DE LA CEREMONIE COMPTABLE DANS LES RAPPORTS DEVELOPPEMENT DURABLE

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Titre en français :

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ACCOUNTING CEREMONY IN CORPORATE SOCIAL REPORTS

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Résumé :
Malgré la quantité désormais importante des informations sociétales diffusées, la plupart des rapports développement durable sont peu crédibles, conduisant à un questionnement sur leur qualité. Des recherches antérieures ont exploré certains déterminants des pratiques de divulgation sociétale. Chaque étude a développé son score à partir de mesures de niveau (quantité et catégories), de nature, de sens (positif ou négatif) ou d'auditabilité des informations diffusées (Gray *et al*., 1995; Cormier & al., 2005). La présente recherche développe un score de mesure des informations RSE fondé sur le respect apparent des principes comptables traditionnels. L'idée développée est que les firmes cotées tendent, pour crédibiliser les rapports RSE, à leur appliquer un vernis comptable qui s'apparente à un « cérémonial ». Une analyse empirique des pratiques du SBF 120 conduit à comparer deux modèles explicatifs de cette cérémonie comptable : un modèle institutionnel pur et un modèle institutionnel et économique. Le cérémonial comptable des RDD parait mieux s'expliquer par une approche exclusivement institutionnelle des stratégies de communication RSE.

Mots clefs : cérémonie comptable ; responsabilité sociale ; indice de qualité ; approche institutionnelle

ACCOUNTING CEREMONY IN CORPORATE SOCIAL REPORTS

Abstract :
Despite the great amount of CSR disclosures, most of the 'sustainability reports' are of poor credibility, raising the question of their quality.
Previous research has investigated some determinants of corporate social responsibility (CSR) reporting relying on scores of social or environmental disclosures. Each study uses different scores with reference to the level, the nature, the signification, or the auditability of the information disclosed (Gray *et al*., 1995; Cormier & al., 2005). The present study proposes to develop an integrated frame to analyse CSR reports based upon common reporting principles. We develop the idea that endeavours of the firm to make CSR reporting as credible as financial reporting by the use of the same implicit principles is a signal of "accounting ceremony". By the way of a multivariate data analysis on the French SBF 120 Stock Index, we confront two models, an institutional model and a mixed model with institutional and cost-benefit framework variables. The institutional model appears to be of higher significance.

Key words: accounting ceremony; corporate responsibility; score of quality; institutional approach

1. Introduction

Corporate social disclosures spread increasingly among major companies in these recent years. Not that corporate social responsibility is something new, but formal and thorough reports undoubtedly are.

Corporate social reporting deals with social and environmental effects of work activities (Capron and Quairel, 2004). It can be displayed within the annual report or in a distinct "sustainable report". France is commonly considered to be a "code law" country. In this respect, it shall be noticed that two main laws deal with corporate social reporting : since 1977, larger firms than 300 employees are required to display a "*bilan social*" (social balance sheet) ; and since 2001, all listed companies are required to account for social and environmental effects of their activities. This second law (known as "NRE" law) is presumed to open a new era for CSR reporting in France. However, these laws do not induce formal sanctions yet and thus, it is not relevant to consider that they explain all the present trend in CSR. Hence, CSR reports can still be considered as voluntary disclosures.

Our paper proposes a framework to understand the evolution for CSR reporting by exploring the design and the determinants of its quality.

Prior research works investigate the main categories of determinants within a cost-benefit framework (Cormier and Magnan, 1999; 2003) and a stakeholder approach / legitimacy framework (Gray et al. 1995; Cormier et al., 2005; Aerts et al. 2006). These fundamental empirical studies gave new perspectives to analyse social or environmental reporting in developing methods of scoring for this reporting instead of counting words as commonly used in previous empirical studies (for example, Brown and Deegan, 1998). Our study tries to expand this kind of approach within an organizational theory framework, particularly that of Meyer and Rowan (1983).

The remainder of the paper is organized as follows. Section 2 briefly reviews the theoretical backgrounds for the quality of CSR reporting and mainly focused on the institutional theory that we adapt to the specificity of CSR reporting. Section 3 provides a description of the study's methodology. Section 4 presents our empirical findings. Section 5 proposes our concluding discussion and proposes some further research.

2. The institutional perspective of accounting ceremony

2.1. Defining quality by the lens of "accounting ceremony"

When we speak about "quality" of the disclosures on the management behaviour concerning environmental and social externalities, we have to be very cautious. As mentioned above, our research work focuses on the appearance of quality, in relation to the role of accounting myth and ceremony. One specific stakeholder might not agree with this focus on "appearance" and shall advocate that quality is based upon effective management consciousness[1].

Accounting is commonly presumed to transform events in organizations so that it makes thing calculable and thus governable (Miller and O'Leary, 1994). In order to enhance its legitimacy, accounting data and reports comply with admitted standards for any good information: it has to display some major features such as relevance, reliability, comparability and understandability (IASB).

The appearance of relevance deals with the ability of reporting to meet users' needs. As users of CSR are quite heterogeneous and ambiguous, sustainability reporting must explicit who are the stakeholders that the firm gives concern. The appearance of reliability deals with the idea that the organization does not present only discourses of political intents but factual data that any internal person could testify with an adapted information system. The appearance of comparability entails to give explicit details on the covered area and to report the same data for previous years or to present some external benchmarks. At last, the appearance of understandability deals with the release of the standards used or at least the explanation of ratios and graphics. By the way, we accept the idea that the conceptual framework of accounting could shadow that of CSR reporting, as it is supported by other works (Solomon, 2000; GRI, 2002, 2006).

The visible compliance with these commonly accepted principles for good information is primarily considered in the present research to fulfil social expectations or to diminish suspicion and thus to function as a ceremony, based upon the myth of accounting rationale. We believe that the overall objective is that described within the institutional scope of Meyer and Rowan (1991, p.53):

> "*Organizations that incorporate societally legitimated rationalized elements in their formal structures maximize their legitimacy and increase their resources and survival capabilities*".

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[1] For example, employees would seemingly be much more interested in the fact that a company reveals that some non recognized risks are incurred by operational persons with potential future damage, whereas quality of reporting would consist of pointing out the fact the company is currently compliant with safety laws based on partial knowledge of chimic damages.

Corporate sustainability reporting has come to a new era. Now that most of the companies are aware of social expectations on the topic, developing disclosures quantity is not sufficient anymore. New requirements have emerged for transparency and high standard reports, embodied by numerous frameworks and organizations (Global Reporting Initiative, AccountAbility 21…). The corporate sustainability domain itself has become institutionalized. A feature of this institutionalization concerns the technologies it uses. Among tools of legitimacy (international standards, rules for a responsible management), high quality standards of reports emerge. The most used and recognized ones haved borrowed the design from accounting domain, and in doing so it has evolved towards higher perceived quality.

Modern society values rationality. Accounting myth is one of the most powerful tools of legitimacy by the means of common techniques and vocabulary (procedures, audit, reporting, accountability, transparency…).

Thus in this paper, we develop the concept of "accounting ceremony" to tentatively explain the recent evolution of sustainability reports towards more formalisation of communication that are claimed to be "reporting". To put it a nutshell, "accounting ceremony" is to identify the transposition and the application of visible criteria of accounting reports to another subject area (for example, CSR reports) and thus to benefit from the same implicit level of credibility. Most previous research works explicitly consider that monetary data are of higher quality because it avoids subjectivity (Gray et al. 1995; Cormier and Magnan, 1999, 2003).

Actually, we aim at capturing if "accounting ceremony" infuses among CSR reporting and which are the main determinants.

2.2. The determinants of accounting ceremony

The public need for corporate social responsibility has drawn much attention on sustainability management and institutional discourses around it.

The first pieces of information given about environmental and social impacts of the activity of the listed companies have been displayed within the usual annual report. According to a certain literature, the proximity of the qualitative discourse on CSR with financial data in annual reports implicitly entails some credibility for CSR reporting, sometimes considered as supported by ambiguity (Capron and Quairel, 2004), other times as an opportunity of "managing public impressions" (Neu *et al.* 1998).

However in France, listed companies are more and more numerous to display a separate sustainable report, apart from the annual report. One may consider that, in doing so, these companies are deprived of a costless credibility induced by the proximity of financial reporting and should incur new costs to ensure users of information with their level of quality. Accordingly, what are the reasons for a listed company to present a separate CSR report, that is to say of high visibility, whereas there is no consistent finding for its value relevance? (Capron and Quairel, 2004).

The search for economic performance is known to be only one of the multiple organizational goals, especially for the biggest ones. A large theoretical field has drawn much attention on institutional dimensions of organizational action and thus on the process of legitimatization. In this respect, formal structures of organizations and organizational behaviour can be loosely coupled (Meyer and Rowan, 1991). That is to say that organizations, particularly very institutionalized ones as listed companies are, can answer to public pressure with some rationale tools and vocabulary which however will not be really used to steer work activities.

Within this organizational theoretical framework, listed companies belong to an organizational field of institutionalization which urges them to use myths and ceremonies of rationality. When the firm voluntary chooses to display a sustainability report, standing alone from the annual report, it adopts a pro-active behaviour of corporate social reporting. In other words, sustainability reports are themselves signals for legitimacy consideration, whatever it is composed of. De Villiers and Van Staden (2006) show that the development of reporting goes hand in hand with an increase of separate reports[2].

The first hypothesis that we can draw out of this is that if listed companies make the choice to display a separate CSR report, they need to provide the users of the report with some insurance concerning the level of its quality. In this case, the use of the qualitative principles usually dedicated to accounting reports are presumed to be of higher strength in sustainability reports, as a proxy for using “accounting ceremony”. Our approach of quality is then quite new if we consider that much of the previous literature retains the number of pages dedicated to CSR as a significant signal from management of its engagement in social and environmental matters. This particular perspective of accounting ceremony in sustainability reporting instead of quantity of disclosures itself seems to be relevant in the French context for which CSR reporting is required since the NRE law but without any compulsory methodological standards of reporting.

The fact that a listed company discloses a separate CSR report instead of including a chapter within the annual report only reveals a pro-active behaviour in terms of communication dedicated to other

[2] The authors deal with developing countries in the article but the same statement can be used for developed ones.

potential users than only investors. This is consistent with a legitimacy perspective (Neu et al., 1998; Deegan, 2002).

Hypothesis 1 : Pro-active behaviour

Pro-active communicational politics in CSR reporting is positively linked with CSR disclosures quality. This hypothesis may be distinguished with two proposals.

- **H1a: Sustainability reports, when distinct from annual reports, are of higher quality than those presented within the body of annual reports.**
- **H1b: The higher the number of pages of CSR reporting, the higher the formal quality.**

There is also prior evidence to support that CSR reporting can contribute to characterize an organisational field, particularly that of an industry (Cormier et al., 2005; Aerts et al., 2006). Mimetic isomorphism is observed and companies tend to imitate leaders of their industry. In addition, sensitive industries are presumed to be more exposed and thus the firms concerned should afford more attention to meet the social needs around corporate social responsibility. Cho and Patten (2007) show that monetary data are more used in sensitive industries as a legitimising tool, specifically when financial condition is bad. This should urge firms to give explicit guarantees to large categories of potential users and to exhibit high level of formal quality. In consequence, we can assume effects of industry in two directions:

Hypothesis 2 : Industry effects

- **H2a: The level of quality of CSR reports tends to be of higher homogeneity within each industry.**
- **H2b: Firms in sensitive industries are presumed to exhibit higher level of quality in CSR reporting.**

Media visibility (also called “public media exposure”) is usually used as a proxy for public pressure. It refers to the intensity of the firm’s press coverage as a means to approach the strength of the legitimising forces on the firm (Neu at al. 1998; Aerts et al. 2006). Consistently with a stakeholders’ approach and the legitimacy theory, we may assume that a firm which is particularly exposed in the media is encouraged to reach social expectations in terms of transparency and high standard in reporting, especially in that dealing with corporate social responsibility. We voluntary take a different perspective for media visibility than Cormier and Magnan (1999, 2003) in the sense that we can not limit visibility in press media to environmental news because we consider CSR and not only environmental reporting.

Hypothesis 3: Media visibility

Media visibility is positively linked with the level of quality of CSR reporting.

Some empirical studies have formerly shown that some determinants have significant effects on the level of quality of environmental reporting (Cormier and Magnan, 1999; 2003). These determinants are mainly information costs and proprietary costs. Firstly, information costs are incurred by investors when they are obliged to gather specific data. When disclosing credible information, a firm downsizes these information costs. In other words, the level of information costs to be incurred by a firm should enhance its level of quality in CSR reporting. When information costs are high, the firm is encouraged to produce a corporate social report with visible features of quality, then adopting "accounting ceremony".

Hypothesis 4: Information costs

The level of information costs to be incurred by a firm enhances its level of quality in CSR reporting.

The capacity of the firm to incur proprietary costs is either assumed to be positively linked with CSR disclosures formal quality. With respect to major conclusions in prior studies, good financial condition is supposed to affect positively CSR reporting. That is to say that when in a good financial position, firms are more able to reveal damageable information. We may suppose that damageable information is strongly related to its quality, otherwise it would not be revealed.

Hypothesis 5: Proprietary costs

A firm's ability to incur proprietary costs enhances its level of quality of corporate social responsibility reporting.

These hypotheses reveal to a double perspective: CSR disclosures quality are to be explained by economic determinants and by institutional determinants as well. Indeed, the compliance to the NRE law in the French setting entails that CSR disclosures are required to compete for capting new investors in the capital markets. This particular context explains much of the economic determinants of the quality of CSR disclosures. By the way, all the endeavours by the quoted firms to ensure sustainability reports users that these are of high level quality compared to others within the industry or particularly when the firm has a great media visibility are assumed to reveal institutional determinants.

3. Methodological tools

The empirical investigation uses a multivariate regression analysis to compare two competing models : one model tries to explain CSR disclosures quality exclusively within an institutional approach whereas the second one uses a mixed model with an institutional and an economic framework (or cost-benefit framework).

3.1. sample

The original sample is composed of all listed companies comprised of the SFB120 Stock Index in Paris market place (Euronext). Out of these, 117 reports have been collected. Indeed, 3 companies did not present any sustainability disclosure in a downloadable report on their website or did not answer to our mailing. At the end, given the objective of the study, the sample was limited to the 98 companies that display environmental and social reporting, within the annual report or in a distinct sustainability report for the year 2004.

Among these 98 companies, we created a specific subgroup composed of the CAC40 stock index companies. Indeed, these firms are the most visible on the capital market and in the French society.

Most of the companies are French firms and thus have to comply with the specific French law (loi NRE 2001) since the year 2002. This law requires from firms to present the social and environmental consequences of their activity. Up to now, giving the fact that no sanction is encountered in case of non compliance, we consider that social and environmental disclosures are composed of mandatory disclosures but voluntary as well.

3.2. Dependant variable measurement : CSR reporting quality

The following model summarizes the approach to be adopted in the empirical analysis:

CSR reporting quality = f (Pro-active behaviour, Industry Effects, Media Visibility, Information costs, Proprietary costs, Control variables).

As mentioned above, quality of CSR reporting is defined in relation to the compliance of accounting principles for reporting. An original analysing guide has been elaborated to score the quality of the report in order to catch the main features revealed by the theoretical approach above in the paper. Indeed, none of the score indexes developed in previous literature could fit with our particular perspective. Even if some other research works use the term of "quality" to refer to the only characteristic of objectivity[3], we needed a more sophisticated guide using the main principles adopted in accounting in order to reveal images of accounting quality, that is to say accounting ceremony.

Each of the four major principles is composed of 3 items. Every item is scored (1) if the information is given, (0) otherwise. The precise score index is displayed in the **appendix.**

As some of the reports are 50 or more pages long and that all CSR is concerned comprising different kind of information, we have distinguished by categories used in previous empirical research (Ernst and Ernst, 1978; Gray *et al.* 1995). Mainly, these categories are: environment, business, human resources, community and products. We add to these the category "global" in order to score positively even when the principle is satisfied for all the other sub-categories at one time. The final score is an average aggregate of the scores for all the categories.

3.3. Explanatory variables measurement

In order to test the different hypotheses presented in section 2, we have gathered the following data. The following variables are used to test the institutional hypotheses:

- The type of report is coded « sustainability report » (1) if it is distinct from the annual report or (0) if it is presented within the annual report.
- The number of "pages" devoted to sustainability disclosures is collected as a proxy of managerial engagement to these topics and then as a proxy for pro-active behaviour in CSR.
- Media visibility: it is measured by the number of articles displayed in Europresse database for the year 2004. The variable is then recoded to (1) if it is superior to the median of the sample; (0) otherwise.
- Five types of industry are present in the sample: services; finance; manufacturing and distribution; energy and heavy industry; real estate and plant.

The next variables are linked to the cost-benefit framework:

- Information costs variables :
  - Independence : no investor has more than 25% of capital (1); (0) if not
  - Risk : beta
- Proprietary costs variables :

[3] We refer to the different works of Cormier and Magnan that measure quality using a index with greater weight for monetary data. The mark 1 is given when information is general ; the mark 2 is given when the information is specific and the mark 3 is for information given in monetary data.

- Profitability : ratio net profit / equity of the parent
- Leverage : Debt / stockholders' equity

Finally, the following control variables have been integrated to the analysis:

- Firm size : Log (Assets of consolidated accounts)
- Included in the CAC40 stock index coded (1); (0) otherwise.

4. Results

The following section displays the results of the descriptive analyses on the sample and then presents the two regressions models that have been tested to comparatively explain CSR reporting quality with institutional variables only or with institutional and economic variables in the same time.

4.1. Descriptive analyses

Table 1 reports mean and median statistics of all the variables used in the study. We may first of all notice that CSR reporting is of poor quality among the firms of the Stock Index SBF 120. The mean score is less than 6 out of a maximum of 20 (or less than 0,3 out of 1). 27% of the sample has chosen to display a sustainable report instead of reporting within the annual report. The mean of number of pages is around 27 but with a standard deviation of 30 pages, making the sample quite heterogeneous. 72% of the sample is "independent" in the sense that no stockholder has more than 25% of the equity.

Table 2 reports average scores of CSR reporting quality for each industry. Consistent with hypothesis H2a, it seems to be significant differences among industries ($F = 3.53$; $p<0.01$). Mean score for Energy and heavy industry is particularly high, even if the small sample for this industry (n=9) does not allow to take the result without restrictions.

Table 3 shows Pearson correlation matrix between all the variables of the study. Significant positive correlations with the dependant variables are observed for all the institutional variables and control variables, as opposed to cost-benefit framework variables. As expected, strongest correlations to CSR reporting quality are observed for a distinct sustainability report (0.55), number of pages (0.58), exposure in press media (0.29), activity of "energy and heavy industry" (0.312) and then for the control variables firm size (0.305) and CAC40 (0.387).

It is worth pointing out that some variables have a non expected sign: profitability (-0.134) and all the industries except for "energy and heavy industry" and for "finance". Another major different result compared to the literature is that "Firm Size" is not significant to CSR reporting quality.

At last, there is some overlap between some explanatory variables and control variables. Main problems concern Sustainability report that is significantly related to Pages (0.659) and Media Visibility to CAC40 (0.54). These results are however not surprising and consistent with our hypothesis (H1a and H1b) for the first observation. The second correlation is either logical because firms comprised within the CAC40 Stock Index are much more exposed in press media.

[Insert Table 1 about here]

[Insert table 2 about here]

[Insert table 3 about here]

4.2. Determinants of CSR reporting quality

Table 4 presents the results of the regressions for two competing models explaining the level of quality in CSR reporting. Model 1 aims at explaining CSR reporting quality, or in other words enforcement of "accounting ceremony", with only institutional related variables as retained in hypothesis 1, 2 and 3. However, control variables are also taken into account. Model 2 aims at mixing the two approaches discussed in section 2. On the one hand, information strategy is impacted by context-specific and firm-specific factors in an institutional approach. On the other hand, disclosure strategy is explained within a cost-benefit framework where corporate sustainability reporting is considered as a trade-off.

[Insert table 4 about here]

The statistic comparison between the two regressions leads to observe that Model 1 is more powerful to explain CSR reporting quality, as it is measured in this research. Each hypothesis is supported by a significant explanatory variable: Sustainable report for "Pro-active behaviour", the sensitive industry of energy and heavy industry for "context pressure". At least, control variables are not of much significance, except maybe for CAC40. At last, all the coefficients have the expected signs.

In model 2, variables of the cost-benefit framework have negative impact on the explanatory power of the mixed model. None of the variables for information costs and proprietary costs are significant. However, it is worth noting that two variables have a contradictory sign to what was predicted, independence and profitability. Thus these results are inconsistent with previous studies using a dominant cost-benefit framework and a different method of scoring CSR quality.

5. Conclusion

The results of the regression models urge to consider that CSR reporting strategy in terms of "accounting ceremony" is mainly explained by institutional forces than economic determinants, even if the NRE law makes CSR disclosures compulsory. These particular findings of the empirical investigation leads to consider that time has come for one of the only country where CSR reporting is mandatory to evolve towards a new theoretical frame.

5.1. Overview of findings and discussion

The objective of the research work was twofold. Firstly, we wanted to develop a tool for assessing CSR reporting quality based upon an integrated framework of analysis. The retained framework is consistent with previous research work, particularly that of Gray et al. (1995). We then have tried to expand it with an integrated frame, embodied by general reporting principles. Relevance of financial reporting framework for CSR reporting has already been underlined (Solomon, 2000; Gray, 2000, GRI, 2002, 2006). At the end, it is very important to consider that this evaluation tool, when used by an external user of CSR reporting, enables to capture not effective quality but appearance of quality of CSR reporting. More precisely, it enables to capture the endeavours of the firm to show patterns of quality, what we called "accounting ceremony". This perspective is of particular relevance for an institutional approach of reporting which reveals mimetic behaviour of firm in its environment.

Secondly, on the basis of this definition of CSR reporting quality, we expected to observe that institutional determinants were more powerful to explain CSR disclosure strategy than the cost-benefit framework determinants could be in this respect. The results tend to show evidence of the power of the former determinants. In other words and with respect to our hypothesis, we may consider that pro-active behaviour from listed firms in terms of visibility of their CSR reporting and pressures for sensitive industry enhances the firm to adopt formal rules of reporting for CSR and thus to avoid some conflicts. Accounting ceremony in CSR reporting gives some credibility. These results are consistent with a critical perspective on CSR claiming that legitimacy approach is of greater salience (Gray et al. 1995, Milne, 2002). Accordingly, we conclude that institutional pressures go hand in hand with the design of credibility for sustainability reporting. This design of credibility is partly achieved by the implicit compliance to an accounting design, revealing process of what we call "accounting ceremony".

5.2. Limitations and further research

A great limitation of the study is that we would like to compare the findings with other empirical studies of particular importance; however the parameters are very different. The main research works used dealing with reporting strategy in a European context are conducted in a former period, generally before 1995 whereas ours is for year 2004. Moreover, the static approach we have adopted does not allow to identify a trend or a "routine" that would have been particularly relevant in an institutional perspective. However, the French context is quite different since the NRE law for 2002 and the comparison with previous years would have induced other regulatory hypotheses.

Thus, further immediate research is linked to limitations of the scope of sample within each industry; a second step would be to compare the same methodology with a common law country to further explore all dimensions of institutional constraints for CSR reporting.

Appendix : Items of CSR reporting quality

Relevance	Reliability	Comparability	Understandability
-the main stakeholders and their needs are identified	- Majority of auditable data	- quantitative data are presented mostly for two successive year	- indicators are defined
-meeting with the stakeholders are mentioned	- presence of « bad news »	- industry or leaders benchmarks are proposed	- method and procedures of reporting are presented
-specificity of the industry and associated risks are pointed out	- a « big four » gives an opinion on the data	- the area covered by the data is given	-compliance to external reporting guidelines is claimed.

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Table 1. Descriptive statistics of variables

Statistics

	N Valid	N Missing	Mean	Median	Std. Deviation	Minimum	Maximum
CSR Quality	98	0	5,392619	4,848485	4,3913084	,0000	19,1453
Sustainable report	98	0	,27	,00	,444	0	1
Pages	98	0	27,11	14,00	30,211	1	160
Media visibility	98	0	,50	,50	,503	0	1
Independance	98	0	,72	1,00	,449	0	1
Risk	98	0	,695855	,750178	,4171093	,0000	1,6702
Leverage	98	0	,37	,39	,230	0	1
Profitability	98	0	,17	,09	,672	0	7
Firm size	98	0	6,66	6,66	,895	4	10
CAC40	98	0	,41	,00	,494	0	1
Services	98	0	,28	,00	,449	0	1
Finance	98	0	,13	,00	,341	0	1
Manufacturing and distribution	98	0	,37	,00	,485	0	1
Energy and heavy industry	98	0	,09	,00	,290	0	1
Real estate and plant	98	0	,13	,00	,341	0	1

Table 2. Sample firms’ average CSR quality scores by industry

		Services	**Finance**	**Manufacturing and distribution**	**Energy and heavy indutry**	**Real estate and Plant**	**Total**
N		28	13	35	9	13	98
Mean		**4,117**	**6,800**	**4,856**	**9,678**	**5,207**	**5,392**
Std. Deviation		3,944	4,158	4,313	4,632	3,996	4,391
Std. Error		,7454	1,153	,729	1,544	1,108	,4435
95% Confidence Interval for Mean	Lower Bound	2,588	4,287	3,374	6,117	2,792	4,512
	Upper Bound	5,647	9,313	6,337	13,239	7,622	6,273
Minimum		,000	,000	,000	5,000	,000	,000
Maximum		13,333	12,500	14,940	19,145	14,375	19,145

Table 3. Pearson cross correlation between variables

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
CSR Quality	1		,554**	,582**	,295**	,049	,136	,074	-,134	,305**	,387**	-,186	,126	-,092	,312**	-,017
Sustainable report	2			,659**	,231*	,008	,009	,069	-,067	,227*	,206*	-,164	-,031	,022	,209*	,038
pages	3				,331**	,093	,068	-,058	-,085	,477**	,514**	-,200*	,108	-,045	,289**	-,026
Media visibility	4					,114	,028	,005	-,111	,446**	,540**	-,023	,030	-,042	,177	-,090
Independance	5						,181	-,019	-,213*	,183	,187	,074	,039	,044	-,041	-,163
Risk	6							,207*	-,223*	-,064	,115	-,059	-,183	,156	,133	-,075
Leverage	7								-,147	-,032	-,094	-,054	-,152	-,082	,081	,271**
Profitability	8									-,064	-,086	-,083	-,013	,122	-,037	-,019
Firm size	9										,572**	-,196	,233*	-,056	,051	,061
CAC40	10											-,094	,042	,056	,095	-,080
Services	11												-,241*	-,470**	-,196	-,241*
Finance	12													-,298**	-,124	-,153
Manufacturing and distribution	13														-,242*	-,298**
Energy and heavy industry	14															-,124
Real estate and plant	15															

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

Table 4. Regression results between CSR quality and its determinants

Explanatory variable	Prediction	Model 1 Institutional model	Model 2 Institutional and cost-benefit
Intercept		2.453 (0.797)	1.553 (0.468)
Pro-active behaviour			
Sustainable report	+	3.340 (3.124)***	3.265 (2.986)***
Pages	+	0.031 (1.644)	0.031 (1.640)
Context Pressure			
Media visibility	+	0.165 (0.194)	0.128 (0.148)
Energy and heavy ind.	+	2.410 (1.905)*	2.195 (1.694)*
Information costs			
Independence	+		- 0.276 (-0.335)
Risk	+		0.663 (0.725)
Proprietary costs			
Leverage	-		0.897 (0.561)
Profitability	+		-0.362 (-0.659)
Control variables			
Firm size	+	0.040 (0.08)	0.106 (0.206)
CAC40	+	1.581 (1.59)	1.520 (1.484)
Adjusted R-square		0.40	0.386
F-statistic		11,776***	7.090***

* $p < 0.10$; ** $p < 0.05$; *** $p < 0.01$