Exploring the use of Social and Environmental Performance Indicators by European companies

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Abstract

This study explores the use of Social and Environmental Performance Indicators (SEPIs) by European companies, starting from the premise that little is known about how companies internally plan, implement, and monitor their Corporate Social Responsibility (CSR) initiatives. More specifically, given the increasing critiques raised against companies' CSR practices and the related CSR-washing debate, this study investigates the extent to which firms use SEPIs by distinguishing between internal (i.e., decision-making and control) and external (i.e., disclosure) types of use. It also examines the organizational factors associated with such different uses (namely, size, industry, and compliance to social or environmental certification standards). Empirically, the study is based on a survey conducted across a sample of 129 European firms. This work contributes to the social and environmental accounting literature by collecting and analyzing large-scale empirical evidence that provides a better understanding of the relationships between external and internal uses of indicators, as well as of the influence of firm characteristics on such uses, across both the social and the environmental dimension of the CSR domain.

Keywords: social and environmental performance indicators, control, decision-making, external disclosure, CSR-washing.

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Summary

(www.sidrea.it/social–environmental–performance–indicators)