressure which to some extent they were” (CORE Member 4)

CORE’s initial political work promoted a pluralistic approach to company law reform. Three key principles supported its campaign: there needed to be more transparency in relation to what companies did, corporations needed to be legally accountable for their impact; and members of the general public needed better access to justice i.e. clearer mechanisms to sue companies in the aftermath of corporate scandals (CORE 2006a). Its steering committee reflected how they “did go a little bit blindly” at this early stage and how they were “fearless” in their attempts to influence the reform process.

CORE’s strategy to undertake defining work through the introduction of PMBs meant that it needed to gain political allies in the House of Commons. The broad range of actors within CORE’s network facilitated lobbying. Member organisations had close contacts with MPs who were supportive of their respective missions, which provided CORE with a number of MPs from which they could select from to promote their proposals. Steering committee members had significant experience in working with MPs, which supported CORE’s initial attempts to gain cross-party support for their proposals.

“You look at the issues. You can look at either backbench MPs or frontbench MPs. If you look at the committees they are sitting on, you look at the issues in their constituencies, there’s a whole bunch of things. Quite often the different NGOs will have an MP that they worked with. Amongst the coalition members, we would have put several on the table to say “who do we think should be our champions, go from there, have the conversations. I actually felt that the NGOs have not found access a problem. If you persist in it, if you’ve got the names, you’ve got the relationships with the people. Backbench MPs, that’s not a problem [to have conversations]. Ministers, this always seems more challenging” (CORE Chairperson)

CORE’s coordinator was primarily responsible for its advocacy work. He was recognised as “a great lobbyist” who was “bullish” and “had the gift of the gab”. He was able to establish a prominent relationship with one Labour MP, Linda Perham, who would act as the presenter for three CORE bills introduced to the House of Commons between 2002 and 2004 (listed in Table 5.4).
Table 5.4. Bills introduced in the House of Commons by the CORE Coalition

<table>
<thead>
<tr>
<th>Title</th>
<th>Date Presented</th>
<th>Progress</th>
<th>Perspective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Responsibility Bill</td>
<td>12 June 2002</td>
<td>Dropped</td>
<td>Pluralistic</td>
</tr>
<tr>
<td>Corporate Responsibility (Environmental, Social and Financial Reporting) Bill</td>
<td>15 October 2002</td>
<td>Bill not printed</td>
<td>Pluralistic</td>
</tr>
<tr>
<td>Corporate Responsibility Bill</td>
<td>19 June 2003</td>
<td>Dropped</td>
<td>Pluralistic</td>
</tr>
<tr>
<td>Performance of Companies and Government Departments (Reporting) Bill</td>
<td>7 January 2004</td>
<td>Talked-out on second reading</td>
<td>ESV</td>
</tr>
</tbody>
</table>

5.6.1.3 **Defining work and initial work refutation: the failed introduction of PMBs to the House of Commons**

CORE’s initial defining work proposed fundamental, and quite radical, changes to company law. The three PMBs it introduced to the House of Commons between June 2002 and June 2003 had distinct pluralistic underpinnings that sought to embed a wide-range of stakeholder-oriented standards in legislation (See Appendix Fourteen, p. 260). Accordingly, CORE’s actions conflicted with the preferred ESV perspective through which company law reform was being conducted. The political work it implemented at this time coincided with the publication of the Government’s first White Paper, Modernising Company Law, which adopted the committee’s recommendations for an ESV approach to company law reform (White-Paper 2003). CORE strongly disagreed with this perspective and its political work sought to raise attention to the inadequacies within government proposals.

“We wanted to see the very purpose of the company changed from having a unitary purpose, in other words, that served the interests of shareholders, to a pluralistic role of the company [where the company would] be accountable for its impacts to a number of stakeholders.” (CORE Member 3)

While the principal aim of the introduction of Bills was defining work, where the standards it promoted could form the basis of the new legislative framework, the Bills also enabled CORE to engage in significant disruption work. In particular, they allowed CORE to attempt to disassociate the current rules and practices in the economic field from their moral foundations and represented a direct attack on the foundations of the proposed ESV approach to company law reform.

“We need to be sure that [companies] are serving the needs of society at large, not just their shareholders, and many people now feel that requires changes in the law. An important point must be
made. When companies behave badly in ways that affect the richest and most powerful in society, there is a clamour for new rules and regulations. One only has to look at the readiness of the American Government to strengthen the law on financial processes after the collapse of WorldCom and Enron to see how fact we act to protect wealthy investors. That response is not wrong, but we should be equally determined to act when company activities affect the least well off, bearing in mind that the environmental and social impacts of companies’ activities usually hit the poorest hardest” (Linda Perham, House of Commons, 15 October 2002)

The combination of *disruption work* and *political work* enabled CORE to problematise the existing institutional order, while simultaneously offering a solution by illustrating how rules and practices could evolve. While recognising that her Bills were “bold”, Perham stressed it would “deliver measurable improvements to people’s lives in Britain and abroad, and it would challenge other nations to follow the lead”.

CORE’s early campaigning quickly gained impressive attention in the House of Commons with 293 MPs supporting an early day motion on Corporate Social Responsibility tabled on 18 November 2002 calling on the government to embed social and environmental standards in the emerging legislation:

“That this House believes companies can play an active and beneficial role if their freedom to operate is balanced with corresponding obligations to society; welcomes the broad support for the Corporate Responsibility Bill introduced in the last session of Parliament; welcomes also the agreement at the World Summit on Sustainable Development 'to actively promote corporate responsibility and accountability; and urges the Government to enshrine in new company law such policies that require companies and directors to manage their environmental and social impacts, and consult with and report to their stakeholders on these impacts.” (Early Day Motion 113, 2002)

Despite the growing attention, CORE’s campaign was receiving in the House of Commons, the three Bills failed to gain necessary Government support to be allowed a second reading and were subsequently dropped or not printed. During this stage of the reform process, there was a notable lack of response by the Government to CORE’s political work with a distinct lack of work by Government to counter, or respond to, CORE’s claims. Instead, the Government purposively continued to promote its ESV proposals without allowing negotiation or discussion on any of CORE’s pluralistic proposals. CORE’s actions were, therefore, subject to significant work refutation, where the Government purposively ignored the institutional work CORE instigated. The increasing attention CORE was directing to social and environmental legislation

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63 A Bill is dropped when it fails to attain a second reading.
64 The Bill was abandoned before it attained a first reading.
meant, however, that such work refutation could not be sustained and, as a result, the complete marginalisation of CORE’s corporate accountability campaign was coming to an end.

5.6.1.4 Work realignment: moving from the pluralistic to the ESV perspective

By mid-2003, the continued suppression of CORE’s actions forced the steering committee to re-evaluate the nature of legislative reforms it sought to promote. While its promotion of both mandatory reporting requirements and directors’ duties had gained impressive support among MPs, the steering committee accepted that its political work had struggled to get the access to justice on the legislative agenda. As a result, the campaign proceeded to focus primarily on director’s duties and mandatory reporting. Furthermore, CORE made a conscious decision to better align its proposals with the Government’s preferred enlightened shareholder value (ESV) approach. While the pluralistic underpinnings of its actions were not completely side-lined, CORE made a conscious decision to make less radical demands in an effort to better influence the emerging legislative standards.

“There was a point in the campaign, and I can’t remember when, that it became clear that we weren’t going to get access to justice in the legislation. At that point, the campaign became more about raising its profile as an issue and as something that needed to be addressed” (CORE Member 5)

“[The unitary purpose argument] was lost at a fairly early stage because the working group decided that UK company law, as I suppose company law everywhere else, would view the company as having a unitary purpose to serve the interests of its members. Once that battle was lost, we focused on directors duties and reporting” (CORE Member 3)

In the 2003-04 sitting of the House of Commons, Andy King, an MP that supported CORE’s corporate accountability campaign, was drawn in the ballot to introduce a PMB. This was the first time that CORE would have priority when introducing a bill to the House of Commons, providing it, at a minimum, with an opportunity to receive a response from a Government minister for its proposals.

CORE decided to draft its fourth Bill – the Performance of Companies and Government Departments (Reporting) Bill – on the basis of the draft clauses put forward by the Government in the White Paper (White-Paper 2003). In doing so, CORE’s defining work focused on proposing amendments to an existing Bill, and not attempting to introduce a counter Bill to the Government’s original proposals. The main proposals CORE sought to embed in the Bill
revolved around reporting (See Appendix Fifteen, p. 261). CORE’s amendments sought to expand upon the Government’s proposals by extending the number of companies that were required to produce an OFR and included a provision to force directors to take all reasonable steps to minimise the impact of companies on local communities and the environment.

“As much as 95 percent of the Bill is taken from the white paper which included a set of draft clauses. I have altered those proposals – modestly – to increase the extent to which environmental and social matters are included in the reports.” (Andy King, House of Commons, 30 Jan 2004)

In advance of the Bill’s presentation on 30 January 2004, CORE recognised the need to expand their campaign beyond the House of Commons and to build public awareness for its actions. A decision was made to mix its political work with disruption work through the initiation of a letter writing campaign. Supporters of CORE’s member organisations were encouraged to contact Prime Minister Tony Blair and two government ministers Margaret Beckett and Patricia Hewitt asking them to ensure the Bill received a full and proper debate by allowing it through to committee stage. CORE believed that its mix of political work and disruption work provided it with strong potential to influence the emerging legislation, particularly given the intense pressure and scrutiny its campaign placed on the Government.

“My recollection is that we were aiming for both [i.e. to create noise and be passed by parliament]. That would be quite a standard operating tactic for any NGO campaign of this type. There are occasions where we would draft legislation, a Private Members’ Bill or something like that, that we know has absolutely no chance of getting passed but it’s a useful vehicle for drawing attention to the issue. I would say that wasn’t the case here. I think certainly the reporting and directors’ duties work, we thought there was a reasonable prospect of getting if not our whole text adopted then at least important bits of it. Certainly, on those two issues, there was a real push to have a direct influence on the legislation” (CORE Member 2)

The second reading of the Bill occurred on 30 January 2004. In his introductory address, Andy King compelled the Government to implement stricter legislative requirements governing corporate accountability. He highlighted that “when failures in company law have affected the richest and most powerful in society, we have always acted” (Commons 2004a). He also emphasised how the Bill was backed by an array of civil society organisations, trade unions, and business organisations within the UK and was also supported by numerous international development organisations. The address saw King attempt to undertake disruption work by

65 The company law steering committee recommended that an OFR should be produced by large, quoted and unquoted companies. CORE sought to extend this requirement to medium sized companies.
66 Minister for Environment, Food and Rural Affairs
67 Minister for Department of Trade and Industry
undermining the assumptions and beliefs of the existing institutional order. In particular, he suggested that volunteerism had resulted in companies not providing “a full picture of their impacts” and that “requiring all companies to report will level the playing field”. Importantly, he stressed that the Bill, and in particular its amendments to directors’ duties, fell under the government’s enlightened shareholder value governance approach.

“The Bill would amend the basic duties on company directors by adding to the duty to return maximum profit to shareholders further duties to consider social and environmental impacts. A sole duty to profit enables companies to put profit before community well-being, worker safety, public health and environmental preservation. The Bill would change that” (Andy King, House of Commons, 30 Jan 2004)

The effect of CORE’s political work was evidenced in the immediate responses to Andy King by members of the opposition. In her address to the House of Commons, Angela Watkinson of the Conservative party noted how the Bill was subject to considerable parliamentary lobbying in respect of the issues it promoted.

“Various interest groups have contacted me, and, dare I say, every other member, in support of the Bill and the introduction of mandatory international measures to oblige companies in law to fulfil their corporate social responsibilities (Angela Watkinson, House of Commons, 30 Jan 2004).

Her address highlighted numerous problems with the Bill’s text but suggested that “these could be trashed out in committee”. She applauded the proposals put forward in the Bill to ensure UK companies both home and abroad were accountable for the impact of their activities on local communities and the environment and, on this basis, stated that the opposition was happy for it to proceed to the committee stage.

Given the significant attention CORE’s Bill attracted, the Government were unable to sustain a work refutation strategy and had to actively respond to CORE’s proposals. The Minister for Trade and Investment, Mike O’Brien, addressed the House of Commons on behalf of the government. He applauded the efforts CORE was making to promote corporate responsibility legislation, highlighting how their actions enabled the government to conclude that “several technical improvements should be made” (Commons 2004b). The Minister indicated, however, that he would not allow the Bill to proceed to committee. He stressed the Government was in the process of drafting the final Operating and Financial Review regulations which would be
published by mid-2004 and asked for supporters of the Bill to be “patient for a little longer” as many of their proposals would be addressed through the OFR.

“One of the objectives of the revised (OFR) proposals was to ensure that we do not impose unnecessary burdens on companies by requiring them to comply separately with the requirements of the OFR and the EU modernisation directive, which was adopted last year. Understandably, my hon. Friend’s bill takes no account of that directive, part of which requires additional reporting by companies, including on information relating to environmental and reporting matters. As that comes into force at the beginning of 2005, it makes sense to deal with it and the OFR as a single, coherent piece of legislation to avoid companies having to make two separate but overlapping reports, which would be duplicative and bureaucratic. The Government will soon publish revised proposals on the OFR, which will be a significant improvement on the illustrative clauses that were published in the white paper” (Minister for Trade and Investment, House of Commons, 30 Jan 2004)

The Minister’s address lasted until the 14:30 deadline, thereby not allowing a vote to occur on whether the Bill should proceed to committee. By ensuring no vote occurred, the Government suppressed CORE’s actions, retaining complete control of the reform process. CORE’s director recalled how he “filibustered” the Bill by talking it out. The section illustrates the commencement of subdual and marginalisation work where the Government purposefully began its attempts to quietly quell CORE’s actions. The extent of the efforts became more evident when its recommended OFR proposals were released later that year.

5.6.1.5 Overcoming subdual and marginalisation work: influencing the emergence of the Operating and Financial Review

The Government’s OFR proposals were published in May 2004 (DTI 2004). The report highlighted how the OFR would be prepared for shareholders under the ESV perspective but was relevant to all users of accounting information including creditors, investors, and shareholders. Notably, the Government disagreed with recommendations from the company law reform committee that public and private large companies should produce an OFR, with its proposed legislation applying only to quoted companies. This was in stark contrast to CORE’s proposals to further expand who was required to produce an OFR to medium-sized quoted and unquoted companies. Notably, CORE’s extended proposals on social and environmental reporting, proposed through its PMBs, were also ignored. The publication of the OFR proposals saw

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68 Filibuster refers to an action such as prolonged speaking which obstructs progress in a legislative assembly in a way that does not technically contravene the required procedures

69 While the debate was scheduled to be resumed on 26 March, the Bill was not called on this date. When next called for debate on 16 July, the Government objected and the Bill was subsequently dropped.
Government continued its suppression of CORE’s proposals despite previously promising to take its recommendations on board. This marginalisation of CORE’s actions, however, was no longer overtly evident as the Government’s OFR proposals did include a number of clauses that CORE had promoted. For instance, they included provisions that required companies to provide a description of risks and uncertainties arising from environmental matters and social and community issues, to prepare the OFR in accordance with a relevant reporting standard, and to ensure the OFR was to be audited. However, these clauses were previously recommended by the company law reform steering committee, and cannot thus be attributed solely to the defining work CORE instigated.

In response to the DTI’s publication of draft legislation, CORE relied on political work to strengthen the proposed OFR requirements. Specifically, its proposals sought to expand the nature of information companies were required to report on to include “all the major impacts of a company on society and the environment” (EDM 2004).

“That this House believes that major companies have shown that monitoring and reporting on environmental and social impacts can help them to reduce their adverse impacts as well as improving efficiency and profitability; further believes that with much of a company's value now dependent on intangibles such as brand reputation, staff expertise and the ability to innovate, the provision of such information is invaluable to investors; regrets that despite encouragement from the very highest levels of Government, many companies still either neglect to report at all, or publish reports that are a public relations exercise promoting the company's achievements but neglecting to mention their major flaws; further believes that the introduction of the Operating and Financial Review, a broad report of a company's performance and prospects, will boost the number of companies measuring, managing and reporting on their impacts; but further believes that, to be truly effective, the regulations must require reporting on all the major impacts of a company on society and the environment, not just those that threaten profits.” (Early Day Motion 1218, May 2004)

CORE’s lobbying was unsuccessful in further influencing the content of the OFR. In fact, after significant lobbying by Business, the Government was accused of watering down its proposals. Before the OFR was approved in November 2004, the requirement for auditors to evaluate whether “due care and careful enquiry” was taken in producing an OFR was removed (Cooper and Owen 2007). In the absence of the due and careful enquiry clause, directors were provided with significant discretion as to what social and environmental impacts they would report on. CORE highlighted how weak wording meant that companies would only have had to report on social and environmental impacts “to the extent necessary”, which allowed directors to determine what risks they wished to declare.
“The review has been watered down to such an extent that it of no value to anybody. Full and meaningful reporting is in the interests of shareholder, stakeholders and companies alike. The Government is clearly willing to ignore public concerns and be led by the nose of the business lobby. Is the Government really happy for companies to produce reports without due and careful enquiry or even to produce a negligent report?” (Friends of the Earth, 2004)

In the face of constant efforts to refute, dismiss, and suppress its institutional work, CORE continued to struggle to have its proposals embedded in the emerging legislation. In fact, given the nature of public awareness CORE was able to direct to the OFR reforms, the ease with which Government enacted *subdual and marginalisation work* was particularly surprising. In the immediate aftermath of the Government approving the OFR, CORE directed attention to the next stage of the company law reform process – the forthcoming release of the Government’s second White Paper. The White Paper provided CORE with an opportunity to re-direct attention to directors’ duties and the necessity to embed a stronger social and environmental requirement within these provisions.

5.6.1.6 *Redirecting attention to directors’ duties: implementing further political work*

In March 2005, the Government published its second White Paper, which commenced its final consultation before introducing the Companies Bill to the Houses of Parliament (White-Paper 2005). The Government’s proposals sought to extend directors’ duties, stipulating that directors must take into consideration the interest of employees, suppliers, customers, and the community when considering the likely long-term consequence of any decision.

“The Company Law Reform Committee proposed that the basic goal for directors should be the success of the company for the benefit of its members as a whole; but that, to reach this goal, directors would need to take a properly balanced view of the implications of decisions over time and foster effective relationships with employees, customers and suppliers, and in the community more widely. The Government strongly agrees that this approach, which the [Committee] called “enlightened shareholder value”, is most likely to drive long-term company performance and maximise overall competitiveness and wealth and welfare for all. It will, therefore, be reflected in the statement of directors’ duties, and in new reporting arrangements for quoted companies under the Operating and Financial Review Regulations.” (White Paper, 2005, p. 7)

CORE’s steering committee believed that “directors’ duties were much more important (than reporting)” (CORE Chairperson). While reporting requirements enhanced transparency on the social and environmental impact of companies’ activities, embedding a strong director’s duties clause in company law was seen as a mechanism through which companies would have been required to minimise the impact of their activities on the community and the environment.
CORE’s *defining work* thus sought to establish a link between the OFR and directors duties clauses in legislation.

“CORE recommends that the best way for Government to deliver sustainable development objectives, both in the UK and abroad, and to overcome market failure is through explicitly ensuring that directors are held accountable for the social and environmental impacts of the company. CORE believes that a duty should be placed on directors requiring them to report on any significant negative social and environmental impacts of their business activities, operations, policies and products and that this must also be coupled with a legal duty requiring directors to take reasonable steps to reduce and mitigate those impacts” (CORE, 2005)

CORE’s efforts to embed stronger directors’ duties clauses would continue to be addressed throughout the remainder of the legislative reform process, culminating when the Companies Bill was introduced to the Houses of Parliament later that year.

**5.6.1.7 Further suppression of CORE’s proposals: discarding the OFR**

On 28 November 2005, CORE suffered an unexpected and significant blow to its corporate accountability campaign when Chancellor of the Exchequer, Gordon Brown, announced plans to abolish the OFR in order to reduce the administrative burdens on UK companies. In subsequent revelations, it was revealed that Brown made the decision to gain the support of big business as he was “shortly to take over as Prime Minister with a vastly reduced parliamentary majority” (Rowbottom and Schroeder 2014; p. 677). CORE reacted with fury to Brown’s announcement. The OFR had emerged following seven years of negotiation and consultation, and CORE members stressed that the Government’s actions were unlawful.

“…”

“In January 2006, Friends of the Earth launched a judicial review of the Government’s decision to repeal the OFR. The legal challenge forced the Government into a dramatic reversal of its decision. Settling out of court with Friends of the Earth on February 2nd 2002, the Government agreed to a “new consultation (that) will ask whether to include OFR provisions in the draft Company Law Reform Bill which is currently having is first reading in the House of Lords” (Friends of the Earth, 2 Feb 2006). The high profile nature of CORE’s corporate accountability

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For a more detailed analysis of the reactions of various interest groups, see Rowbottom? and Schoeder (2014).
campaign meant that despite the Government’s best attempts to totally maranglise its actions, such marginalisation tactics could no longer be implemented.

In summary, this section reveals CORE’s efforts to get social and environmental issues on the legislative agenda. It has highlighted the political work and disruption work it adopted and the forms of suppression work instigated by the Government in response to its actions. This suppression work had, until this point, proven successful with CORE policies largely being marginalised and not forming part of the Company Law Reform Bill (the Bill). This case narrative now turns to examine the process of legislative passage where CORE sought introduce specific amendments to the Bill as it passed through the Houses of Parliament.

5.6.2 Phase Two: Influencing the process of legislative passage (Jan 2006 – Dec 2006)

5.6.2.1 The adoption of disruption work in direct response to the repeal of the OFR

With the Bill introduced to Parliament71, CORE’s corporate accountability campaign focused on adopting a mix of outsider and insider strategies (Andrews and Edwards 2004). CORE attempted to build on the public dissatisfaction at the Government’s decision to repeal OFR by undertaking significant disruption work through the mobilisation of the general public. Together with the Trade Justice Movement, CORE launched a letter-writing campaign entitled “Right Corporate Wrongs – Lobby Your MP for New Laws for Trade Justice” (CORE 2006c). The 16-page document outlined the amendments CORE sought to embed within the Bill, which included mandatory reporting on social and environmental matters, a requirement for directors to minimise company impact on the community and the environment, and access to justice, which was a central element of Trade Justice Movement’s campaign. When lobbying members of the public, CORE attempted to disrupt the reform process by undermining the assumptions and beliefs that underlined the proposed institutional reforms. CORE drew heavily on case study evidence to conduct this disruption work in order to educate members of the public and compel them to act (see Appendix Sixteen, p. 262).

“From March 2006, the House of Commons will debate the Company Law Reform Bill – the biggest shake-up of laws on companies for 150 years. If amended, it could ensure UK companies are held responsible for their impact on people and the planet. At present, the Government’s proposed Bill will oblige directors of companies to put profits to shareholders above all other

71 The first reading in the House of Lords occurred on 1 November 2005, with the second reading held on 11 January 2006.
concerns, whilst having regard to the interests of employees, the community and the environment. But it does not oblige directors to act on this and does not address problems that may arise when the social and environmental impact of a company’s actions conflict with its obligation to make a profit.” (CORE 2006c)

CORE’s *disruption work* sought to mobilise supporters to write to their local MP encouraging them to direct their concerns to Margaret Hodge, the Minister responsible for the Bill, and their local MPs. As we will later describe, the letter writing became one of the largest ever witnessed in Houses of Parliament, with over 100,000 members of the public contacting their local MPs calling on them to act (CORE 2006b).

**5.6.2.2 Working with political allies to enact defining work**

CORE recognised the importance of further expanding its *political work* as the Bill passed through both Houses of Parliament. Accordingly, its *advocacy work* expanded at this time with parliamentary campaigners from CORE’s member organisations drawn upon to gain the support of MPs and Peers72 who could propose amendments to the Bill. This first opportunity occurred when the Bill entered the committee stage in the House of Lords on 30 January 2006. CORE’s initial proposals sought for the undiluted OFR requirements to be re-embedded in the proposed legislation. Introduced by Lord Averbury, he highlighted how the amendments “were tabled following discussions with a consortium of NGOs under the umbrella of the Trade Justice Movement and the CORE Coalition, which between them represent more than 100 organisations and 9 million members” (Lords 2006b). The response from Lord Goldsmith, representative of the Government, to the proposed amendments was an overwhelmingly negative one. He suggested that:

> “Company law reform is not a suitable vehicle for our wider agenda on corporate social responsibility. Issues such as environmental protection and health and safety are enormously important, and the Government take them seriously. We do not, however, feel they should be addressed through company law reform.” (Lord Goldsmith, House of Lords, 6 Feb 2006)

The response illustrates the Government’s initial efforts to administer a total suppression of CORE’s actions. While the outright rejection of CORE’s *defining work* was unsurprising given the Government’s decision to repeal the OFR legislation, it was clear that the Government’s position was becoming increasingly misaligned with a growing number of its constituents. Lord

72 Peers refer to Lords and Baroness who sit in the House of Lords. This is opposed to MPs who sit in the House of Commons.
Averbury highlighted his displeasure at the Government’s stance on CSR, suggesting that its attempted suppression work would likely face a significant counter lobby from CORE’s members and the general public who were taking a significant interest in this issue.

“I give the noble and learned Lord the Attorney-General warning that there is a big constituency out there that believes the Government has got it wrong. There are nine million members of organisations that helped us with this series of amendments. They will not be satisfied with the noble and learned Lord’s reply, and we shall return to this on report” (Lord Averbury, House of Lords, 6 Feb 2006)

On 1 March 2006, CORE re-introduced its social and environmental reporting amendments to the House of Lords. Despite the amendments being rejected, there was a clear change in Government opinion on the matter. The Government representative, Lord Sainsbury of Turnville, asked that the amendment be withdrawn as the Government consultation on the revised OFR would not close until March 24th after which new proposals were to be announced. From the Lord’s response, however, it was clear that the Government eased its stance on embedding CSR legislation, stating the “we shall certainly take (your) views into account in our consideration of future reporting requirements” (Lords 2006a)

5.6.2.3 Further subdual and marginalisation work: the revised business review proposals

The Government’s reforms were published in May 2006. Under the proposals, the OFR would be replaced by a further watered-down business review (Lords 2006c). For instance, the business review would not require an annual audit, and there was an absence of clear reporting standards that companies must follow when preparing the statement. The Government highlighted that these requirements were dropped due to the anticipated cost that the measures would impose on business.

“I particularly welcome the fact that the government have not included the more enormous audit requirements that went with the OFR and have not introduced the reporting standard provisions. Those two provisions were drivers of the cost, which was significantly in excess of the £30 million that was initially estimated” (Lord Sainsbury of Turville, House of Lords, 10 May 2006)

CORE announced its disappointment at the Government’s proposals. In an effort to overcome the marginalisation of its actions, Sarah McCarthy-Fry (MP) and Baroness Thornton – both active supporters of the CORE campaign – wrote an article in the Financial Times highlighting how 100,000 members of the public had written to MPs “calling for changes that would oblige
company directors to take responsibility for their companies’ environmental and social impacts and report on these impacts” (Financial-Times 2006).

The government countered CORE’s disruption work by initiating its first attempts at justification and acclamation work. When introducing its proposals to the House of Lords, it was highlighted how legislation created a clear link between the business review and directors duties clause – a key recommendation for which CORE had actively campaigned. In doing so, the Government actively attempted to justify its recommendations, highlighting how its efforts extended the social and environmental responsibilities of UK companies.

“We want to make an express link between the business review and the directors duties…that is relevant to reporting on matters such as the environment and employees in the business review….the company law review concluded that the success of the company could only be promoted taking due account of such factors, which reflect wider expectation of responsible business behaviour. By making the link to directors duties’, it helps to make clear that those factors contribute to the success of the company for the benefit of the members as a whole, and it is in that context that directors are asked to report on them” (Lord Sainsbury of Turville, House of Lords, 10 May 2006)

The Government’s amendments were passed in the House of Lords on May 10, 2006. The third reading took place on 16 May 2006 after which the bill was approved and passed on to the House of Commons. CORE’s next opportunity to influence the Bill’s text would come during the committee stage in the House of Commons. CORE recognised that in order to be included in this debate, it needed to ensure its actions and proposals aligned with Government’s enlightened shareholder value perspective, despite its displeasure with these proposals. This was evident when CORE supporter and Labour MP Sarah McCarthy-Fry welcomed the introduction of enhanced directors’ duties and reporting requirements for social and environmental issues. In her speech, however, she outlined a key concern that CORE’s defining work sought to address as the Bill progressed through the House of Commons – the absence of clear statutory reporting standards under which the business review should be prepared.

“Reporting should be a management tool for a business and the building blocks of an action plan, rather than just another bit of paper for shareholders. I, like many others, was disappointed when the operating and financial review was abandoned last year. However, I am pleased that many of the provisions have been incorporated into the business review, especially through clause 399, although, like other hon. Members, I would like the measure to go further. There are still no statutory reporting standards, and that to me is key. One would not expect a company to make up its own financial reporting standards, so why should there not be standards for social and environmental reporting? There are many examples of good practice in corporate social
responsibility reporting. Let us use the companies that have been the trailblazers and show the rest of the business world how such reporting can and should be done.” (Sarah McCarthy-Fry, House of Commons, 6 June 2006)

As the Bill made its way through the committee stage, CORE’s parliamentary campaigners gained the substantial support of the Compass Pressure Group. In partnership with two Labour MPs, Colin Burgon and Jon Trickett, CORE proposed two amendments to the Bill. The first of these amendments continued CORE’s focus on the establishment of a relevant reporting standard on which the Business Review was to be prepared. The second amendment sought to extend companies’ reporting requirements by introducing an obligation to report on the risks that companies were exposed to through their supply chains. Both amendments failed to gain the necessary support during the committee stage, with CORE’s actions being subject to further marginalisation by the Government.

5.6.2.4 Gaining minor concessions in the face of further suppression: the final stages of legislative passage

In October 2006, the passage of the Companies’ Bill through parliament neared its conclusion with the report stage and third reading scheduled to occur on October 17th and 18th in the House of Commons. In advance of the debate on 17th October, it was announced by Minister Margaret Beckett that a supply chain amendment was to be added to the business review. Following an introduction of an amendment to the House of Commons in July, CORE’s parliamentary campaigners worked with members of Compass to gain backbench support for their proposal. The advocacy work proved successful with Minister Hodge announcing that the clause was to be introduced by Government following significant backbench pressure (Guardian 2006).

“Major companies will have to open their dealing with suppliers to public scrutiny under new measures to be introduced in parliament today. Margaret Hodge, the industry minister, said last night that the government would toughen its new laws on the social responsibilities of businesses by amending the Bill on its return to the Commons. The move follows pressure from Labour backbenchers who argued the proposed regime would not be stringent enough and who wanted [the Government] to go much further” (The Guardian, October 17th, 2006)

Compass was founded as a Labour Party pressure group that was democratically run by its members. Compass members had to be Labour Party members (or not be members of any other party). It was established as a Labour Party focused pressure group as its founding members felt that New Labour was failing to make the most of a historic opportunity to fundamentally transform the UK into a much more equal, democratic and sustainable society.

Parliament was on Summer Recess from July 25th to October 9th, 2006. This explains the significant gap between the conclusion of the committee stage and the commencement of the report stage.
The Government’s introduction of the supply chain amendment enabled it to extend its *justification and acclamation work*. More specifically, it saw the government offer a relatively minor concession through which it could publically promote how the Bill embraced CSR issues. While the inclusion of the supply chain amendment represented a victory for CORE’s *political work*, it was notable that the Government’s proposal fell short of what CORE’s campaign initially demanded and, while perceived as a step in the right direction, the amendment would only impact a limited number of companies operating in the UK.

“Campaigners are keen to remind her that the additional requirement on supply chains falls short of how they had hoped companies would be called to account. The Trade Justice Movement and the Corporate Responsibility Coalition, which representing human rights, environment and development groups, trade unions, and faith groups, had wanted all large and medium sized companies to disclose the impact of their businesses around the world. But the amendment requires only quoted companies, not private ones, to publish the details of their supply chain” (The Guardian, Oct 27th, 2006)

The sub-clause they oppose is the only item in this monumental Bill that concedes anything to the lobby for stronger corporate social responsibility to protect the environment and communities. It is a weak and puny amendment but better than nothing at all.” (The Guardian, December 14th, 2006)

As the Bill progressed to the report stage, CORE’s steering committee prepared its final attempts to gain further concessions from the Government. The issue of CSR legislation had gained unprecedented attention outside both houses of parliament, with CORE’s *disruption work* mobilising over 100,000 members of the public to contact their local MPs about its corporate accountability campaign. When the Bill entered its final days in the Houses of Parliament, of the Bill’s 1300 sections, the two sections relating to social and environmental legislation received the most attention both inside and outside the Houses of Parliament. This was evident on both October 17th and 18th when debating in the House of Commons commenced with two amendments proposed by supporters of CORE’s corporate accountability campaign. To build public awareness of the final stages of legislative passage, CORE wrote an open letter to MPs in the Guardian Newspaper on October 17th, 2006. The letter urged MPs to back the amendments it proposed with numerous celebrities signing the letter, including Thom Yorke, lead singer of the internationally renowned UK rock music band Radiohead75, “calling on the government to make

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75 Radiohead are one of the most popular British rock bands of recent decades selling over thirty millions records. Thom Yorke, the lead singer of the band, is known for his political activism in areas such as human rights, environmentalism, fair trade and anti-war.
UK companies more accountable for their impacts on poor people and the global environment” (ActionAid 2006).

The first of these amendments was proposed on October 17th by two backbench MPs, Patrick Hall and Sarah McCarthy Fry, regarding directors’ duties. The amendment sought to change the wording of the directors’ duty clause which would have required directors to “endeavour to” fulfil the six duties outlined in Section 172 as opposed to simply “have regard for” these duties (see Appendix Seventeen, p. 263). The reason for this defining work was clear; CORE was not convinced that “having regard for” the six secondary duties would result in substantial change in the actions of company directors.

“An examination of the Shorter Oxford English Dictionary reveals endeavour means to exert oneself, to try to do something. On the other hand, to have regard to something is to give attention or consideration to it. Whereas have regard to is a subject test – a director can say that he or she has through about the six secondary duties listed in the clause and may or may not have done anything about them, must endeavour to is an objective test, requiring some evidence of having sought to abide by those duties before deciding whether it was in the best interest of the company to do so” (Patrick Hall, House of Commons, October 17th, 2006)

Responding on behalf of the Government to CORE’s proposals, Margaret Hodge stated that the amendments could not be accepted. Her response included elements of both subdual and marginalisation work, suggesting the CORE’s demands held pluralistic underpinnings and thus failed to adhere to the ESV approach, and justification and acclamation work, whereby she celebrated the Government’s decision to strengthen legislation informing how directors were to oversee the operation of business in the UK. The celebration of the “advancement” in CSR legislation was particularly important given the substantial public attention on Government at this time.

“[Section 172] heralds and articulates a radical, history and vital cultural change in the way in which companies conduct their business….I entirely understand and appreciate that some Members want us to go further, but I encourage them to be patient. We have all seen corporate social responsibility develop over time. [The proposed amendment], I am afraid, would paint the list of facts in more pluralist colours” (Margaret Hodge, House of Commons, October 17th, 2005)

The second of CORE’s amendments was introduced on October 18th by Labour MP and Compass member, Jon Trickett. The amendment proposed fundamental changes to the business review. It again sought to have the pre-watered down version of the OFR re-instigated, seeking to expand the business review to cover both medium-sized and unquoted companies, to be
prepared in accordance with a specific reporting standard and to be audited. CORE sought to undermine the assumptions and beliefs associated with the proposed Business Review framework. It was particularly unhappy that the Business Review failed to cover unquoted companies, many of whom had a significant impact on British society. Furthermore, the lack of a standardised reporting framework and a mandatory audit provision provided companies with an opportunity to “greenwash” their business reviews, which risked being turned into a “marketing tool”. The Government ultimately rejected the amendment. In further *subdual and marginalisation work*, Margaret Beckett conceded ground to her backbench labour MPs by promising to review the effectiveness of the business review two years after its implementation.

> “I will ask my officials to conduct an assessment of whether our provisions are working in the way that we hope two years after the implementation of the business review provisions of the Bill” (Margaret Hodge, House of Commons, October 18th, 2006)

CORE’s final efforts to gain further concessions from the Government thus ended in failure. The Bill was passed by both Houses of Parliament and received royal assent on 8 November 2006 with CORE having achieved little impact on the final text despite running a high profile corporate accountability campaign.

In summary, this section reveals the passage of the Company Law Reform Bill (the Bill) through the Houses of Parliament, revealing the interactive nature of the forms of work instigated by CORE and the Government. It illustrates how CORE was unable to embed the vast majority of its proposals in Bill with the Government instigating *subdual and marginalisation work* and *acclamation and justification work* to marginalise and suppress its claims. The case narrative now turns to examine the period immediately after the Companies Act 2006 (the Act) gained royal assent in order to understand how CORE’s corporate accountability campaign sought to ensure the implementation of the new social and environmental legislation the Act promoted.

5.6.3  *Phase Three: Policy Implementation and the dissolution of the coalition (Jan 2007 – Oct 2007)*

The enactment of the Act did not see an immediate end to CORE’s corporate accountability campaign. Following the Act gaining royal assent, CORE turned its attention to ensuring the

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76 For instance, it was argued that British Airways would have to prepare a business review while Virgin Airways would not (as the latter is an unquoted company).
limited social and environmental legislation it promoted were adhered to by UK companies. To do so, CORE implemented forms of education work and policing work as we now describe.

5.6.3.1 The implementation of education and policing work to embed institutional reform

Following the conclusion of the process of legislative passage, CORE issued an update to its supporters on the outcome of its campaign. The document outlined how it had helped achieve stronger social and environmental reporting requirements for quoted companies and embedded social and environmental responsibilities in the directors’ duty clause. CORE highlighted how “this was the first time that the world community and environment were mentioned in UK company law in that way, and no other country demanded in written law, this kind of responsibility from company directors” (CORE, 2006b, p. 1). The report also highlighted that not all of CORE’s proposals were accepted by the Government. Importantly, however, CORE informed supporters how it planned to continue its efforts to promote corporate accountability by ensuring UK companies implemented the new legislative standards.

> “CORE is already gearing up for future campaigning in 2007 and beyond so the right measures are put in place that will ensure companies are made accountable for their impact on people and the planet. This will include how the Companies Act 2006 works in practice and pushing for rights for redress for communities negatively impacted by UK companies operating overseas.” (CORE 2006b)

CORE’s update to supporters also referenced the Government’s acclamation and justification work. More specifically, instead of highlighting the many proposals which it failed to embed in the Act, CORE sought to paint a more progressive picture by indicating that the Act was a step in the right direction for CSR legislation in the UK. In particular, CORE emphasised that Government recognised its letter writing-campaign and how CORE was applauded for mobilising large swathes of the public on the topic of CSR.

> “I had more letters from constituents about trade justice and the Companies Bill than any other issue since I became an MP.” (Ed Balls MP, Economic Secretary to the Treasury, in CORE 2006b)

> “I received a staggering number of letters from constituents sharing concerns and contacted the Minister to urge her to amend the Companies Bill.” (Diane Abbott MP, Labour Party, in CORE 2006b)

Despite indicating strong intentions to continue its campaign, CORE struggled to undertake extensive endeavours to inform the implementation of the new legislative standards. The most
substantial of these efforts saw CORE lobby the Government to ensure directors were adequately informed of their new enhanced responsibilities. CORE recognised that education work and policing work were needed to be undertaken as no prior legislation had demanded such responsibility of company directors. Its steering committee recognised that it was “hard to know” until this legislation was implemented what the exact extent of its practical implications would be. Accordingly, CORE encouraged the Government to provide advice on how directors should interpret their duties.

“We campaigned for Government to make it clear, to produce a report that showed how directors must perform their duties, including on environmental and social issues” (CORE Director 2)

The Department of Trade and Industry published a report entitled “Duties of Companies Directors” in June 2007 (DTI 2007). The document, which was dismissed as unhelpful by CORE’s steering committee, collected extracts from debates in the Houses of Parliament to clarify what requirements the new legislation imposed on directors. The document was vague and it “offered little assistance to company directors in better understanding their duties” (CORE Lobbyist 2). Furthermore, it offered no guidance on the how directors should interpret any of the six duties outlined in section 172 of the Act. The response of the Government represents further subdual and marginalisation work, whereby CORE’s effort to encourage the Government to offer clear guidance on how new social and environmental standards were implemented were largely disregarded. In response, CORE decided to implement its own education work by producing its own directors’ guidance (CORE 2007b). This document represented a more comprehensive outline of the impact the new legislation held on company directors, paying “particular attention to the new codification of the duty to promote the success of the company” (p. 4).

To coincide with the publication of its directors’ guidance, CORE commenced a campaign that sought to mobilise the general public in policing the implementation of new directors’ duties legislation. Specifically, CORE produced an “Act Now” guide which provided advice on how activists and campaigners could use the Act to help improve the social and environmental performance of companies (CORE 2007a). The guide highlighted a number of strategies on how campaigners could ensure that both the directors’ duties clauses and business review standards were implemented. These ranged from a letter-writing campaign to company directors to ensure
they act in accordance with their legal obligations, advice on shareholder activism and how to initiate shareholder resolutions, information on how to lodge a complaint with the regulatory authorities, and information on how to launch a legal challenge. The letter-writing campaign failed to gain significant public support, thereby having little impression on companies.

5.6.3.2 The campaign's demise: the dissolution of CORE’s steering committee

2007, however, represented a challenging year for CORE. Its grant from the Joseph Rowntree Trust was not renewed, and a number of organisations that supported its corporate accountability campaign departed or reduced their involvement in the coalition. Ultimately, “CORE was left with one full-time staff member, the coordinator” (CORE Director 2). Most importantly, there was significant disagreement among members of its steering committee as to how CORE should proceed into the future. While a minority of members sought to continue its focus on the adoption and implementation of new social and environmental legislative standards, there was also a counter proposal to establish a new campaign promoting access to justice. The latter approach was selected, with CORE’s corporate accountability campaign losing impetus and fizzling out at this time.

“The whole energy changed I just remember we were at loggerheads. [Some members] wanted access to justice. I wanted us to follow up on what we achieved, to take civil cases if necessary. But that wasn’t to be. And I ended up leaving” (CORE Chairperson)

Ultimately, CORE’s efforts to ensure the implementation of the social and environmental standards in the Act slowly ceased, and it began to pursue other projects.

5.7 Discussion

Despite actively partaking in the process that resulted in social and environmental legislation being embedded in company law for the first time, the vast majority of the amendments CORE put forward did not form part of the final legislative framework. Instead, the forms of work it adopted were subject to significant suppression work, which we define as the forms of work instigated by the UK Government to dilute, and dismiss, and resist CORE’s claims. Our case setting provides us with a combination of a unique subject (subordinate actor), a phenomenon (institutional preservation), and an outcome (little effect on institutional dynamics) enabling us to extend the theoretical development of institutional work. Specifically, we illustrate how the concept of suppression deepens our understanding of the forms of work that affect institutional
arrangements by illustrating how actors counter and subdue resistance in a field (Martí and Fernández 2013).

Institutional work emphasises the study of the purposeful actions of skilful actors who often hold diverse interests and compete to dominate particular fields (Chiwamit, Modell and Yang 2014). Despite its recognition of actors as being driven by personal interests which affects the forms of work they adopt and the agendas they pursue (Leca 2009), there is a distinct lack of understanding within the institutional work framework of the forms of work instigated to counter resistance in a field (Moisander et al. 2016). This is particularly given that suppression is a key characteristic of field transformation (Bourdieu 1984) where actors actively compete to impose their own personal vision on how a field should be configured (Fligstein and McAdam 2011). Our case analysis directs attention to how acts of suppression can be instigated through institutional work, revealing how dominant actors actively attempt to counter, dilute and quell the forms of work instigated by competing actors during a process of institutional preservation. This suppression work was initiated as the forms of work adopted by the competing actor (CORE) promoted an institutional configuration that was not perceived to fit with the Government’s proposed enlightened shareholder value perspective. We reveal how the Government purposively attempted to marginalise the involvement of CORE in the reform process, stifling its ability to embed CSR standards in the emerging legislation. In doing so, this suppression work enabled the Government to better influence the structure of the emerging institutional dynamics.

By focusing on the strategies through which the Government actively attempted to marginalise CORE’s actions, the paper unpacks the so-called ‘dirty work’ associated with institutional preservation (Hirsch and Bermiss 2009). The forms of work we introduce to the institutional work framework illustrate a three-stage process through which suppression is administered through institutional work. Our analysis reveals how CORE was initially subject to work refutation, where its actions were ignored by the Government, thereby failing to influence the ongoing discussions on CSR reform. The Government instigated this work refutation in response to CORE’s political work which sought to significantly transform the rules governing how companies should operate in the economic field. As CORE’s proposals were misaligned with the Government’s enlightened shareholder value objectives, its actions were quietly marginalised,
with little justification for the Government’s complete inattention to CORE’s claims. A unique characteristic of work refutation is the lack of work initiated by the Government to respond to CORE’s actions. Despite introducing Bills to the House of Commons, the Government’s dominant field position meant that it could simply ignore CORE’s actions, marginalising it from the reform discussions. This suppression ensured CORE’s pluralistic proposals were slowly and quietly quashed without ever being debated in the Houses of Parliament.

CORE responded to this marginalisation by re-aligning its campaign proposals with the Government’s enlightened shareholder value objectives. At this time, CORE’s political work meant that its corporate accountability campaign was receiving increased attention among Members of Parliament and, as a result, the Government could no longer refute its actions. The second phase of suppression work highlights subdual and marginalisation work, which was instigated to suppress CORE by providing it with limited involvement in the process of institutional preservation. Subdual and marginalisation work saw the Government actively respond to, and counter, CORE’s proposals largely rejecting or diluting the majority of its claims. This form of work culminated in the Government offering CORE one minor concession in the emerging legislation. The results of its subdual and marginalisation work enabled the Government to portray an inclusive negotiation process, where CORE’s proposals were embedded in the emerging institutional configuration. In reality, however, only one relatively inconsequential concession was offered with subdual and marginalisation work successfully dismissing the majority of CORE’s proposals.

The third stage of suppression work immediately follows subdual and marginalisation work where the Government celebrated the minor concession it offered CORE as a substantial amendment while simultaneously commending CORE’s corporate accountability campaign. Justification and acclamation work was a central element of the Government’s suppression work as it enabled it to justify its actions and defend the inclusive nature of the reform process. During the process of legislative passage, CORE was able to expand its actions beyond the Houses of Parliament by mobilising the general public through letter-writing campaigns. This disruption work placed substantial pressure on the Government to embed CSR standards in company law, with over 100,000 members of the public contacting Members of Parliament to act on CORE’s proposals. Enacted consecutively, subdual and marginalisation work and justification and
acclamation work enabled the Government to actively suppress CORE’s actions in the face of intense public support for its campaign. Justification and acclamation work was particularly important as it allowed the Government to defend its proposed legislation and to portray an impression of reform to the general public that was far removed from what was actually embedded in the Act.

While theoretically distinct, both emotion work and suppression work offer complementary but alternative insights into how actors manage resistance within an institutional setting. The primary motivation for undertaking emotion work is for the instigator to persuade audiences to support a specific logic within a field and to thereby legitimise a process of institutional change (Moisander et al. 2016). While forms of emotion work actively involve the instigator resisting and incapacitating competing claims, these actions do so in a manner where public acceptance of the emerging institution is paramount to the instigator's intentions, with competing claims actively illustrated to be incorrect or inadequate. In contrast, the ‘dirty work’ of suppression is associated with instigators active attempts to subdue, dismiss, or quell competing claims to ensure specific policies do not form part of emerging institutional arrangements. This form of work is primarily undertaken to ensure actors are marginalised and excluded from the reform process. Notably, suppression work often sees the instigator offer little explanation for why competing proposals should not form part of field configurations and actively mislead field populations on the nature of concessions offered during the reform process. Our analysis of suppression work directs attention to the interactional nature of institutional work instigated by actors in a process of institutional change, directing specific attention to how actors endeavour to counter and resist the forms of work instigated by competing actors. In doing so, our findings enable us to extend understanding of how power is exercised through institutional work and how forms of suppression work can marginalise actors from key negotiations regarding field reconfiguration.

The paper reinforces the existing literature that illustrates the supportive, non-sequential, forms of institutional work adopted by actors to influence the emergence of new institutional dynamics (Currie, Lockett, Finn, Martin, and Waring 2012; Hayne and Free 2014; Zietsma and Lawrence 2010). In doing so, we develop our understanding of the role advocacy organisations play throughout the process of legislative transformation, in particular, the lesser known processes of
legislative passage and policy implementation (Amenta et al. 2010). Political work was evident throughout CORE’s corporate accountability campaign, with both advocacy work and defining work undertaken. Advocacy work represented a central feature of CORE’s efforts at the agenda setting stage and throughout the process of legislative passage, where it mobilised Members of Parliament that were supportive of its campaign. This form of work provided CORE with an opportunity to promote its principal aims in the House of Commons, thereby enabling its defining work to occur. Defining work saw CORE introduce draft Bills to the House of Commons during the agenda-setting stage and propose amendments to the Companies Bill during its passage through parliament. This work saw CORE promote specific standards that could be embedded in legislation. As its campaign progressed, CORE simultaneously undertook disruption work, mobilising the general public to undertake a letter-writing campaign to ensure the Government addressed CORE’s proposals. This disruption work saw CORE attempt to undermine the assumptions and beliefs of the proposed enlightened shareholder value legislative standards in an attempt to have more stringent CSR standards embedded in legislation. Ultimately, however, CORE’s supportive interactive work was actively suppressed by Government with CORE’s efforts having little impact on the emerging legislative framework.

The case study allows us to offer some reflections on CORE’s “piece-meal” adoption of various forms of institutional work. CORE’s campaign largely focused on the, often simultaneous, implementation of both political work and disruption work. In contradiction to O’Dwyer and Canning (2016) where work displacement saw the instigator replace forms of work throughout the institutional change process, CORE maintained the forms of work it implemented, changing only the nature of proposals its forms of work promoted. For instance, CORE undertook both advocacy work and defining work throughout its campaign, with the nature of this work changing over time from a pluralistic perspective to an enlightened shareholder value perspective. The case analysis also allows reflection on the forms of work that were largely absent within CORE’s campaign. CORE undertook limited efforts to reconfigure belief systems of those actors its reforms targeted, namely corporations. Its efforts were limited to education work to ensure the implementation of new legislative standards – after negotiations on the Act were concluded. The lack of alternative forms of work instigated by CORE during the agenda-setting stage and the process of legislative passage limited the support it was able to attain for its
more radical (pluralistic) company law proposals, thereby inhibiting its attempts to reconfigure institutional dynamics.

Existing literature has illustrated the socially constructed nature of a central component of company law we take-for-granted today, limited liability, revealing how this innovation was controversial and took time to become an institutionalised practice in 1850s Britain (Djelic 2013). In doing so, Djelic (2013) highlights how legal inscription is one path to success for subordinate actors, “however, depending upon the complexity of the cause and its contentious character in a particular society, legal inscription may or may not be enough” (p. 616). The current case develops our understanding of the importance of follow-up implementation campaigns to ensure the adoption and institutionalisation of new legislative standards. Specifically, we reveal the comprehensiveness and complexity of the underlying legislative standards and their relative acceptance in a field can drive non-institutionalisation in the aftermath of the enactment of new legislation. Our findings illustrate how the limited education work and implementation work of both the Government and civil society in the aftermath of the Act gaining royal assent resulted in the new social and environmental legislative standards having little effect in enhancing the corporate social responsibility practices of UK companies. The cessation of CORE’s corporate accountability campaign at this time undoubtedly enabled the weak institutionalisation of social and environmental standards. These findings offer significant practical implications for civil society organisations (CSOs) by highlighting the importance of follow-up campaigns, and potentially legal action, to ensure the concessions achieved during processes of institutional reform, however minor, are implemented.

Recent work examining the institutionalisation of corporate social responsibility suggests that consultation processes function merely to institutionalise what is most often business-friendly legislation and that subordinate actors are unlikely to achieve significant concessions (Archel et al. 2011). While our findings concur with existing perspectives that suggest consultation processes function to better serve dominant actors, they also allow us to nuance perspectives on the role of subordinate actors within processes of institutional level CSR reform. First, Archel et al (2011) question the participation of stakeholder organisations in processes of CSR institutionalisation as “the democratic processes within which they are involved are corrupted yet they participate in them anyway because they hold out some hope that the institutional outcomes
will still be progressive” (p. 341). While institutionalisation processes are undoubtedly characterised by power differentials that limit the influence subordinate actors achieve, should this characteristic mean that subordinate actors completely withdraw from processes that inform the emergence of CSR institutional standards? Despite CORE’s corporate accountability campaign largely failing in its efforts to embed CSR standards in legislation, its participation in the reform process saw it successfully put CSR on the legislative agenda for the first time in the UK. CORE initiated one of the largest public mobilisations ever witnessed by MPs and it can be said, with certainty, that if CORE had chosen not to participate in the reform process, the issue of CSR legislation would have received little, if any, debate in the Houses of Parliament. While the nature of the reform process meant CORE’s actions were ultimately suppressed, we should certainly not criticise CSOs, like CORE, for feeling proud of their efforts in bringing these issues to the legislative agenda nor condemn them for undertaking efforts that attempt to reform “broken” institutional structures. Second, Archel et al. (2011) also highlight that subordinate actors “often articulate isolated heretic discourses which are all too easily absorbed into the dominant discourse, conferring on the latter the appearance of broad social endorsement” (p. 341). The current case provides a counter example where a group of CVOs mobilised together to produce consistent proposals over time. The unitary nature of CORE’s as an organisation undoubtedly strengthened its efforts to instigate a corporate accountability campaign, providing it with greater access to MPs, parliamentary campaigners, and a broader public network which it could mobilise. While its unified campaign provided CORE with greater opportunity to get issues onto the legislative agenda, our case analysis indicates that it was not sufficient to overcome significant suppression work with its actions gaining limited concessions during the reform process.

5.8 Conclusion

This paper has examined how CORE sought to influence the process of company law reform in the UK. It focused specifically on the organisational level dynamics of CORE’s corporate accountability campaign, revealing the efforts undertaken in order to promote the integration of social and environmental standards in the emerging legislative framework. Given our focus on examining the purposeful actions of CORE in attempting to re-configure institutional dynamics in the UK economic field, the paper draws on the concept of institutional work (Lawrence and
Suddaby 2006). Our empirical setting enabled us to address some perceived limitations of the institutional work framework (Empson et al. 2013) and allowed us to respond to requests to identify new forms of institutional work that affect institutional configuration (Martí and Fernández 2013).

The paper makes the following contributions. First, it addresses existing concerns surrounding the empirical diversity of the institutional work literature (Martí and Fernández 2013) by examining the largely unsuccessful institutional work instigated by a subordinate actor during a process of institutional preservation (Hirsch and Bermiss 2009). Our focus enables us to direct attention to the interactional nature of institutional work (See Appendix Eighteen, p. 266), illustrating how forms of work instigated by CORE were countered and quelled by the Government, restricting CORE’s influence on the emerging institutional order. Our findings direct attention to the concept of suppression within the institutional work framework, revealing the active attempts of a dominant actor (the Government) to dilute, stifle, and marginalise the forms of work instigated by a subordinate actor (CORE). Second, the paper extends the limited theorisations of the fourth category of institutional work, preserving institutions (Hirsch and Bermiss 2009). The paper unpacks the so-called “dirty-work” associated with institutional preservation by introducing three new forms of work to the institutional work framework: work refutation, subdual and marginalisation work, and acclamation and justification work. These forms of suppression work deepen our understanding of how actors seek to influence the structure of institutional arrangements by countering and marginalising the forms of work instigated by competing actors during a process of institutional change (Martí and Fernández 2013).

Third, our examination of CORE’s corporate accountability campaign responds to calls for an enhanced focus on the role non-business actors play in shaping CSR in institutional contexts (de Bakker 2011; Rasche et al. 2013). Our focus enables us to undertake a comprehensive analysis of the practices undertaken by CORE to make its corporate accountability campaign operable, illustrating the strategies it adopted to achieve its aims and the manner in which it engaged with other parties during the reform process. Our findings further nuance criticisms directed towards civil society actors during such reform processes (see: O’Sullivan and O’Dwyer 2015). In particular, we challenge accusations that question the participation of subordinate actors in these
(often corrupt) processes which see these actors support unfavourable institutional outcomes (Archel et al. 2011).

In comparison to Djelic (2013), the current case study provides a more recent illustration of the socially constructed nature of the corporation – in this instance company law that informs its operation. The Companies Act 2006 attempted to amend a key principle of capitalism, shareholder value, towards an enlightened shareholder value approach. The legislation endeavoured to move beyond a sole focus on short-term profit maximisation to a long-term approach that took into consideration not only the needs of shareholders but also employees, suppliers, society, and the environment. Despite the Labour Government declaring that “substantial” reforms were imposed, there is little to suggest in the decade since this legislation was enacted that company directors take an “enlightened approach” when promoting the best interests of the company. The numerous corporate social responsibility scandals involving UK-based companies, such as BP (Oil Spill), Google and Starbucks (tax avoidance) seem to offer some support for this viewpoint (Veldman and Willmott 2015). The process of company law reform thus represented a missed opportunity which not only failed to embed stringent social and environmental legislative standards but also failed to re-examine a fundamental foundation of the corporation – in whose interests it should be run. A detailed re-examination of this debate is required if organisations are to embrace a broader, more embracing definition of ‘sustainability’ that better reflects the core of the concept of sustainable development (Gray et al. 1996, Gray 2010, Gray and Laughlin 2012, Unerman and Chapman 2014).
CHAPTER SIX: OVERVIEW AND DISCUSSION

6.1 Introduction

The chapter discusses the findings of the three papers presented in chapters 3 to 5 and is divided into two sections. The first section (section 6.2) discusses the implications of each paper’s empirical findings for our understanding of the role advocacy organisations play in informing processes of organisational-level and institutional-level engagement. The second section (section 6.3) discusses how each paper’s theoretical contributions develop our understanding of the theoretical concepts drawn on in this thesis.

6.2 Implications of Findings

6.2.1 Organisational-level engagement

The existing literature provides ample illustrations of how advocacy organisations often struggle to influence the actions of corporate actors through processes of engagement, with the structure of CSR fields largely stifling and muting such efforts (Owen et al. 2001, Rinaldi et al. 2014). Specifically, dominant actors (i.e. corporations), who hold high volumes of field salient capitals, benefit from institutional arrangements which tend to reproduce themselves over time (Fligstein 2001, Fligstein and McAdam 2011). As a result, subordinate actors (i.e. advocacy organisations), who lack the necessary capitals to influence action, struggle to gain the ability to wield influence in a field (Bourdieu 1990). This thesis reveals how a subordinate actor sought to overcome the challenges aligned with entering a field and building power therein in order to promote enhanced adoption of CSR management and reporting mechanisms through organisational-level engagement.

First, the thesis develops our understanding of the role accounting practices play in influencing field dynamics. Paper one (chapter three) illustrates how one form of accounting, namely the operation of accountability mechanisms, played a central role in VBDO enhancing its field position over time. These accountability mechanisms represented a source of power for VBDO, accumulated through the process through which they were developed and implemented in the Dutch CSR field. This finding provides a rich illustration of how accounting practices are not solely a tool used by powerful actors to influence action in a field (Neu et al. 2008, Neu et al. 2013, Neu 2006). The accountability mechanisms constructed by
VBDO are shown to play a fundamental role in supporting a subordinate actor’s legitimisation struggle by facilitating the accumulation of field-salient capital. Paper one illustrates how VBDO’s use of accountability mechanisms enabled it to skilfully adhere to the rules of the game in the Dutch CSR field, thereby enabling it to compete for power in order to play the CSR ‘game’. The accountability mechanisms it enacted supported its participation in this game by allowing it to display valuable knowledge and expertise on various CSR topics that were gaining increased attention among field participants. This enabled VBDO to enhance its field position and represented a key foundation on which it attained an ability to influence the implementation of CSR management and reporting mechanisms by corporate actors.

Second, the thesis deepens our understanding of how non-business actors organise their CSR activities (Rasche et al. 2013). Despite the increasingly prominent role advocacy organisations play in promoting the enhanced adoption of CSR frameworks among corporate actors (Stafford and Hartman 1996, De Bakker et al. 2013), we are limited in our understanding of how advocacy organisations structure and coordinate their engagement activities. Prior to this thesis, there was a distinct lack of understanding of how advocacy organisations gained the necessary competencies, knowledge, and skills to operate engagement, how specific engagement practices were developed, how processes of engagement unfolded over time, and the role forms of accounting played therein. Paper two (chapter 4) provides a rich illustration of the internal practices that supported the operationalisation of VBDO’s engagement practices in the Dutch CSR field. In doing so, the findings deepen our understanding of the complex nature of this process, highlighting distinct challenges and obstacles that inhibited the effective operationalisation of VBDO’s engagements. Specifically, the paper reveals how issues related to inadequate staff knowledge of engagement topics and engagement targets, weak internal control systems to monitor engagements over time, and a lack of engagement goals impeded VBDO’s ability to hold organisations to account. This finding highlight the obstacles an advocacy organisation can experience in attempting to monitor and sanction corporate actors (Rasche et al. 2013) while simultaneously illustrating the challenges an advocacy organisation can face in its efforts to gain the knowledge and competencies required to conduct organisational-level engagement.
Third, the thesis deepens our understanding of the role advocacy organisations play in CSR fields policing the implementation of institutional-level CSR frameworks by corporate actors. Given the voluntary nature of these frameworks, without adequate policing, there would be limited pressure on corporate actors to implement stringent CSR management and reporting mechanisms. Advocacy organisations thus play an essential role in promoting and diffusing CSR norms (Bebbington et al. 2012) which sees them become much more than an audience for corporate reporting (Arenas, Lozano, and Albareda 2009). Paper one illustrates how VBDO facilitated the evolution of CSR management and reporting norms in the Dutch CSR field. Its actions during the development and operation of its engagements created the conditions through which these norms could slowly expand over time. In doing so, the paper extends Bebbington et al.’s (2012) analysis of the way in which CSR reporting norms evolve. In contrast to Bebbington et al. (2012), who found that the evolution of CSR reporting in the UK norms was initiated by a group of large companies, paper one illustrates how an advocacy organisation was a key actor in the creation and diffusion of CSR management and reporting norms in the Dutch CSR field. In doing so, the thesis directs specific attention to the inherent tensions VBDO encountered when seeking to establish a position in the Dutch CSR field which allowed them to stipulate what these norms should be.

6.2.2 Institutional-level engagement

Paper three (chapter five) extends our understanding of the potential for advocacy organisations to influence the emergence of CSR legislation. Advocacy organisations undertaking institutional-level engagement typically seek to transform the rules that govern action. Existing literature highlights how these actors participate in consultation processes where they endeavour to influence the configuration and structure of institutional arrangements (Archel, Husillos, and Spence 2011; Cooper and Owen 2007; O'Sullivan and O'Dwyer 2015; O'Sullivan and O'Dwyer 2009). Institutional-level engagement, however, presents significant challenges for advocacy organisations as their social position stifles their ability to influence the emerging CSR standards, with their claims often being suppressed or rejected by dominant actors (Archel et al. 2011).

The existing literature is critical of the role advocacy organisations play in processes of institutional transformation, suggesting that exposure to these processes changes how they
think, speak, and act (Archel et al. 2011). As a result, advocacy organisations are accused of unknowingly conceding ground to dominant actors and supporting the emergence of institutional standards very different from those that they originally pursued. While the findings of this thesis support Archel et al.’s (2011) claim that stakeholder consultation processes provide significant challenges to subordinate actors and favour the emergence of business-friendly proposals, their claims questioning the expert status of advocacy organisations that participate in these processes are challenged by the findings. Specifically, chapter five illustrates that one should not readily dismiss the expert status of advocacy organisations and the nature of the actions they undertake. While stakeholder consultation processes are often ‘corrupted’, providing subordinate actors with limited potential to influence CSR reforms, this does not necessarily imply that these actors should withdraw completely from these processes. Paper three (chapter five) highlights how CORE’s steering committee was fully aware of the challenges it faced during the process of company law reform and made initial demands far greater than what members believed could be achieved. While limited concessions were ultimately attained, CORE’s participation in the reform process enabled it to initiate one of the largest public mobilisations ever witnessed by UK MPs and ensured the topic of CSR legislation received far greater attention in the Houses of Parliament than the UK Government could ever have envisaged. While CORE was largely unsuccessful in achieving its aim of embedding stringent social and environmental standards in UK company law, this does not mean that they should immediately be condemned for undertaking efforts that attempted to reform “broken” institutional structures. Stakeholder organisations, like CORE, should not be condemned for feeling proud of their efforts in bringing these issues to the legislative agenda. Instead, there is a need to better investigate how the minor concessions these actors often achieve progress the nature of CSR policies and practices implemented in specific settings (O’Sullivan and O’Dwyer 2015).

Archel et al. (2011) also suggest that subordinate actors “often articulate isolated heretic discourses which are all too easily absorbed into the dominant discourse, conferring on the latter the appearance of broad social endorsement” (p. 341). Paper three provides a counter example where a group of advocacy organisations mobilised together to produce consistent proposals over time. The unitary nature of CORE undoubtedly strengthened its efforts to instigate a corporate accountability campaign, providing it with greater access to MPs,
parliamentary campaigners, and a broad public network which it could mobilise. While its unified campaign provided it with a greater opportunity to get issues onto the legislative agenda, the case analysis indicates that it was not sufficient to overcome significant ‘suppression work’ with CORE’s actions gaining limited concessions during the reform process. Paper three thus supports Archel et al.’s (2011) suggestion that new approaches to the development of CSR frameworks are needed if subordinate actors are to have their claims heard.

Section 6.3 now discusses the implications of the theoretical contributions presented in chapters three to five.

6.3 Theoretical Discussion

6.3.1 Bourdieu’s theory of practice

While Bourdieu’s different forms of capital and the dynamics of conversion between them represent one of the most original and important aspects of his work (Bourdieu and Wacquant 1992), existing studies in the accounting literature have largely overlooked the process through which capitals are accumulated (see Andon et al. 2014 and Xu and Xu 2008 for exceptions). Instead, accounting researchers have enrolled the concept of capital to illustrate how powerful actors use various forms of accounting practice to influence action in a field (Neu 2006, Neu et al. 2006, Neu et al. 2008, Rahaman et al. 2007) and, more recently, to reveal how accounting practices can act as a source of cultural capital (Neu et al. 2013). Prior to this study, the contested process through which subordinate actors endeavour to accumulate field-salient capitals was not directly examined. This unique empirical focus advances the application of several important aspects of Bourdieu’s theory of practice.

First, it directs attention to the need to more explicitly and carefully examine forms of capital as dynamic concepts whose volume and value fluctuates over time. The thesis illustrates how unveiling the capital accumulation process requires a detailed analysis of capital trajectories and capital instabilities in order to reveal how value is extracted by capital holders. Section 3.6.1 discussed converting durable social capital into cultural capital, highlighting that while the development of a network enabled VBDO to initially establish a position in the Dutch CSR field, it was VBDO’s ability to make this network durable that enabled the extraction of
value. Accordingly, VBDO’s ability to manage the trajectory of its social capital represented a fundamental process that influenced its social position. Furthermore, the contingent and, at times, unstable nature of capitals – social capital in particular – meant that they could unexpectedly be lost. Accordingly, the findings in paper one (chapter three) direct attention to the importance of recognising capitals as dynamic concepts whose value fluctuates over time, with this instability placing significant challenges on capital holders in their struggle to exert influence in a field.

Second, in the face of this dynamism, the examination of the process of capital accumulation depicts the accumulation of symbolic capital as a more cumbersome process than described in the existing literature (Andon et al. 2014, Killian and O'Regan 2016). Andon et al. (2014) suggest that symbolic capital can be obtained through as three-step process involving conscious ingratiating, sanctioning and appeals to fairness. Section 3.6.3 discussed the challenges subordinate actors face at first ingratiating themselves in a field and later attempting to sanction field participants. More specifically, it outlined how the conflicting nature of these activities can threaten an actor’s accumulated cultural capital, ultimately stifling its conversion to the symbolic form. The current section seeks to further develop the arguments made in section 3.6.3 by asking two questions of the existing research illustrating the accumulation of symbolic capital. First: is the attainment of symbolic capital necessary to establish legitimacy in a field? Existing studies drawing on symbolic capital tend to equate its accumulation to the attainment of legitimacy (Andon et al. 2014, Killian and O'Regan 2016, Xu and Xu 2008). Does this mean that actors who do not hold symbolic capital do not possess legitimacy? Legitimacy has previously been revealed as a multi-layered theoretical concept that is complex to investigate (O’Dwyer, Owen and Unerman 2011). With this complexity in mind, paper one’s findings challenge suggestions that equate legitimacy solely with the attainment of symbolic capital. Instead, it highlights how legitimacy can be obtained through the accumulation of social capital, in the form of a network, or cultural capital, in the form of knowledge and reputation. Symbolic capital undoubtedly offers the most stable and secure form of legitimacy, akin to cognitive legitimacy. However, it would seem that actors can also attain less stable forms of legitimacy without necessarily acquiring symbolic capital, specifically through the accumulation of economic, cultural, or social capital.
The second question the thesis raises is as follows: *does the existing accounting literature too quickly anoint the attainment of symbolic capital?* Symbolic capital, by definition, is unrecognised as capital and is instead recognised as a legitimate competence, with cultural capital most susceptible to conversion to the symbolic form (Bourdieu 1989). These characteristics make it challenging for researchers to sufficiently differentiate between cultural capital and symbolic capital. For instance, cultural capital can entail both prestige and reputation, key foundations of symbolic capital. The clearest distinction between the two concepts is, perhaps, not in their composition, but instead observable in how they allow their holder to act in a field. Specifically, the attainment of symbolic capital enables its holder to exert symbolic violence. Studies examining the attainment of symbolic capital could provide stronger illustrations of how this capital allows its holder to exercise (non-physical) violence on an actor, through the targeted actor’s complicity. While Bourdieu would suggest that it is the ultimate quest of all actors to accumulate symbolic capital (Bourdieu 1989), given its underlying nature, only some actors can prevail in such efforts. Further examination of the intricacies of the process through which symbolic capital is accumulated is needed, particularly given the distinct nature of fields in which actors are under constant observation from other field participants. More importantly, however, is the need for researchers to more carefully anoint symbolic capital and not risk over-simplification of the process through which this elusive and highly prized capital is attained (Killian and O'Regan 2016).

6.3.2 Strategic frames and frame resonance

The concept of strategic framing is largely drawn upon in order to understand the construction and negotiation of meaning within organisations and across groups, enabling us to better understand how actors negotiate and construct meaning for their interactions (Guérard et al. 2013, Knight and Greenberg 2011, Kaplan 2008). Strategic frames emerge from a process of co-construction between groups of actors in an effort to mobilise support for a specific set of actions (Cornelissen and Werner 2014). The outcome of this process is particularly important as strategic frames bind actors to a specific course of action (Benner and Tripsas 2012), creating a common understanding for how actions unfold in a particular setting (Kaplan 2008). The thesis develops the existing literature on strategic frames in two ways.
First, the thesis extends the limited literature that examines the process through which strategic frames are co-constructed in a field (see chapter four) (Cornelissen and Werner 2014). It reveals the emergence of one form of strategic frame – an engagement frame – illustrating how VBDO, members of its network, and its engagement targets co-constructed it over time. The concept of resonance was drawn upon in order to understand how VBDO secured support for its engagement frame among field participants, thereby gaining ‘approval’ for its engagement interactions in the Dutch CSR field. Resonance is relevant to “the issue of frame effectiveness, thereby directing attention to the question of why some framings seem to be effective, while others do not” (Benford and Snow 2000, p. 316). The application of resonance deepens our understanding of how strategic frames gain mobilising potency, directing attention to the status of the claims-maker, the empirical credibility of the frame, and the frame consistency. In particular, the findings reveal how the level of resonance attached to an engagement frame evolved over time. In doing so, it unveils resonance as a dynamic concept that is impacted by the nature of activities undertaken by the frame creator during the process through which the frame emerges and when the creator subsequently undertakes actions in the field where the frame is implemented. These findings direct attention to the active struggles actors are exposed to when seeking to gain support for their actions in a field and support calls for researchers to more closely investigate “framing as an ongoing process of meaning construction” (Cornelissen and Werner 2014, p. 206). The findings also suggest that, in order to better understand how strategic frames influence action in a field, researchers need to understand the active struggles that take place during a frame’s emergence and during its maintenance over time.

Second, the thesis illustrates how an engagement frame guided VBDO’s engagement interactions, setting the boundaries of, and expectations for, the nature of the actions it could undertake in the Dutch CSR field (see chapter four). This strategic frame offered distinct benefits to VBDO as it acted as a form of licence that allowed it to pursue the enhanced adoption of CSR management and reporting mechanisms among field participants. Paper two illustrates how VBDO’s engagement frame provided it with freedom to operate engagement once its actions fell in line within pre-negotiated common understandings. These included VBDO’s obligation (1) to promote relevant CSR topics, (2) to rely on existing institutional frameworks to operate engagement, (3) to develop engagement methodologies that accurately
evaluated companies’ adoption and implementation of CSR policies and practices, (4) to allow itself to be held accountable by its engagement targets, and (5) to provide benefits to engaged organisations and CSR managers. The paper also illustrates, however, the restrictive nature of an engagement frame. It reveals how VBDO struggled to expand its engagement activities to include institutional-level engagement, with its membership network opposing this strategy. Institutional-level engagement clashed with the common understandings of its engagement frame as it would have seen VBDO play a role in the development of CSR frameworks, moving beyond its engagement interactions which ‘policed’ their implementation. These findings extend the existing literature that illustrates how strategic frames can limit the nature of actions their creators can undertake in a field (Cornelissen and Werner 2014). In doing so, the thesis directs attention to the downsides of strategic framing for an advocacy organisation, whereby the emergence of engagement frames can bind actors to adhere to negotiated boundaries for legitimate action which can stifle further expansion in their engagement activities.

6.3.3 Institutional work

The concept of institutional work encourages researchers to consider actors as key agents of change (Lawrence et al. 2013, Lawrence et al. 2011, Lawrence and Suddaby 2006, Leca 2009). Accordingly, the configuration and structure of institutions are seen to be products of human interaction, with actors’ ability to inform institutional development, transformation, or maintenance dependent, in part, on their skill, awareness, and reflexivity. The thesis addresses criticisms regarding the limited empirical application and theoretical development of the institutional work framework within the existing literature, where the vast majority of researchers examine powerful actors to illustrate phenomena where institutional work is successful in altering or preserving the institutional order (Mair, Martí and Ventresca 2012, Suddaby 2010, Moisander et al. 2016, Gawer and Phillips 2013, Zietsma and Lawrence 2010, Canning and O'Dwyer 2016). Paper three (chapter five) extends the institutional work framework by directing attention to the relation between suppression and institutional work. It reveals the interactional nature of forms of institutional work instigated by a subordinate actor during a process of institutional preservation and unpacks the forms of suppression work this actor was subject to given its efforts to influence the emerging institutional order.
The concept of institutional work emphasises three fundamental characteristics: “it depicts institutional actors as reflective, goal-oriented and capable; it focuses on actions as the centre of institutional dynamics and it strives to capture agency and their inter-relations” (Lawrence and Suddaby 2006, p. 1024). These characteristics suggest that in order to influence institutional configuration, actors must instigate purposeful actions that directly or indirectly affect the structures under which they operate. Given that resistance and suppression are key characteristics of fields (Bourdieu 1984, Fligstein and McAdam 2011), where actors actively compete amongst each other in order to inform the rules that define action, it is surprising that studies drawing on the concept of institutional work have, until recently, overlooked the forms of work instigated to resist and marginalise competing actors’ actions. Martí and Fernandez (2013) were first to raise this issue by examining the institutional work of suppression instigated during the holocaust. Moisander et al. (2016) extend our understanding of the forms of resistance that exist in fields through the concept of emotion work. Specifically, Moisander et al. (2016) “demonstrate how power is exercised in and through discursive, institutional work not only by inducing compliance with existing norms but also by shaping the interpretive and moral agency of field constituents” (p. 3).

The thesis extends our understanding of how actors manage resistance within an institutional setting. In contrast to emotion work, which is instigated in order to persuade audiences to support a specific logic and thereby legitimise a process of institutional change, suppression work sees the instigator actively attempt to subdue, dismiss, or quell competing claims in order to marginalise competing actors in the institutional change process. The thesis illustrates how suppression work is a key feature of actors’ efforts when seeking to preserve institutional configurations, where an actor skillfully dilutes, dismisses, or suppresses those claims that may unfavourably alter institutional dynamics (see paper three, chapter five). The thesis introduces three new forms of work to the institutional work framework: work refutation, subdual and marginalisation work, and acclamation and justification work. These forms of work deepen our understanding of how actors in dominant field positions exercise power through institutional work in order to influence institutional configuration (Moisander et al. 2016). Suppression work can be subtly executed through work refutation whereby dominant actors’ totally marginalise competing claims by refusing to acknowledge competing proposals for institutional change. Importantly, this form of work highlights how dominant
actors can constrain the agency of subordinate actors, whereby the latter’s actions must adhere to the field’s prevalent institutional logics or suffer from marginalisation and exclusion. In contrast, both subdual and marginalisation work and justification and acclamation work direct attention to the process through which dominant actors allow competing claims to form part of the institutional change negotiations in order to quell, dismiss, and marginalise these claims. Together, these forms of suppression work deepen our understanding of how actors seek to influence the structure of institutional arrangements by countering and marginalising the forms of work instigated by competing actors during a process of institutional change.

Lastly, the thesis supports calls for researchers to examine new forms of institutional work that inform the configuration of institutional structures (Marti and Fernandez 2013). Existing studies provide a rich understanding of the forms of work associated with processes of institutional change, illustrating the manner in which actors deploy supportive interactive work in order to influence the configuration of institutional dynamics (Canning and O’Dwyer 2016). These studies tend to focus on how institutional work occurs and who instigates institutional work, with limited attention afforded to what constitutes institutional work (Lawrence et al. 2013). Specifically, researchers tend to draw on the existing institutional work framework outlined by Lawrence and Suddaby (2006) (i.e. “how” institutional work is administered and by “who”), with limited attention afforded to the discovery of new forms of work that affect institutional configuration (i.e. “what” constitutes institutional work). This is worrying for the future development of the institutional work conceptual apparatus for two reasons. First, the forms of work originally outlined by Lawrence and Suddaby (2006) were not a comprehensive, complete set, nor were they meant to be. The lack of focus in extant studies examining what constitutes institutional work risks researchers overlooking, or being blinded to, important forms of work that affect institutional arrangements. Recent studies examining resistance have expanded on the ‘traditional’ forms of work (Lawrence and Suddaby 2006) by illustrating the importance of understanding tactics of oppression (Marti and Fernandez 2013) and resistance (Moisander et al. 2016) This thesis extends such understanding by unpacking the forms of work associated with strategies of suppression. It highlights the importance of continuing to seek out new forms of work that complement and extend those outlined by Lawrence and Suddaby (2006) in order to further deepen our
understanding of the process through which actors seek to influence the configuration of the institutions in which they operate. The second risk to the future development of institutional work conceptual framework is related to its lack of empirical diversity, with researchers applying institutional work in an increasingly stagnant manner which has resulted in studies producing similar theoretical findings over time. For instance, there is a tendency for researchers to reinforce the non-sequential manner in which forms of work are often applied or the supportive interactive work that enables instigators to be successful in their efforts to alter or maintain institutional structures (Canning and O'Dwyer 2016, Hayne and Free 2014). These trends, which involve researchers examining empirical phenomena that illustrate successful instances of institutional change, are in direct contrast to Lawrence et al.’s (2013) call for researchers to investigate the forms of work instigated by actors “whether those efforts (were) successful in shaping institutions, have no effect on them, or have significant unintended consequences” (p. 1029, emphasis added). Accordingly, there is a clear need for researchers to expand the application of institutional work to empirical phenomena where the forms of work instigated by actors (both subordinate and dominant) have no effect on institutional structures or have significant unintended consequences. This increased empirical diversity would deepen our understanding of how, and to what effect, actors’ seek to influence the structure of the institutions within which they act (Lawrence and Suddaby 2006).

6.4 Chapter Summary

This chapter discussed the significance of the empirical and theoretical contributions outlined in the three papers in this thesis. The first section discussed the implications of the empirical contributions to our understanding of how subordinate actors influence processes of organisational-level and institutional-level engagement. The second section discussed how each paper’s theoretical contributions advances our understanding of Bourdieu’s theory of practice, the concept of strategic framing, and institutional work within the accounting and organisational studies literature streams. Chapter seven now offers a set of final conclusions.
CHAPTER SEVEN: CONCLUSION

7.1 Introduction

Advocacy organisations have traditionally played an active role in influencing processes that institutionalise corporate social responsibility and accountability (Archel et al. 2011, Owen 2008, Owen et al. 2001). Existing literature has examined the efforts undertaken by these actors in challenging and informing the corporate adoption of CSR management and reporting mechanisms through processes of organisational-level and institutional-level engagement, highlighting the institutional, organisational, and managerial characteristics that thwart their ability to challenge corporate power (Doh and Guay 2006, Arenas et al. 2013, Edgley et al. 2010, O'Dwyer 2005). Prior to this thesis, however, we possessed a limited understanding of both the micro-level and meso-level activities of these actors. In particular, we lacked an in-depth understanding of how advocacy organisations have sought to position themselves in CSR fields and endeavour to accumulate power in order to wield influence, how they attempt to internally organise their CSR activities in an effort to undertake both organisational-level and institutional-level engagement and, most crucially, how forms of accounting are drawn upon within each of these processes. Accordingly, the thesis sought to answer the following three research questions:

RQ1. How does an advocacy organisation, undertaking organisational-level engagement, enter and attain influence in a CSR field?

RQ2. How does an advocacy organisation, undertaking organisational-level engagement, organise and coordinate its engagement activities?

RQ3. How does an advocacy organisation, through institutional-level engagement, seek to inform the emergence and configuration of social and environmental legislative standards?

The three papers presented in chapters 3 to 5 address these research questions. The analysis and discussion in chapter three focuses on answering the first research question. This paper examines the dynamics that underpinned VBDO’s efforts to enter an attain influence in the Dutch CSR field. Chapter four focuses on answering the second research question by
examining the internal practices that informed the development and operationalisation of VBDO’s engagement practices. The third research question is answered in Chapter five which reveals the dynamics surrounding the corporate accountability campaign instigated by the Corporate Responsibility Coalition in order to influence the integration of social and environmental standards into UK Company Law. The findings in each of these papers are now summarised in the context of each research question.

7.2 Summary of Findings

7.2.1 Research question 1

Chapter three addresses the first research question, specifically: *how does an advocacy organisation, undertaking organisational-level engagement, enter and attain influence in a CSR field?* The paper in this chapter traces the evolution of an influential Dutch advocacy organisation (named VBDO) since its entry to the Dutch field of CSR in 1995. The paper examines how VBDO sought to enhance its position among the hierarchy of field participants in order to shape the adoption of CSR management and reporting mechanisms by companies operating in the Netherlands. The paper mobilises Bourdieu’s interrelated concepts of field, capital, and habitus (Bourdieu 1990) to theorise the dynamics surrounding VBDO’s efforts to enter and attain influence in this setting. In doing so, it offers the following ‘answer’ to the above research question.

The paper illustrates the process of entering and attaining influence in a CSR field to be dynamic and contested. It illustrates how the social capital VBDO accumulated through the establishment of a membership network was particularly important for it in initially establishing a field position. However, the contingent and highly volatile nature of this social capital meant VBDO needed to quickly establish cultural capital in order to secure a more stable position from which it could influence actions in the CSR field. The paper illustrates how linguistic capital, which was slowly accumulated over time through the operation of accountability mechanisms, played a central role in this process. The core characteristics of VBDO’s accountability mechanisms, especially the manner in which they were co-produced with other members of the Dutch CSR field, enabled it to accumulate this distinct form of cultural capital. Specifically, these mechanisms adhered to the rules governing acceptable and legitimate action and allowed VBDO to speak easily and meaningfully when seeking to
challenge the adoption and implementation of CSR management mechanisms through engagement.

The paper also highlights the role capital valorisation played in VBDO’s development, whereby the Government valorised its cultural capital by adopting its transparency benchmark. This strengthened VBDO’s accumulated cultural capital, enhancing its position and possible position-taking in the Dutch CSR field. Furthermore, the instability of its accumulated capitals, social capital in particular, was shown to threaten VBDO’s field position. The paper discusses how the volatility and instability of its capitals inhibited it from converting its accumulated social and cultural capital to the symbolic form. Overall, the paper highlights how accountability mechanisms played a central role in a subordinate actor entering and attaining influence in a CSR field, with these mechanisms influencing this actor’s ability to manage the trajectory and nature of its accumulated capitals, and thereby its field position and position-takings, over time.

7.2.2 Research question 2

Chapter four addresses the second research question, specifically: how does an advocacy organisation, undertaking organisational-level engagement, organise and coordinate its engagement activities? The paper in this chapter examines the internal practices implemented by a prominent advocacy organisation (VBDO) in order to conduct its organisation-level engagement activities. The paper mobilises the concepts of strategic framing (Cornelissen and Werner 2014) and frame resonance (Stafford and Hartman 1996) to theorise the dynamics surrounding the coordination and operation of the day-to-day activities that informed VBDO’s engagement interactions in the Dutch CSR field.

The paper unpacks the process through which VBDO organised its engagement practices, providing detailed insights into the internal practices that informed their development and operation. Specifically, it illustrates the work undertaken by VBDO to identify specific CSR topics to promote in the Dutch CSR field, to construct accountability mechanisms that evaluated the adoption and implementation of CSR policies and practices in this setting, and to maintain engagements with organisations over time. The paper also depicts the distinct challenges and obstacles VBDO was exposed to when seeking to maintain the necessary knowledge, competencies, and expertise to operate engagement. More specifically, it
illustrates how the vast expansion in its engagement interactions jeopardised VBDO’s ability to hold organisations to account through organisational-level engagement. The paper illustrates how capacity issues among VBDO staff threatened the quality of the engagements it operated, highlighting how errors in its engagement reports, inadequate internal systems to monitor individual engagements over time, a lack of goal setting at the commencement of engagements, and a lack of knowledge of engagement targets threatened the operationalisation of its engagements. Together, these findings provide rich, in-depth insights into the internal activities of an advocacy organisation operating organisational-level engagement.

7.2.3 Research question 3

Chapter five addresses the third research question, specifically: how does an advocacy organisation, through institutional-level engagement, seek to inform the emergence and configuration of social and environmental legislative standards? The paper in this chapter examines the dynamics surrounding a corporate accountability campaign instigated by the Corporate Responsibility Coalition (CORE) in order to influence the integration of social and environmental standards into UK company law. The paper mobilises the concept of institutional work (Lawrence and Suddaby 2006) to theorise the interactional nature of strategies adopted by CORE and the Government throughout the company law reform process.

The paper illustrates how CORE struggled to influence the adoption of stringent social and environmental standards in UK company law, with the vast majority of its amendments and proposals not forming part of the emerging legislation. Despite its efforts being largely unsuccessful, the paper provides important insights into the dynamics surrounding a subordinate actor’s efforts to influence the emergence of institutional CSR legislation. First, the paper reveals the forms of work CORE adopted throughout the company law reform process, tracing how these forms of work evolved during the agenda-setting stage, the process of legislative passage, and the process of policy implementation (Andrews and Edwards 2004). Specifically, the paper illustrates how CORE initially sought to embed pluralistic legislative standards in UK company law, drawing on forms of political work in an effort to get social and environmental issues on the legislative agenda. Despite its campaign
gaining impressive attention in the Houses of Parliament, its pluralistic proposals were rejected and marginalised by the Government and failed to influence the emerging Companies Bill. In the face of this suppression work (see next paragraph), CORE realigned its proposals with the Government’s enlightened shareholder value perspective. At this time, its political work was supported by disruption work, whereby CORE mobilised the general public in an effort to increase pressure on the Government to listen to its legislative amendments. While this strategy saw CORE offered minor concessions as the Companies Bill was negotiated in the Houses of Parliament, the vast majority of its proposals were rejected and did not form part of the emerging legislation. The paper concludes by illustrating how CORE struggled to implement education work and policing work in the immediate aftermath of the Companies Act gaining royal assent, with its corporate accountability campaign losing impetus and slowly fizzling out at this time.

Second, the paper also illustrates the interactional nature of the forms of work adopted by CORE and the Government during the process of company law reform. It reveals the distinct challenges CORE was exposed to whereby the forms of work it implemented were actively suppressed and marginalised by the Government. Specifically, the Government enacted three forms of suppression work (work refutation, subdual and marginalisation work, and acclamation and justification work) in order to ensure the legislative proposals CORE promoted did not form part of the Companies Act. In doing so, these findings reveal how subordinate actors can be marginalised and suppressed during the process of institutional reform, limiting their ability to influence the evolving institutional configuration.

7.3 Contributions

This section restates the contributions of this thesis which were previously outlined in Section 1.5. The practical relevance of these contributions is also described.

7.3.1 Empirical contributions

This thesis develops our understanding of the role advocacy organisations play in processes of organisational-level and institutional-level engagement. The first two papers (chapters 3 and 4) advance our understanding of how advocacy organisations seek to enact corporate accountability at the organisational level. While prior research has focused on examining the
influence various advocacy organisations achieve (Archel et al. 2011, Deegan and Blomquist 2006), we are limited in our understanding of the actions that support these actors’ involvement in, and operation of, processes of organisational-level engagement. Paper one (chapter three) addresses this gap in the literature by revealing how VBDO attempted to establish a position in a CSR field, illustrating the dynamic and contested nature of the power accumulation process. The paper’s findings challenges existing literature that suggests symbolic capital can be attained through forms of CSR reporting (Killian and O'Regan 2016) while also illustrating how one advocacy organisation advanced the CSR reporting norms occurring in a national CSR field (Bebbington et al. 2012).

Paper two (chapter four) further develops our understanding of the process through which advocacy organisations seek to organise their engagement activities (De Bakker 2012; Rasche et al. 2013). The paper’s findings illustrate an intricate process through which VBDO struggled to maintain the necessary competencies, skills, and knowledge required to operate engagement in the Dutch CSR field. In doing so, the paper highlights the challenges and obstacles that arose when operating engagement that threatened VBDO’s ability to hold organisations to account for their implementation of specific CSR policies and practices. The paper offers a rich understanding of the internal practices that supported the development and operationalisation of VBDO’s engagement activities, thereby deepening our understanding of how processes of organisational-level engagement unfold over time.

Paper three (chapter five) deepens our understanding of processes of institutional engagement. While extant literature provides rich accounts of the consultation processes that shape the emergence of institutional CSR frameworks (Archel et al. 2011, Cooper and Owen 2007, O'Sullivan and O'Dwyer 2009, O'Sullivan and O’Dwyer 2015, Bebbington et al. 2012), this literature has paid limited attention to the civil society dynamics that often manifest around processes of institutional CSR reform. This paper develops such an understanding by revealing the process through which CORE instigated a corporate accountability campaign in order to influence the emergence of social and environmental legislative standards. In doing so, the paper’s findings nuance existing criticisms of the role advocacy organisations play in consultation processes aimed at informing the emergence of CSR standards (Archel et al. 2011, Bebbington et al. 2012).
7.3.2 Theoretical contributions

The first paper of the thesis (chapter three) advances the mobilisation of Bourdieu’s theory of practice within the accounting literature in the following ways. First, extant studies tend to focus on how powerful actors, with pre-existing stocks of capitals, use various forms of accounting to influence action (Neu et al. 2008, Rahaman et al. 2007), with limited attention being paid to the process through which capitals are accumulated over time (Andon et al. 2014). Paper one sits in contrast to this work by focusing specifically on the capital accumulation process of a subordinate actor. This theoretical focus provides unique insights into the contested nature of the capital accumulation process. Our theoretical focus on capital trajectories and capital instabilities highlight the fragility and convertibility of capitals and the struggles their holder’s encounter in the face of this dynamism. Second, the paper develops our understanding of how accounting, in the form of accountability mechanisms, informs the accumulation of linguistic capital (Neu et al. 2013). In doing so, the paper highlights how VBDO accumulated this form of capital as the characteristics of the accountability mechanisms it operated adhered to the rules governing acceptable and legitimate discourse in the Dutch CSR field. Furthermore, the paper reveals the fragility of linguistic capital by illustrating how its ongoing maintenance was contingent on VBDO censoring its utterances and actions during the construction of, implementation of, and communication of its accountability mechanisms.

The second paper of the thesis (chapter four) advances our understanding of the process through which strategic frames emerge, specifically the characteristics that support the attainment of frame resonance. The paper examines the construction of one form of strategic frame – an engagement frame – in the Dutch CSR field. In doing so, it responds to a call for a greater focus on the process through which strategic frames are formed through processes of co-construction and negotiation (Cornelissen and Werner 2014). The findings reveal the characteristics that supported the attainment of frame resonance, illustrating how specific common understandings were negotiated among VBDO, its membership network, and its engagement targets. Furthermore, the paper illustrates the restrictive nature of strategic frames whereby their emergence binds actors to act in a specific manner. Specifically, the paper reveals how VBDO’s engagement frame stifled its ability to expand its organisational-level engagement interactions to the institutional level in the Dutch CSR field.
The third and final paper of the thesis (chapter five) advances our understanding of the concept of institutional work. The paper addresses a key limitation of the institutional work literature whereby existing studies typically illustrate the “successful” implementation of institutional work (Canning and O’Dwyer 2016, Gawer and Phillips 2013, Empson et al. 2013, Suddaby and Viale 2011). The paper examines the forms of work instigated by a subordinate actor that largely failed to influence the emerging institutional order. Specifically, the findings illustrate the interactional nature of the forms of work implemented by actors during a process of institutional preservation, deepening our understanding of how strategies of resistance are implemented through institutional work (Moisander et al. 2016). In doing so, the paper directs attention to the role of suppression in institutional work, where dominant actors purposively marginalise the forms of work instigated by competing subordinate actors. The paper offers a theoretical contribution by introducing three new forms of suppression work – work refutation, subdual and marginalisation work, and justification and acclamation work – that describe the strategies dominant actors adopt in order to counter and suppress resistance in a field. The findings develop the existing institutional work framework (Lawrence and Suddaby 2006) by deepening our understanding of the forms of work that affect institutional arrangements and those actors that populate the organisational fields in which these forms of work are implemented (Martí and Fernández 2013).

7.3.3 Practical implications

The findings presented in chapters three to five provide practical insights that can guide the actions of advocacy organisations partaking in processes of organisational-level and institutional-level engagement. First, the thesis provides an illustration of the challenges that arise when engaging with more powerful actors in a CSR field. Chapter three revealed how it is necessary to be acutely aware of the “rules of the game” and that radical forms of engagement will likely see an advocacy organisation “condemned to silence” (Bourdieu 1977). However, the chapter also illustrated how, over time, advocacy organisations can slowly evolve the rules of the game, providing them with an increased ability to challenge the adoption and implementation of CSR management and reporting mechanisms by more powerful corporate actors.
Second, chapters three and four highlight how the internal actions that inform the development and operationalisation of an advocacy organisation’s engagement practices are central to maintaining its field position over time. Chapter four, in particular, reveals how organisations were shown to respond to VBDO’s engagement activities when they deemed its actions to be appropriate, knowledgeable, and relevant. These characteristics, however, were jeopardised when VBDO expanded the nature of its engagement activities in the Dutch CSR field. While this expansion in the number of engagements it operated meant that VBDO promoted a wider range of CSR themes and engaged with a greater number of field participants, it also threatened the quality of its engagements. Specifically, chapter four illustrates how it created significant capacity issues for VBDO’s staff which impacted on the quality of engagements it conducted with corporate actors. The thesis illustrates a clear need for an advocacy organisation to carefully manage any planned expansion in activities as, if this strategy proves unsuccessful, it is likely to threaten that actor’s field position.

Third, chapter five provides important insights for advocacy organisations partaking in processes of legislative reform. In particular, it highlights the importance of continuing their corporate accountability campaigns in the aftermath of new legislation being enacted. Chapter five reveals how legislation itself is not enough for the institutionalisation of new practices to occur (Djelic 2013), with follow-up campaigns necessary to ensure new legislative standards are enacted and become taken-for-granted. Such follow-up campaigns can prove significantly challenging for advocacy organisations, who typically disband when the legislative reform process is complete. This thesis suggests that disbanding can work to support the non-implementation of new institutional standards and thereby allow any achievements attained during the process of institutional reform to be ignored or rejected by other field participants.

7.4 Future Research

The thesis develops our understanding of the activities undertaken by an advocacy organisation during processes of organisational-level engagement. While it provides a detailed understanding of how a field position is attained and how engagement activities are coordinated through specific internal practices, it provides less insight into the nature of the impact these activities achieved. There exists an opportunity for future work to provide a
more in-depth understanding of the impact engagements have on the CSR policies and practices implemented by corporate actors. In order to do so, I would encourage an in-depth examination of one specific process of engagement over time. In particular, there is a clear need to better understand that process through which engagement goals are set, monitored, and evaluated by advocacy organisations.

Chapter five highlights how the Corporate Responsibility Coalition’s (CORE’s) efforts to embed a pluralistic approach within UK company law largely failed, with the Government promoting an enlightened shareholder value perspective that ultimately had little impact on the social and environmental practices of UK companies. The evolution of the benefit corporation provides a unique context within which researchers could study the impact of stakeholder-focused legislation on corporate accountability. A key characteristic of the benefit corporation is the higher standards of transparency and accountability that certified benefit corporations agree to meet. The legislation includes a fiduciary duty for directors to consider the interests of the workers, the community, and the environment in organisational decision-making. Examination of this new organisational form could provide rich accounts of how organisations operate under more pluralistic legislative frameworks, thereby deepening our understanding of how CSR becomes more ‘taken-for-granted’ within the corporate community.
REFERENCES


CORE. (2006c) Right corporate wrongs: your lobby guide.


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# APPENDICES

## Appendix One – List of VBDO’s institutional members

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<tr>
<th>Member Type</th>
<th>Code</th>
<th>Member Name</th>
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*Source: VBDO Annual Report 2015*
## Appendix Two – Governance structure and accountability mechanisms adopted by VBDO

| Employees | • 12 full-time employees including the Executive Director. |
| Membership | • 75 institutional members and 550 individual members |
| Governance Structure: Board of Directors | • The board consists of a chairman, a treasurer, one institutional member, one independent external member and one member representing civil society. |
| | • Operates at arms-length, has an oversight role and acts as advisor to the Executive Director. |
| | • Board members are elected by VBDO members for a 4 year period and can serve a maximum of 2 terms. |
| Accountability Mechanisms | • **Stakeholder meetings and direct engagement:** Since 1995, VBDO has attended the AGMs of the largest Dutch-based companies promoting common CSR topics (i.e. sustainability reporting transparency, tax transparency etc.). In 2015, VBDO attend the AGMs of 69 Dutch multi-nationals. It holds follow-up engagements with organisations throughout the year through bilateral meetings and engagement calls to promote enhanced accountability and transparency on its chosen themes. Reports of VBDO’s attendance at shareholder meetings and follow-up engagement meetings are published annually. |
| | • **Benchmarks:** Since 2000, VBDO has operated a range of benchmarks within specific sectors targeting specific CSR practices. At present benchmarks include: a responsible investment benchmark for pension funds, a responsible investment benchmark for insurance companies, and a supply chain benchmark for Dutch multi-nationals. Benchmark results are published annually at a high profile media event. |
| | • **Stakeholder dialogues:** Since 2008, VBDO has facilitated stakeholder dialogues for companies that wish to focus on specific CSR topics for the first time. If VBDO agrees to facilitate a stakeholder dialogue, it stipulates that it must do so for a minimum of three consecutive years. Members of VBDO’s wider community are invited to partake in this process. Approximately four to eight dialogues are held per year. The results of each stakeholder dialogue are published in report format. |
| | • **Thematic research reports:** VBDO produces thematic research reports that are largely designed to promote the adoption of CSR practices within organisations. Thematic research reports include an annual sustainable investment and savings report (since 2000) and once-off reports such as: research on biodiversity (2006), a sustainable investment guide for asset managers (2010), a mystery shopper report on the sustainable investment advice of Dutch financial institutions (2011), a benchmark on the sustainable investment activities of charities (2010, 2011, 2012), a real estate transparency benchmark (2012), a report on human rights integration (2013) and a tax transparency benchmark (2015). |
| Engagement Characteristics | • Annual engagement through a collaborative approach. |
| | • Constructive and critical dialogue with organisations. |
| | • Engagement reports are published online and free to access. |
Appendix Three – Sample Interview Summary Sheet

INTERVIEW SUMMARY SHEET (ISS)                      Ref: ISS/007

Interviewee’s name: John Doe                        Today’s date: 02 September 2013
Name of organisation: VBDO                          Date of interview: 02 September 2013
Position of interviewee: Head of PR and Communications

The purpose of this document is to summarise the key data obtained during the interview, to guide planning for the next interview and assist in the identification of new codes or to revise code.

1. What were the main insights/themes that struck me from this interview?
   - Some members very active in platform, making concerted efforts to influence VBDO’s decision-making
   - Polder model important regarding the nature of discussions that VBDO is able to undertake with organisations
   - Sounding board – VBDO uses its institutional network to test the nature of engagement topics it can focus on in the Netherlands
   - Not an activist approach – the focus is always on collaboration with organisations
   - Was a niche organisation before, new entrants to the market now – need to consider VBDO’s position in the field as a result of new entrants
   - More standardised approach to AGMs has being undertaken in recent years
   - Funding problem – struggles each year to finance its activities

2. Summary of information received/not received on each of the target topics?
   Theme One: Information about the Interviewee and their role as Board Member
   Theme Two: Perceptions of VBDO and key attributes for its success
   Theme Four: Influence of VBDO and its Corporate Accountability Mechanisms

3. Anything else that struck interviewer as salient, interesting, illuminating, or important (e.g. behavioural matters, contradictions with previous interviewees etc)?

   Agreed with most points/themes from previous VBDO interviews

4. What additional target questions should be considered for the next interview?

   Standardised approach to AGMs interesting point to develop in future
   Role of platform members in influencing the engagement topics VBDO promotes in the Dutch CSR field.
5. Any follow-up matter (e.g. new contacts, documentation etc)?

New contacts from interviewee for future interviews

6. Reflections (how could the interviewer have performed better in the interview, are there parts the interviewer could have approached differently etc)?

N/A
## Appendix Four – List of Interviewees: VBDO

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<th>Name</th>
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<tr>
<td>2. Second Executive Director, VBDO</td>
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<tr>
<td>3. Engagement manager 1, VBDO</td>
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<td>4. Engagement manager 2, VBDO</td>
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<td>5. Chairman, Board of VBDO</td>
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<td>14. CSR manager, Multi-national 2</td>
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# Appendix Five – Paper one: list of first round codes

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<td>Role of Government in the Netherlands</td>
</tr>
<tr>
<td>Future of VBDO</td>
<td>Role of Media in CSR field</td>
</tr>
<tr>
<td>General public’s lack of action on CSR</td>
<td>Role of NGOs in the field of CSR</td>
</tr>
<tr>
<td>Government role in promoting CSR</td>
<td>Shareholder Meeting Impacts</td>
</tr>
<tr>
<td>Impact Assessment Ambiguity</td>
<td>Shareholder Meeting Risks</td>
</tr>
<tr>
<td>Impact of Director Change</td>
<td>Shareholder Meetings Approach</td>
</tr>
<tr>
<td>Importance of Business Knowledge</td>
<td>Stakeholder Dialogue Impacts</td>
</tr>
<tr>
<td>Importance of Dialogue with Board of Directors</td>
<td>Stakeholder Dialogue Risks</td>
</tr>
<tr>
<td>Importance of Enhanced Engagement</td>
<td>Stakeholder dialogue successes</td>
</tr>
<tr>
<td>Importance of Executive Director</td>
<td>Stakeholder dialogues approach</td>
</tr>
<tr>
<td>Importance of Focus for VBDO</td>
<td>Tensions and Risks</td>
</tr>
<tr>
<td>Importance of Ideologies</td>
<td>Transparency Benchmark</td>
</tr>
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</table>
39 Importance of Language Used
40 Importance of Location
41 Importance of Professionalism
42 Importance of Research Based Approach
43 Importance of Research Quality
44 Importance of Research Topics
45 Importance of Team
46 Independence issue
47 Independence issue overcome
48 Influence on VBDO
49 Internal Operation Successes
50 Internal Operations Risk
51 Knowledge Center
52 Limits to Constructive Engagement

91 VBDO Approach
92 VBDO as External Partner to CSR Managers
93 VBDO assists with implementation of standards
94 VBDO capacity issue
95 VBDO employee and board background
96 VBDO Growth
97 VBDO Identity Ambiguity
98 VBDO Issues/Problems
99 VBDO Operational Structure
100 VBDO recognition among general public
101 VBDO Recognition in CSR field
102 VBDO Uniqueness
103 What is VBDO
**Appendix Six – Paper one: list of second round categories**

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identity ambiguity</td>
<td>Relates to the uncertainty of what type of organisation VBDO is, what its aims are, what group they are targeting, and who they are acting on behalf of.</td>
</tr>
<tr>
<td>Piet VBDO</td>
<td>Relates to VBDOs approach when Piet was executive director, his role as leader, how the organisation was run and the response of members and multi-nationals to same</td>
</tr>
<tr>
<td>Gio VBDO</td>
<td>Relates to VBDOs approach when Gio was executive director, his role as leader, how the organisation was run and the response of members and multi-nationals to same</td>
</tr>
<tr>
<td>Internal operations risks</td>
<td>Relates to internal operational risks that jeopardise VBDO. Staff turnover, research errors, inadequate operations policy, insufficient funding, location of offices are included here</td>
</tr>
<tr>
<td>Dutch culture</td>
<td>Relates to the impact of Dutch culture on VBDO engagement approach. Specifically, it relates to opinions on historical engagement precedents such as the Polder model and the VEB</td>
</tr>
<tr>
<td>Knowledge centre</td>
<td>Relates to the perception of VBDO as a knowledge centre that produces relevant research in the field of CSR</td>
</tr>
<tr>
<td>Engagement approach</td>
<td>Relates to perceptions of VBDOs engagement approach; nature of engagement, language used, volunteer networks, quality of research are all included here</td>
</tr>
<tr>
<td>Network tensions</td>
<td>Relates to difficulties in managing its institutional network, instances of conflict with members, the platform, and lobbying issues</td>
</tr>
<tr>
<td>Governance structure</td>
<td>Relates to the board of directors and the role it plays in VBDO operations</td>
</tr>
<tr>
<td>Company perceptions to CSR</td>
<td>Relates to the importance of the perception of CSR within the companies VBDO engages with; and the importance of this perception in engagement success</td>
</tr>
<tr>
<td>Impact assessment ambiguity</td>
<td>Relates to the difficulty in measuring the impact of VBDO actions; actual impact examples are also included here</td>
</tr>
<tr>
<td>Media policy</td>
<td>Relates to perceptions of VBDO stakeholders and employees on VBDO media policy.</td>
</tr>
<tr>
<td>Evolving sector</td>
<td>Relates to the evolving sector/field within which VBDO operates and the importance of this for the future of VBDO</td>
</tr>
</tbody>
</table>
## Appendix Seven – Paper two: Second Round Coding and Data Analysis

### Development of a Resonant Engagement Frame

<table>
<thead>
<tr>
<th>Reputation and status as Claims-maker</th>
<th>Empirical Credibility</th>
<th>Frame consistency (Beliefs, claims and actions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importance of Business Knowledge</td>
<td>Importance of Focus for VBDO</td>
<td>- Institutional engagement initiative</td>
</tr>
<tr>
<td>Importance of Dialogue with Board of Directors</td>
<td>Importance of Research Topics</td>
<td>- Lobbying</td>
</tr>
<tr>
<td>Importance of Enhanced Engagement</td>
<td>Importance of Team</td>
<td></td>
</tr>
<tr>
<td>Importance of Executive Director</td>
<td>Establishment principal</td>
<td></td>
</tr>
<tr>
<td>Importance of Ideologies</td>
<td>Engagement Approach</td>
<td></td>
</tr>
<tr>
<td>Importance of Language Used</td>
<td>Benchmarking approach</td>
<td></td>
</tr>
<tr>
<td>Importance of Location</td>
<td>EUROSIF</td>
<td></td>
</tr>
<tr>
<td>Importance of Professionalism</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Importance of Research-Based Approach</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Importance of Research Quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefits to CSR managers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefits of collaborative engagement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aims of VBDO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VBDO as external partner to CSR managers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VBDO assists with implementation of institutional standards</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Challenges to Engagement Frame Resonance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Credibility as Claims-maker</strong></td>
<td><strong>Empirical Credibility</strong></td>
<td><strong>Frame consistency</strong></td>
</tr>
<tr>
<td>Independence issue</td>
<td>Limits to Constructive Engagement</td>
<td>Problems with Activism</td>
</tr>
<tr>
<td>Internal Operations Risks</td>
<td>Impact Assessment Ambiguity</td>
<td>Company perceptions to VBDO engagement</td>
</tr>
<tr>
<td>VBDO capacity issue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VBDO growth challenges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stakeholder dialogue risks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholder meeting risks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benchmark risks</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Appendix Eight – List of Interviewees: CORE

<table>
<thead>
<tr>
<th>Name</th>
<th>Code</th>
<th>Interview duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Chair and co-founder, CORE</td>
<td>CORE Chairperson</td>
<td>62 min</td>
</tr>
<tr>
<td>2. Second director, CORE</td>
<td>CORE Director 1</td>
<td>55 min</td>
</tr>
<tr>
<td>3. Steering committee member 1, CORE</td>
<td>CORE Member 1</td>
<td>44 min</td>
</tr>
<tr>
<td>4. Steering committee member 2, CORE</td>
<td>CORE Member 2</td>
<td>53 min</td>
</tr>
<tr>
<td>5. Steering committee member 3, CORE</td>
<td>CORE Member 3</td>
<td>65 min</td>
</tr>
<tr>
<td>6. Steering committee member 4, CORE</td>
<td>CORE Member 4</td>
<td>62 min</td>
</tr>
<tr>
<td>7. Parliamentary lobbyist 1, CORE</td>
<td>CORE Lobbyist 1</td>
<td>41 min</td>
</tr>
<tr>
<td>8. Steering committee member 5, CORE</td>
<td>CORE Member 5</td>
<td>50 min</td>
</tr>
<tr>
<td>9. Parliamentary lobbyist 2, CORE</td>
<td>CORE Lobbyist 2</td>
<td>65 min</td>
</tr>
<tr>
<td>10. First director, CORE</td>
<td>CORE Director 2</td>
<td>73 min</td>
</tr>
</tbody>
</table>
1. Access to justice amendments
2. Access to justice failure
3. Business review amendments
4. Business review criticisms
5. Business review emergence
6. Celebrity endorsement
7. Companies bill criticisms
8. Companies Bill development
9. CORE bills
10. CORE emergence
11. CORE founding aims and principles
12. CORE funding
13. CORE realigning its proposals with the Government’s ESV perspective
14. CORE’s actions in Houses of Parliament
15. Criticising CORE’s proposals in parliament
16. Diluting CORE’s claims and embedding in legislative framework
17. Direct dismissal of CORE’s proposals
18. Direct response to CORE’s proposals by the Government
19. Directors duties amendments
20. Directors duties best practices recommendations
21. DTI publications
22. Examining the implementation of legislative proposals
23. Gaining celebratory endorsement to support its campaign
24. Gaining political allies
25. Government ignoring CORE’s proposals
26. Informing campaign members of outcomes
27. Initiating a letter writing campaign to mobilise the general public
28. Introducing PMBs due to past success
29. Introduction of early day motions to increase pressure on government
30. Judicial review launched
31. Lauing of the efforts of MPs in getting social and environmental issues on the legislative agenda
32. Letter writing campaign success
33. Misleading statements on the reform process
34. Mobilising the general public
35. Network dissolution
36. Newspaper criticisms of the Companies Bill
37. Newspaper recognition of CORE’s actions
38. Offering concessions to CORE
39. Operating and financial review abolition
40. Operating and financial review development
41. Parliamentary campaigners work
42. Partnership with advocacy organisations
43. Partnership with MPs and Lords
44. Partnership with the Compass working group
45. Problematizing government’s ESV proposals
46. Problems with campaign during the implementation phase
47. Promoting new directors duties’ clauses
48. Promoting radical nature of reforms achieved (Government)
49. Promoting the benefits of a pluralistic approach (CORE)
50. Promotion of the concessions offered to CORE (Government)
51. Promotion of the new legislative standards (CORE)
52. Promotion of the role CORE played in the reform process (Government)
53. Proposing amendments to the bill during the process of legislative passage (Government)
54. Recognition that its pluralistic proposals failed
55. Rejecting CORE’s political actions
56. Responding to government consultations (CORE)
57. Steering committee conflicts
58. Steering committee responsibilities
59. Steering committee strengths
60. Strategy failure
61. Unified membership base
62. Using case study evidence to support enhanced ESV proposals
63. Writing columns in national newspapers
64. Writing PMBs
65. Writing speeches for MPs
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advocacy work initiated by CORE</td>
<td>Relates to efforts by CORE to gain support for its actions among members of the House of Common or the House of Lords</td>
</tr>
<tr>
<td>Defining work initiated by CORE</td>
<td>Relates to efforts by CORE in order to propose specific social and environmental legislative standards</td>
</tr>
<tr>
<td>Educating work initiated by CORE</td>
<td>Relates to efforts by CORE in order to ensure the adoption of new social and environmental legislative standards in the aftermath of the Companies Act gaining royal assent.</td>
</tr>
<tr>
<td>Policing work initiated by CORE</td>
<td>Relates to efforts by CORE to get social and environmental issues on the regulatory agenda</td>
</tr>
<tr>
<td>Disassociating more foundations work initiated by CORE</td>
<td>Relates to efforts by CORE to illustrate why the enlightened shareholder value perspective was inappropriate</td>
</tr>
<tr>
<td>Undermining assumptions and belief work initiated by CORE</td>
<td>Relates to efforts by CORE to undermine proposed Government legislation</td>
</tr>
<tr>
<td>Efforts to totally suppression CORE’s actions by providing ignoring its claims</td>
<td>Relates to actions by Government which sought to deny CORE participation in the legislative reform process</td>
</tr>
<tr>
<td>Efforts to respond to CORE’s proposals in the reform process</td>
<td>Relates to responses in any form by Government to CORE’s proposals</td>
</tr>
<tr>
<td>Efforts to dilute CORE’s proposals in the reform process</td>
<td>Relates to efforts by Governments to dilute CORE’s claims when revised proposed legislative standards</td>
</tr>
<tr>
<td>Efforts to offer minor concessions to CORE during the reform process</td>
<td>Relates to efforts by Government to offer CORE minor concessions in the Companies Act</td>
</tr>
<tr>
<td>Efforts to celebrate the concessions offered to CORE</td>
<td>Relates to efforts by Government to celebrate CORE’s participation in the company law reform process</td>
</tr>
<tr>
<td>Efforts to celebrate the actions of those associated with CORE’s campaign</td>
<td>Relates to efforts by Government to praise CORE’s associated in the Houses of Parliament for their effort in bringing CSR issues to the legislative agenda.</td>
</tr>
<tr>
<td>Efforts to justify the radical nature of the proposals put forward by Government</td>
<td>Relates to efforts by Government to justify the nature of social and environmental proposals embedded in the Companies Act</td>
</tr>
<tr>
<td>First round codes</td>
<td>Second round categories</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>- Access to justice amendments</td>
<td>- Advocacy work initiated by CORE</td>
</tr>
<tr>
<td>- Business review amendments</td>
<td>- Defining work initiated by CORE</td>
</tr>
<tr>
<td>- Celebrity endorsement</td>
<td>- Educating work initiated by CORE</td>
</tr>
<tr>
<td>- Companies bill criticisms</td>
<td>- Policing work initiated by CORE</td>
</tr>
<tr>
<td>- CORE actions in Houses of Parliament</td>
<td>- Disassociating more foundations work initiated by CORE</td>
</tr>
<tr>
<td>- Directors duties best practices recommendations</td>
<td>- Undermining assumptions and belief work initiated by CORE</td>
</tr>
<tr>
<td>- Examining the implementation of proposals</td>
<td></td>
</tr>
<tr>
<td>- Gaining celebratory endorsement to support its campaign</td>
<td></td>
</tr>
<tr>
<td>- Gaining political allies</td>
<td></td>
</tr>
<tr>
<td>- Informing campaign members of outcomes</td>
<td></td>
</tr>
<tr>
<td>- Initiating a letter writing campaign to mobilise the general public</td>
<td></td>
</tr>
<tr>
<td>- Introducing PMBs due to past success</td>
<td></td>
</tr>
<tr>
<td>- Introduction of early day motions to increase pressure on government</td>
<td></td>
</tr>
<tr>
<td>- Mobilising the general public</td>
<td></td>
</tr>
<tr>
<td>- Parliamentary campaigners seek to gain cross-party support</td>
<td></td>
</tr>
<tr>
<td>- Problematizing government’s ESV proposals</td>
<td></td>
</tr>
<tr>
<td>- Problems with campaign during the implementation phase</td>
<td></td>
</tr>
<tr>
<td>- Promoting the benefits of a pluralistic approach</td>
<td></td>
</tr>
<tr>
<td>- Proposing amendments to the Bill during the process of legislative passage</td>
<td></td>
</tr>
<tr>
<td>- Responding to government consultations</td>
<td></td>
</tr>
<tr>
<td>- Unified membership base</td>
<td></td>
</tr>
<tr>
<td>- Using case study evidence to support enhanced ESV proposals</td>
<td></td>
</tr>
<tr>
<td>- Writing columns in national newspapers</td>
<td></td>
</tr>
<tr>
<td>- Writing PMBs</td>
<td></td>
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<tr>
<td>- Writing speeches for MPs</td>
<td></td>
</tr>
<tr>
<td>First round codes</td>
<td>Second round categories</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>- Government ignoring CORE’s proposals</td>
<td>- Efforts to totally suppression CORE’s actions by providing ignoring its claims</td>
</tr>
<tr>
<td>- Recognition that its pluralistic proposals failed</td>
<td></td>
</tr>
<tr>
<td>- CORE realigning its proposals with the Government’s ESV perspective</td>
<td></td>
</tr>
<tr>
<td>- Companies bill development</td>
<td></td>
</tr>
<tr>
<td>- Operating and financial review development</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>First round codes</th>
<th>Second round categories</th>
<th>Third Round forms of work</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Direct dismissal of CORE’s proposals following consideration</td>
<td>- Efforts to respond to CORE’s proposals in the reform process</td>
<td>Suppression and marginalisation work</td>
</tr>
<tr>
<td>- Criticising CORE’s proposals in parliament</td>
<td>- Efforts to dilute CORE’s proposals in the reform process</td>
<td></td>
</tr>
<tr>
<td>- Direct response to CORE’s proposals in parliament</td>
<td>- Efforts to offer minor concessions to CORE during the reform process</td>
<td></td>
</tr>
<tr>
<td>- Diluting CORE’s claims and embedding in legislative framework</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- DTI publications</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Operating and financial review abolition</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Offering concessions to CORE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First round codes</td>
<td>Second round categories</td>
<td>Third Round forms of work</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>- Promotion of the role CORE played in the reform process</td>
<td>- Efforts to celebrate the concessions offered to CORE</td>
<td>Acclamation and justification work</td>
</tr>
<tr>
<td>- Promotion of the concessions offered to CORE</td>
<td>- Efforts to celebrate the actions of those associated with CORE’s campaign</td>
<td></td>
</tr>
<tr>
<td>- Lauding of the efforts of MPs in getting social and environmental issues on the legislative agenda</td>
<td>- Efforts to justify the radical nature of the proposals put forward by Government</td>
<td></td>
</tr>
</tbody>
</table>
### Appendix Twelve – Process of legislative passage in the UK

<table>
<thead>
<tr>
<th>Stage</th>
<th>Description of Key Activities – Lords</th>
<th>Description of Key Activities – Commons</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Reading</td>
<td>The long title of the bill, which indicates the content of the bill, is read out by the members in charge of the bill. Once formally introduced, the bill is ordered to be printed. A date for the second reading is then set. No debates occur at the first reading.</td>
<td>The short title of the bill is read out and is followed by an order for the bill to be printed. No debates occur at the first reading.</td>
</tr>
<tr>
<td>Second Reading</td>
<td>The Government minister, spokesperson, or member of the Lords responsible for the bill opens the second reading debate. Any member can speak during the second reading. Second readings can vary from a few hours to a number of days. Members who will be involved in future changes to the bill tend to speak at this stage. After the second reading, the bill goes to the Committee Stage.</td>
<td>The Government minister, spokesperson, or MP responsible for the bill opens the second reading debate. The official opposition spokesperson responds with their views on the bill. The debate continues with other MPs giving their opinions. At the end of the debate, the Commons decides on whether the bill should proceed to the next stage by majority vote.</td>
</tr>
<tr>
<td>Committee Stage</td>
<td>This usually commences 14 days after the second reading has finished. The committee stage involves a line by line examination of the separate parts of the bill. Any member of the Lords can take part. During the committee stage, every clause of the bill has to be agreed to and votes on any amendments can take place. The Government cannot restrict the subjects under discussion or impose a time limit. This is a key point of difference with the procedure in the House of Commons. If the bill has been amended it is reprinted with all the agreed amendments.</td>
<td>This usually commences in the weeks after the second reading but this is not guaranteed. Most bills are dealt with in a public committee. The committee is able to take on evidence from experts and interest groups at this stage. Furthermore, amendments can be proposed. Only members of the committee can vote on proposed amendments. The committee is given a specific time period by which its work must be completed.</td>
</tr>
<tr>
<td>Report Stage</td>
<td>This usually commences 14 days after the committee has concluded and can be spread over a number of days. The examination of the</td>
<td>This gives MPs an opportunity to propose further amendments to a bill. This can take place over several days.</td>
</tr>
</tbody>
</table>

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77 A minority of bills are dealt with by a committee consisting of members of the whole House (i.e. all members of the House of Commons)
<table>
<thead>
<tr>
<th>Table Entry</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Third Reading</strong></td>
<td>The third reading concentrates on making sure the law is effective and workable without loopholes. Unlike the House of Commons, amendments can be made at the third reading as long as they were not previously considered. The Lords then vote on whether to approve the third reading. The third reading is the final opportunity for the Commons to debate the bill. It usually takes places directly after the report stage as the next item of business on the same day. The debate is usually short and limited to what is in the bill. The House votes on whether to approve the third reading.</td>
</tr>
<tr>
<td><strong>Consideration of Amendments</strong></td>
<td>When the bill passes through third reading in both houses, it is returned to the house where it started for consideration of amendments made by the second house. This is referred to as ping-pong. For instance, if the Commons makes amendments to the bill, the Lords must consider them and either agree, disagree, or make alternative proposals. If the House disagrees or makes alternative proposals, the bill then returns to the House of Commons. This continues until an agreement on wording is reached.</td>
</tr>
<tr>
<td><strong>Royal Assent</strong></td>
<td>When the exact wording has been agreed by both Houses, it is ready to receive Royal Assent. This is when the Queen formally agrees to transform the bill into an Act of Parliament.</td>
</tr>
</tbody>
</table>

**Source:** [http://www.parliament.uk/about/how/laws/passage-bill/](http://www.parliament.uk/about/how/laws/passage-bill/)
Appendix Thirteen – Key dates: Passage of the Companies Bill through the Houses of Parliament

<table>
<thead>
<tr>
<th>House of Lords</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>6  First Reading</td>
<td>1 November 2005</td>
</tr>
<tr>
<td>7  Second Reading</td>
<td>11 January 2006</td>
</tr>
<tr>
<td>8  Committee Stage</td>
<td>30 January to 25 April 2006</td>
</tr>
<tr>
<td>9  Report Stage</td>
<td>9 May to 16 May</td>
</tr>
<tr>
<td>10 Third Reading</td>
<td>16 May 2006</td>
</tr>
<tr>
<td>House of Commons</td>
<td></td>
</tr>
<tr>
<td>11 First Reading</td>
<td>23 May 2006</td>
</tr>
<tr>
<td>12 Second Reading</td>
<td>6 June 2006</td>
</tr>
<tr>
<td>13 Committee Stage</td>
<td>15 June to 20 July</td>
</tr>
<tr>
<td>14 Report Stage</td>
<td>17 October to 18 October</td>
</tr>
<tr>
<td>15 Third reading</td>
<td>19 October</td>
</tr>
<tr>
<td>Amendments</td>
<td>24 October to 2 November</td>
</tr>
<tr>
<td>Royal Assent</td>
<td>73 November 2006</td>
</tr>
</tbody>
</table>
Appendix Fourteen – Examples of legislative proposals promoted by CORE during the period June 2002 to June 2003

Extracts from the Corporate Responsibility Bills printed by CORE during June 2002 – June 2003

- Companies were compelled to prepare and publish an annual report that addressed the environmental, social, economic and financial impact of its operations;
- Companies were required to enter into consultation with any stakeholders affected by major projects it launched prior to their commencement;
- Directors, when taking decisions that would affect the success of the company, should take all reasonable steps to “minimise any negative environmental social and economic impacts of any proposed operations” (CRB, 2002);
- Companies were required to establish a corporate responsibility board that would be responsible for liaising with stakeholders who believed requirements in the Bill had been breached.
- The establishment of a standards board to set standards and monitor and ensure the effective implementation of (mandatory reporting and directors duties requirements).
Appendix Fifteen – Examples of reporting amendments proposed by CORE in the Performance of Companies and Government Departments (Reporting) Bill

<table>
<thead>
<tr>
<th>Principle amendments proposed by CORE in the Performance of Companies and Government Departments (Reporting) Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duty to consider including other matters in operating and financial review</td>
</tr>
<tr>
<td>1. If the directs of a company are required to form an opinion for the purposes of section 1(2), they must consider whether the inclusion of information about any matter mentioned in subsection (2) is necessary in order to achieve the review objective</td>
</tr>
<tr>
<td>2. The matters are</td>
</tr>
<tr>
<td>a. The management structure of the company;</td>
</tr>
<tr>
<td>b. Receipts from, and returns to, members of the company in the financial year to which the operating and financial review relates in relation to shares held by them;</td>
</tr>
<tr>
<td>c. The impact of the company’s operations, policies, products and procurement practices in relation to employment;</td>
</tr>
<tr>
<td>d. The impact of the company’s operations, policies, products and procurement practices on the environment;</td>
</tr>
<tr>
<td>e. The impact of the company’s operations, policies, products and procurement practices on social and community issues;</td>
</tr>
<tr>
<td>f. The company’s performance, in the financial year to which the operating and financial review relates, in carrying out the policies mentioned in paragraphs (c) to (e); and</td>
</tr>
<tr>
<td>g. Matters not falling within the preceding paragraphs which affect, or may affect the company’s reputation</td>
</tr>
</tbody>
</table>
### Tesco and workers’ rights in South Africa

ActionAid’s 2005 research in South Africa shows that as Tesco has pushed down prices paid to farmers and demanded tougher supply conditions, the rights of thousands of casual women fruit pickers have been violated. Women working on farms supplying Tesco reported dangerous exposure to pesticides, lack of protective equipment, poverty wages, long hours, and increasingly insecure employment. Although Tesco has started to work with local organisations to address the problem, it has taken more than two years of campaigning to achieve this.

### Supermarkets use of palm oil and environmental degradation

Friends of the Earth’s research in South East Asia shows that the increasing establishment of palm oil plantations has resulted in deforestation, destroying the habitat of orang-utans and also leading to human rights abuses and violent conflict. Palm oil is used in one in ten supermarket products. But few British supermarkets have agreed to Friends of the Earth’s requests for them to adopt minimum standards to ensure their palm oil comes from sustainable, non-destructive sources.

### Gas flaring and pollution by Shell in Nigeria

Despite the legal prohibition of gas flaring in Nigeria since 1984, Shell has continued with this method of disposing of by-products of its oil-drilling activities, causing severe environmental and health problems for the people of the Niger Delta. Whilst Shell has committed to eliminating gas flaring in the Delta by 2008, this harmful activity has actually increased since 2003, and the company has repeatedly ignored orders issued by the Nigerian Government for it to pay compensation for the extensive environmental damage caused.
Section 172 – Duty to promote the success of the company

(1) A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

   (a) the likely consequences of any decision in the long term,
   (b) the interests of the company's employees,
   (c) the need to foster the company's business relationships with suppliers, customers and others,
   (d) the impact of the company's operations on the community and the environment,
   (e) the desirability of the company maintaining a reputation for high standards of business conduct, and
   (f) the need to act fairly as between members of the company.

(2) Where or to the extent that the purposes of the company consist of or include purposes other than the benefit of its members, subsection (1) has effect as if the reference to promoting the success of the company for the benefit of its members were to achieving those purposes.

(3) The duty imposed by this section has effect subject to any enactment or rule of law requiring directors, in certain circumstances, to consider or act in the interests of creditors of the company.
Section 417 – Contents of directors' report: business review

(1) Unless the company is entitled to the small companies exemption, the directors' report must contain a business review.

(2) The purpose of the business review is to inform members of the company and help them assess how the directors have performed their duty under section 172 (duty to promote the success of the company).

(3) The business review must contain—
   (a) a fair review of the company's business, and
   (b) a description of the principal risks and uncertainties facing the company.

(4) The review required is a balanced and comprehensive analysis of—
   (a) the development and performance of the company's business during the financial year, and
   (b) the position of the company's business at the end of that year, consistent with the size and complexity of the business.

(5) In the case of a quoted company the business review must, to the extent necessary for an understanding of the development, performance or position of the company's business, include:
   (a) the main trends and factors likely to affect the future development, performance and position of the company's business; and
   (b) information about—
      (i) environmental matters (including the impact of the company's business on the environment),
      (ii) the company's employees, and
      (iii) social and community issues,
      including information about any policies of the company in relation to those matters and the effectiveness of those policies; and
   (c) subject to subsection (11), information about persons with whom the company has contractual or other arrangements which are essential to the business of the company. If the review does not contain information of each kind mentioned in paragraphs (b)(i), (ii) and (iii) and (c), it must state which of those kinds of information it does not contain.

(6) The review must, to the extent necessary for an understanding of the development, performance or position of the company's business, include—
   (a) analysis using financial key performance indicators, and
   (b) where appropriate, analysis using other key performance indicators, including information relating to environmental matters and employee matters.

   • “Key performance indicators” means factors by reference to which the development, performance or position of the company's business can be measured effectively.

(7) Where a company qualifies as medium-sized in relation to a financial year (see sections 465 to 467), the directors' report for the year need not comply with the requirements of subsection (6) so far as they relate to non-financial information.

(8) The review must, where appropriate, include references to, and additional explanations of, amounts included in the company's annual accounts.

(9) In relation to a group directors' report this section has effect as if the references to the
company were references to the undertakings included in the consolidation.

(10) Nothing in this section requires the disclosure of information about impending developments or matters in the course of negotiation if the disclosure would, in the opinion of the directors, be seriously prejudicial to the interests of the company.

(11) Nothing in subsection (5)(c) requires the disclosure of information about a person if the disclosure would, in the opinion of the directors, be seriously prejudicial to that person and contrary to the public interest.
## Appendix Eighteen – Interactional nature of the forms of work instigated by CORE and the Government

<table>
<thead>
<tr>
<th>Phase</th>
<th>Agenda Setting</th>
<th>Policy Passage</th>
<th>Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CORE Campaign Objectives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political work</td>
<td>Pluralistic approach</td>
<td>Advanced ESV Approach</td>
<td>Adoption of CSR legislative standards</td>
</tr>
<tr>
<td><strong>Forms of work adopted</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Action</td>
<td>Political work</td>
<td>Political work and Disruption work</td>
<td>Maintenance work</td>
</tr>
<tr>
<td>- Three PMBs launched</td>
<td></td>
<td>Early day motions</td>
<td></td>
</tr>
<tr>
<td>- Responses to the Steering Committee Recommendations and the first White Paper</td>
<td>PMB entered to House of Commons</td>
<td>First letter writing campaign initiated</td>
<td>Informing supporters of outcome</td>
</tr>
<tr>
<td>- Amendments in Houses of Parliament</td>
<td>Response to Second White Paper</td>
<td>Response to abolition of OFR</td>
<td>Lobbying the Government to produce clear Directors’ Duties guidance</td>
</tr>
<tr>
<td>- Production of vague report guiding new Directors’ Duties</td>
<td>Publicity campaign regarding passage of the Companies Bill through parliament</td>
<td>Production of two white papers</td>
<td>(Limited) Maintenance work</td>
</tr>
<tr>
<td>- Production of vague report guiding new Directors’ Duties</td>
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<td></td>
<td></td>
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</tbody>
</table>

Form of work adopted and actions by the Government

<table>
<thead>
<tr>
<th>Form of work adopted and actions by the Government</th>
<th>Enlightened Shareholder value</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Publication of two white papers</td>
<td></td>
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<tr>
<td>- Publication of draft OFR clauses</td>
<td></td>
</tr>
<tr>
<td>- Approval and subsequent abolishment of OFR</td>
<td></td>
</tr>
<tr>
<td>- Approval of the Companies Bill</td>
<td></td>
</tr>
<tr>
<td>- Production of vague report guiding new Directors’ Duties</td>
<td></td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Suppression work</th>
<th>Refutation work</th>
<th>Subdual and marginalisation work</th>
<th>Justification and acclamation work</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Conscious decision to not respond to, or integrate, any of CORE’s pluralistic proposals in the agenda setting process</td>
<td>- In response to the parliamentary and public attention CORE’s campaign attained, the Government actively responded to CORE’s proposals. In doing so, the Government quelled the majority of CORE’s claims. However, minor concessions were offered after specific CORE proposals were diluted and embedded in the Act</td>
<td>- Justification of its decision to reject the majority of CORE’s final amendments</td>
</tr>
<tr>
<td></td>
<td>- Proceeded to promote ESV based policies</td>
<td></td>
<td>- Celebration of the minor concessions CORE achieved</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Celebration of the Act as a ground-breaking movement in CSR legislation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Further rejection of CORE’s actions aimed at the production of clear Director’s Duties guidance</td>
</tr>
</tbody>
</table>
ACKNOWLEDGEMENTS

In November 2011, when I first approached Brendan to enquire about undertaking a PhD, I was oblivious to all that was ahead of me. Looking back now, I describe the process as an arduous one that involved continuous ambiguity, doubt, and uncertainty. I unwittingly underestimated the challenges of undertaking a four-year project but what I experienced has helped me develop both personally and professionally in ways I never imagined possible. I am immensely proud to be able to look back on my time in Amsterdam with fondness, but also with a sense of great satisfaction.

While a PhD thesis is an independent piece of work, this book would not be in your hands today without the assistance of a number of special people. I would like to first offer my sincere thanks to my supervisor Brendan. Brendan, you have been an incredible support to me over the past 5 years and I will be forever indebted to you for the commitment and time you have invested in my work. It is impossible for me to adequately acknowledge on this page for all that I have learned working under your tutelage. Your commitment in the face of never ending disappointment and despair as both a Derby County and Offaly supporter makes your efforts all the more impressive! I would also like to thank Mary Canning, who kindly agreed to act as co-supervisor of my PhD from 2015 and my master thesis supervisor Elaine Hutson. To Mary, thank you for always finding time to meet with me, respond to e-mails, and offer comments on my work. To Elaine, I will never forget that coffee we had in the café of Smurfit Business School in November 2011 and the moment you encouraged me to contact “a Professor of Accounting in Amsterdam by the name of Brendan O’Dwyer’. It truly was a conversation that shaped both who and where I am today; thank you for taking the time to talk me through my options on that day, and, most importantly, for recommending an accounting career over a management one!

My time in Amsterdam, combined with the ‘burdensome’ task of attending conferences across Europe, North America and Australasia, allowed to meet and befriend a number of wonderful people. While it is a distinct challenge to name you all here, there are a few I cannot go without acknowledging (mainly for fear of reprisal!). To my ‘gig-buddy’ Niamh, our many nights in Paradiso, Melkweg, and Mulligans represent some of my most enjoyable experiences in Amsterdam. Thank you for your support and being a fantastic friend. To my ‘movie-buddy’ Rui, I will always remember how welcoming you were to me in Amsterdam.
To Annika, Richard, and Rob, I unashamedly look forward to many more years of (post-)conference beers and laughs. To Mario, Helena, Jort, and Nan, my PhD peers at the University of Amsterdam, I will always remember the many conversations we had (mainly about sandwiches) to breakup our days. I would also like to thank all the colleagues I worked with at UvA, especially Vincent and Georgios, and to the many friends who took time to visit me, especially Brian, Laura, Tiernan, Ruairi, Niall, Brian and Sue.

The final stages of my PhD were completed in Sydney. I would like to thank my new colleagues at UNSW for welcoming me so warmly into the School of Accounting, especially Clinton and Paul who have been incredibly generous with their time, not only in supporting the work in these pages and but also helping me settle into life in Australia. Now that this book is finished, I hope to have the time to find a rugby league team to support that isn’t the Roosters! I must also thank Maude, Emma, and Rina; in a very short space of time, you have become great friends, and Roel for your support as a colleague in Amsterdam and now as a friend working for a ‘competing institution’ in Sydney.

Finally, I would like to offer my thanks to my family. I have always tended to dodge questions surrounding what exactly my PhD entailed on visits home – I assume by now you have read the preceding 250-plus pages and I will be able to quiz you on their contents! To Kieran, your visits were always a welcome distraction and a reminder that family was not so far away. Thank you for not getting into (too much) trouble in Amsterdam! To Maria, you are an inspiration to me and I am extremely proud to call you my sister. Jayden and Sophia are incredibly lucky to have you as their mum. To my Mam, you have jokingly stated that ‘we have different opinions on everything’. I think when you read these pages you will realise that this is not entirely true. The past years have made me realise where I get my activist tendencies from and the way in which you freely speak your mind about difficult and controversial topics is inspiring to me. Lastly, to my Dad, you have been an incredible pillar of support throughout my life. I can’t thank you enough for the encouragement you have always offered me and the trust you have placed in me. We speak often about the first time we drove to Dublin to start my undergraduate degree in UCD and how it seems surreal that that day is now more than ten years ago. I also remember the first time I told you I planned to undertake a PhD to which you responded with shock when I said ‘four more years of university’. With this book you can rest easy, my life as a student is now complete – however you may need to wait a little longer before ‘financial payback’ occurs.
Belangenorganisaties hebben middels betrokkenheid op organisatorisch en institutioneel niveau van oudsher een prominente rol gespeeld in het vormgeven van beheer- en rapportagepraktijken op het gebied van maatschappelijk verantwoorden (MVO). De afgelopen jaren hebben belangenorganisaties de aard en inhoud van hun betrokkenheid zien groeien door (1) te pogen de opkomst van institutionele MVO-kaders te beïnvloeden en (2) middels directe betrokkenheid een verhoogde nadruk te leggen op het kritisch bekijken van de wijze waarop organisaties MVO-kaders implementeren. Middels deze handelingen hebben belangenorganisaties getracht de adoptie van MVO management- en rapportagepraktijken te sturen met het oog op het beter afleggen van verantwoording (accountability) door organisaties voor de sociale en milieu-impact van hun economische activiteiten.

Dit proefschrift bestaat uit drie onderzoeksartikelen welke zijn gebaseerd op twee casestudies. De casestudies onderzoeken hoe twee invloedrijke belangenorganisaties hebben getracht de aard en inhoud van MVO-beheer- en rapportagemechanismen binnen organisaties in het Verenigd Koninkrijk en Nederland vorm te geven. Het toegepaste theoretisch kader in de onderzoeksartikelen is gebaseerd op de door Bourdieu geformuleerde ‘theorie van de praktijk’ (theory of practice), de begrippen ‘strategische frames’ (strategic frames) en ‘frame resonantie’ (frame resonance), en ‘institutioneel werk’ (institutional work). Het proefschrift biedt een aantal empirische bijdragen door het verdiepen van onze kennis over de rol die belangenorganisaties spelen door hun betrokkenheid op organisatorisch en institutioneel niveau en de rol van accountancy daarin. Ook biedt het proefschrift een aantal theoretische bijdragen door de toepassing van de eerder genoemde theoretische kaders binnen de wetenschappelijke literatuur op het gebied van accountancy en organisatiekunde te bevorderen.