



Politicizing the expertise of the accounting industry in the realm of corporate social responsibility[☆]

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A B S T R A C T

The accounting industry plays an important role in the production and implementation of accountability mechanisms surrounding corporate social responsibility practices. Operating as both politicians and implementers of knowledge (Gendron, Cooper, & Townley, 2007), the expert activities of accountants are never purely technical. This paper focuses on the mediating role of accounting firms and professional bodies in aligning the socially responsible practices of organizations with the rational morality of the market. I show that the construction of the market as a moral marker of socially responsible action is the result of a major effort of rationalization aimed at justifying the emergence of a social and moral conscience in business, not in the name of subjective feelings or human values, but in the name of an economic and depoliticized logic of profitability. Drawing on the political analysis of Latour (2004) [*Politics of Nature: How to Bring the Sciences into Democracy*] and his metaphor of the 'modern constitution', I view the economicization of corporate social responsibility as symptomatic of the power imbalance between the world of humans and the world of objects governing the political structure of contemporary society and weakening democratic activity.

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Introduction

'Socially responsible' practices and attitudes have become crucial markers of identity in a growing number of organizations, not only among the business community, but also in the eyes of public opinion and policy-makers alarmed by the increasing number of social and environmental scandals (Power, 2007).

As a result, many initiatives aimed at bringing together leading political and economic actors have emerged in recent years in a bid to standardize and certify socially responsible practices (Sahlin-Andersson, 2006). For example, the United Nations World Pact, which includes

thousands of firms and private organizations, commits its signatory companies to align their operations and business strategies with ten universally accepted principles relating to human rights, labor laws, the environment and the fight against corruption. In a similar, albeit more normative, vein, the AA1000 standards defined by the British Institute for Social and Ethical AccountAbility aims to provide a framework of reference enabling companies to define their objectives in the realm of social and ethical performance and to initiate a dialogue with stakeholders.

The accounting industry plays an important role in the production and implementation of these (more or less) restrictive regulatory mechanisms (Hopwood, 2009). By absorbing social and environmental auditing within its field of expertise, the accounting industry has established itself as a key player in this area (O'Dwyer, 2011; Power, 1997). Out of a total sample of 2113 companies showing evidence of social and environmental performance results, Simnett, Vanstraelen, and Wai Fong (2009) found that 42%

[☆] I am grateful for the insightful comments provided by David Cooper, Sylvain Durocher, Yves Gendron, Henri Guénin-Paracini and Mike Power. I am also grateful for the comments made by the participants at the IPA 2009 Emerging Scholars Colloquium.

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of those which resorted to independent certifications employed the services of accounting firms. Though less visible, the influence of auditors in international social and environmental certification bodies should also not be underestimated. For example, under the patronage of the Prince of Wales, the Accounting Bodies Network (ABN) operates as a group of powerful actors (composed of professional associations, big four firms and private sector enterprises) drawn from across the globe and brought together 'to use their collective spheres of influence to promote A4S (The Accounting for Sustainability Project) and the use of connected reporting to their members and communities'.

However, it would be an illusion to think that the engagement of the industry is purely technical. As noted by Gendron et al. (2007, p. 127), the mobilization of expertise invariably involves particular ideological and interested views:

Expertise is always interested, with intended effects. It is produced to support the aims of some members of society, and not of others.

Drawing on the work of Latour (2004) [*Politics of Nature: How to Bring the Sciences into Democracy*], this paper examines the mediating political role of the accounting industry in aligning the socially responsible practices of organizations with the rational morality of the market. The paper begins by highlighting the market-based system of representation used by accounting firms and professional bodies to instrumentalize and economicize corporate social responsibility as an apolitical object of risk. Secondly, the paper examines the 'mediating' role (Miller & O'Leary, 2007) of the accounting industry in connecting this system of representation with the management systems of organizations. Finally, the paper discusses the effects of this mediation on democratic activity.

By adopting a political perspective, the paper paves the way for a critical examination of the legitimacy of the operations performed by the accounting industry in the area of corporate social responsibility (CSR) – an examination voluntarily 'set aside' by Power in his 1997 paper (p. 142), entitled *'Expertise and the construction of relevance: accountants and environmental audit'*:

I have attempted to set aside questions of whether the involvement of accountants [in social and environmental audit] is a good thing, despite a few critical reference points, in order to analyse the discursive strategies by which accounting know-how is promoted.

Since accountants, and in particular auditors, operate as both politicians and implementers of knowledge (Gendron et al., 2007), their legitimacy and the underlying political nature of their expertise represent a central issue that needs to be examined and questioned. Research in this area is particularly important at a time when the democratic potential of elected governments to define the regulatory framework of society is increasingly challenged by powerful international accounting firms with a power and influence sometimes greater than states (Sikka, 2008; Suddaby, Cooper, & Greenwood, 2007). In other words, the main contribution of this paper is not to show how

the accounting industry has imposed its expertise in the realm of CSR (Power, 1997), but to analyze the political effects of this professional expansion. The political agency of global and globalizing experts should not go unchecked by society: the stakes involved are too high to promote unconstrained freedom on the grounds of faith in professionalism or the effectiveness of the invisible hand.

At a theoretical level, this study combines traditional dimensions of discourse analysis (Hall, 1997) with more recent aspects of the 'engaged program' (Sismondo, 2007) in the field of science and technology studies, where politics is construed as a full-fledged object of critical investigation and reform rather than a simple analytical lens used to account for the production of experts' knowledge. Without any programmatic statements, the center of gravity of the field has gradually shifted in recent years, turning the democratization of systems of expertise into an object of research (not to say *the* object of research)¹ (Callon, Lascoumes, & Barthe, 2001; Collins and Evans, 2002; Jasanoff, 2005; Latour, 2004). From Jasanoff's (2005) concept of 'civic epistemologies' to Collins and Evans's (2002) normative theory of expertise, this shift has involved a range of different perspectives. In this paper, I approach the topic from the perspective of Latour's political analysis and his metaphorical concept of the 'modern constitution' (Latour, 2004). I show how the economicization process of CSR is symptomatic of the power imbalance between the world of humans and the world of objects structuring contemporary societies.

As noted by Hopwood (2009, p. 439), 'being at such an early stage of our understanding [of the role of accounting in the environmental and sustainability spheres], both the opportunities and need for research are very real'. This paper provides a basis for extending beyond apolitical understandings of instruments and models designed by the accounting industry to help companies measure and control their social performance and for highlighting the political significance of environmental and sustainability issues in the corporate sphere. I analyze the involvement of accounting firms in the realm of business sustainability not from a technical point of view (i.e. in relation to the efficiency of their structures) but from a political perspective, in relation to the constant effort of auditors to respond to political 'pressures for the rationalization [and] formalization of the audit process' (Power, 2003, p. 392). Despite a number of 'counter-mainstream' studies in the literature, the political dimension of auditing remains under-theorized and under-researched (Humphrey, 2008; Power, 2003). Lastly, this paper is designed as a response to continuing calls for researchers to extend examinations of the complex backstage of new arenas of expertise in the field of accountancy and to understand their underlying dynamics (Gendron & Spira, 2010; O'Dwyer, 2011).

Constructivism and the politics of expertise

Although the political elites continue to exercise the formal power associated with their official mandates,

¹ An ambiguous shift for an originally constructivist line of thought increasingly marked by the prescriptions of normative policies.

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