

Determinants for the Extent and Quality of Corporate Sustainability Reporting - A Meta-Analysis of Empirical Studies

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Abstract

The importance of sustainability issues for businesses around the world has increased significantly during past years. In order to cope with this growing importance of corporate sustainability, companies have to effectively communicate their achievements regarding economic, ecologic and social aspects to the outside world. At the beginning of the 20th century, corporate sustainability reporting has finally developed as an integral part of many companies' regular reporting activities. However, the standardization of corporate sustainability reporting around the world still remains low. As a consequence, sustainability reports published by companies in different countries and industries vary significantly in regard to the extent as well as the quality of reporting.

Using a Meta-analysis as an analysis tool, this thesis analyzes different factors, which impact the extent or quality of companies' sustainability reporting activities. Furthermore this thesis reveals differences between determinants for the extent and quality of corporate sustainability reporting. In descriptively analyzing 40 empirical studies, it further highlights differences in the research methods, reporting framework and theories used in different articles. The legitimacy theory and the stakeholder theory serve as a theoretical point of reference for the investigation and the interpretation of the research findings.

The results of the Meta-analysis suggest that the extent of corporate sustainability reporting is mainly determined by non-financial and financial firm characteristics, whereas the quality of corporate sustainability reporting depends more on sectorial and geographical characteristic. Another interesting finding of this thesis is that the quality of reporting is also determined by factors that are directly related to reports and reporting processes, while no such impact on the extent of quality could be revealed. Finally, the study detects differences in the advancement of research concerning this research field between different regions. While determinants for the extent of CS reporting have already been extensively investigated on an international level, studies that assess determinants for the quality of CS reporting have primarily been published in Central and Western Europe.