



Transparency of sustainability information in local governments: English-speaking and Nordic cross-country analysis



Andrés Navarro Galera^a, Araceli de los Ríos Berjillos^{b,*}, Mercedes Ruiz Lozano^{c,1}, Pilar Tirado Valencia^{c,1}

^a Financial Economics and Accounting, University of Granada, Spain

^b Business Organization Area, University Loyola Andalucía, c/Esritor Castilla Aguayo 4, 14004 Córdoba, Spain

^c Financial Economics and Accounting, University Loyola Andalucía, c/Esritor Castilla Aguayo 4, 14004 Córdoba, Spain

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ABSTRACT

This paper analyses the practices of disclosure of sustainability information by European local governments, with specific reference to the websites of major European cities, classed as Anglo-Saxon (English-speaking) or Nordic, according to the prevailing administrative culture. The empirical results obtained show that the local governments analysed are using their websites to disclose information regarding sustainability policies, a trend that is more pronounced in the Anglo-Saxon countries than in the Nordic ones. Our conclusions show that the respective traditions of these countries may influence their development of practices of transparency and accountability with respect to sustainability. We have identified some steps to improve the transparency about sustainability in local governments, and have designed a model sustainability report, identified the types of stakeholders and studied their information needs.

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1. Introduction

Since the 1990s, government agencies have endeavoured to innovate, advance and transform the delivery of public services by means of new information and communication technologies (ICTs) (Wimmer, 2002), and to acquire a better understanding of the demand for these services (Lenk, 2002). In this process of innovation, e-government is a major initiative which, through the internet, improves relations between citizens and public organisations, by promoting transparency in the provision of information (Hui and Hayllar, 2010), thus promoting confidence in public institutions.

Diverse authors (Bertot et al., 2012; Wattal et al., 2010; Hean et al., 2009; Bakardjieva, 2009) have concluded that e-government allows citizens to play a more active role in public affairs, through the increased transparency of public agencies towards taxpayers, voters and public service users, who wish to be informed about the activities of public bodies and their contributions to environmental, social and economic development.

This situation has given rise to what has been termed e-democracy, with enhanced bidirectional communication between

public managers and citizens; the latter thus participate in governmental decision-making, on the basis of their knowledge of the contribution made by government policies to environmental, social and economic development (Rodríguez et al., 2007; Shuler et al., 2010).

In this framework of producing government information for the benefit of the population concerned, the question of the sustainability of public policies is currently one of the most innovative aspects of the democratic relationship between governing bodies and the population, for three reasons. Firstly, in recent years international bodies such as the EU, the US Agency for International Development, the Center for Strategic & International Studies, the OECD, the UN and the World Bank have advised governments to adopt social responsibility practices, informing citizens about the sustainability of their actions in environmental, social and economic fields (EU, 2012, 2011; U.S. Agency for International Development, 2011; Center for Strategic and International Studies, 2010; World Bank Group, 2007; OECD, 2001, 2006). In particular, the Renewed EU Strategy for 2011–2014 (EU, 2011) stresses that governments should enhance the visibility of their social responsibility practices, making them known to the public at large. Similarly, the UN Economic and Social Council, in its new paradigm of open government, advocates e-government as a means of communicating the innovative practices being implemented, such as the sustainability of public policies (CSR Europe, 2010).

* Corresponding author. Tel.: +34 957 22 21 33.

E-mail addresses: angalera@ugr.es (A. Navarro Galera), arios@etea.com (A. de los Ríos Berjillos), mruiz@etea.com (M. Ruiz Lozano), ptirado@etea.com (P. Tirado Valencia).

¹ Tel. +34 957 22 21 00.

Secondly, this interest among international organisations in government environmental and social sustainability is accompanied by increasing demands from stakeholders for public bodies to be aware of their social responsibility and to recognise the growing need for information about governmental sustainability (Coglianese, 2009; Wihlborg and Palm, 2008). In this respect, Crane et al. (2008) and Shepherd et al. (2010) concluded that public bodies are taking increasing interest in their sustainability commitments as a means of restoring citizens' confidence in public authorities.

Thirdly, very little previous research has been carried out regarding governmental sustainability (Dumay et al., 2010), although a few interesting papers have been published, such as those by Gray (2006), Guthrie and Farneti (2008), Marcuccio and Steccolini (2009), Farneti and Guthrie (2009), Mussari and Monfardini (2010), Guthrie et al. (2010), Navarro et al. (2010) and Williams et al. (2011). These studies, in general, conclude that sustainability is now a key concept in the modernisation of relations between governments and their citizens; however, the lack of practical experience in this field means that further research is required on how to promote information disclosure about governmental social responsibility, so that stakeholders may be better informed.

Consequently, the findings of academic publications and the statements made by international organisations underpin the interest and timeliness of investigating the practices of informative transparency about governmental sustainability. To do so, and following authors such as Akesson and Edvarsson (2008) and Navarro and Rodriguez (2011), the prevailing administrative and organizational culture in each country studied must be taken into consideration.

In this setting, the present paper aims to study the informative transparency on sustainability in European local governments, conducting a comparative analysis of the websites of Anglo-Saxon and Nordic governments to determine the influence of countries' administrative culture on practices of disclosure of sustainability information.

2. Disclosure of sustainability information by governments

In recent years, there has been greatly increased public awareness that economic growth must go hand in hand with development that is socially and environmentally sustainable (Gore, 2006; Stern, 2006). In response to this strengthening tide of opinion, the public sector is taking a more active role in promoting the practices of Corporate Social Responsibility (CSR) or sustainability.

Bebbington et al. (2008) reported that informing citizens about sustainability can provide public organisations with mechanisms enabling them to reflect on who they are and what they want to achieve, as a solid foundation for future actions. In this respect, Lamprinidi and Kubo (2008) associated the reasons why public bodies should provide information about sustainability with the ideals of accountability.

To justify the implementation of sustainability-promoting practices, various theoretical bases may be used. Nevertheless, they are generally addressed in terms of Legitimacy Theory (Marcuccio and Steccolini, 2009) or of Stakeholder Theory (Deegan, 2002; Gray, 2006). Legitimacy Theory observes the actions taken by managers, usually through information disclosure, aimed at changing perceptions of government in order to increase the legitimacy of its actions and existence. In local governments, high levels of debt and deficit often result in financial crisis. In such a situation, to maintain or restore legitimacy, or in response to the demands and needs of stakeholders, governments could become more transparent about the sustainability of their actions, as suggested by Marcuccio and Steccolini (2009) on the basis of Legitimacy Theory and Stakeholders Theory.

In line with these principles, leading international organisations have issued statements on the need for governments to disclose their commitments to environmental, social and economic sustainability (Breibarth et al., 2009). The EU Council Resolutions of 29 November 2001 and 10 January 2003 observed the need to incorporate CSR principles into its own administration. Moreover, as part of its Lisbon Strategy, the EU committed itself to encouraging public sector organisations to develop an appropriate structure for the adoption of sustainable development strategies and patterns of behaviour (Mazzara et al., 2010).

In a subsequent initiative, the renewed EU Strategy for 2011–2014 (COM, 2011-681) affirmed the importance of the public administration demonstrating its social responsibility and aiming to incorporate environmental criteria into public procurement practices. Moreover, it highlighted the importance of publicising CSR practices through the disclosure of their commitments (EU, 2011). In parallel, the EU (2012), the US Agency for International Development (2011), the Center for Strategic and International Studies (2010), the World Bank Group (2007), and the OECD (2001, 2006) have advised governments to adopt sustainability practices in environmental, social and economic matters.

The burgeoning interest in sustainability reporting has led to the publication of international guidelines for the disclosure of sustainability commitments, aimed at facilitating the disclosure of information by public bodies on social, environmental, ethical and governance issues, useful to a broad range of stakeholders (Dumay et al., 2010; Martinov-Bennie and Hecimovic, 2010). The most important of these guidelines have been developed by the OECD (2006), the World Bank Group (2007), AccountAbility (2008a, 2008b), the UN Global Compact (2009), and particularly, the document published by the Global Reporting Initiative (GRI, 2006). For the specific use of government organisations, the GRI published a pilot guide (GRI, 2005), the Supplement for Public Agencies, which has been revised and updated (GRI, 2010). Various authors have concluded that the GRI currently enjoys greatest international acceptance regarding sustainability reporting by public agencies, and that its recommendations constitute a fundamental model for this type of publication (Canyelles, 2011; Tort, 2010; Benhart, 2009; Chen and Bouvain, 2009).

However, according to Dumay et al. (2010), to date little research attention has been paid to the question of CSR within public organisations; similarly, little has been published regarding the sustainability of public organisations, as has been documented by Frost (2007), Mussari and Monfardini (2010) and Navarro et al. (2010). One group of studies (Coglianese, 2009; Wihlborg and Palm, 2008) has highlighted the increasing demands by stakeholders for public bodies to exercise greater social responsibility, in view of the growing need for information on governmental sustainability. This has led authors such as Shepherd et al. (2010) to conclude that public agencies are increasingly interested in publicising their commitments in the field of sustainability, in response to insistent demands by stakeholders for more information in this respect.

In a second group of papers, authors such as Guthrie et al. (2010) argue that sustainability is a key element in managing contemporary public organisations, and that it should play a crucial role in public service provision. Others – including Guthrie and Farneti (2008), Farneti and Guthrie (2009), Mussari and Monfardini (2010) and Navarro et al. (2010) – have concluded that the scant number of empirical studies and practical governmental experiences in the field of sustainability means that further research is needed into how to promote greater information disclosure to stakeholders concerning governmental social responsibility.

With respect to the new role of ICTs in governments' communication with citizens, an important statement was made by the UN Economic and Social Council (UN, 2009). According to the new

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