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Sustainability reporting – more global than local?

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Abstract

Purpose – In recognition of the potential for Buddhism to advance sustainability, this paper aims to investigate whether Buddhism appears to be informing the sustainability practices of corporations within a particular national context. Corporate sustainability reports are used as a site of analysis.

Design/methodology/approach – Sixteen corporate sustainability reports from a set of sustainability award-winning corporations in Sri Lanka, a country with a strong Buddhist presence, are analysed. Evidence of Buddhist principles and values related to sustainability is sought to ascertain the extent to which Buddhism is evident in disclosures within the reports. The influence of global institutions is also considered.

Findings – Analysis reveals surprisingly little evidence of Buddhist principles and values in the corporate sustainability reports of these award-winning corporations. Sustainability reporting practices are revealed to be highly institutionalised by global influences, with the majority of the reports examined explicitly embracing global standardisation. The standardisation of corporate sustainability reporting through the pursuit of globally accepted reporting frameworks is argued to have caused a disconnect between Buddhism as a prevalent institutional force in the local culture and context and the corporate representations evident in such reporting. Potential consequences of this disconnect in relation to the ability for Buddhism to inform sustainability practices at the organisational level are considered.

Originality/value – The paper contributes to the literature on corporate sustainability reporting through considering whether local cultural context is represented within such reports and possible reasons and consequences.

Keywords Sri Lanka, Institutional theory, Global reporting initiative, Buddhism, Sustainability reporting

Paper type Research paper

Introduction

Buddhism provides a way of thinking which could inform corporate sustainability. Values embedded in Buddhism such as the interconnectedness of all beings, moderation and empathy (Prayukvong and Rees, 2010) potentially allow for a greater possibility of human and non-human flourishing than currently occurs under models prioritising economic rationalism (Ehrenfeld and Hoffman, 2013). Specifically, Buddhist principles and values could provide insights into a broader vision of welfare beyond materialistic gain (Boyce *et al.*, 2009) and a short-term profit orientation on the part of corporations. Extant literature pertaining to the application of Buddhism in relation to sustainability-related practices at the organisational level is, however, limited (Authors, xxxx) and lacking in relation to sustainability reporting in particular. To what extent Buddhism informs corporate sustainability practices, including representations found

in the reporting of sustainability practices in contexts where Buddhism has a strong presence is largely unknown, and is the focus of this paper.

Sri Lanka is the context for this study. For over 2,600 years, Sri Lanka has been intrinsically influenced by Buddhist teachings through social norms embedded in its culture in relation to, among other things, environmental conservation practices (Thoradeniya et al., 2015) and charitable giving (Fernando and Almeida, 2012). Ancient inscriptions evidence the concern of ancient kings for the conservation of nature (Crusz, 1973) and irrigation systems related with good land use practices are apparent (Thoradeniya et al., 2015). Liyanarachchi (2009) describes that ancient accounting and auditing practices prevailed in Sri Lanka during 815 to 1,017 AD in Buddhist monasteries for resource management and administration purposes. However, and of relevance to this paper, "[d]espite the longstanding societal value in environmental preservation, it is unclear how such value is reflected in the corporate setting[s] through corporate reporting" (Thoradeniya et al., 2015, p. 5). While sustainability reporting practice in Sri Lanka is still at an early stage (Beddewela and Herzig, 2013), it has gained in recognition and importance[1] (Thoradeniya et al., 2015).

Previous studies examining influences on corporate sustainability reporting have tended to focus on the influence of global initiatives such as the Global Reporting Initiative (GRI) and the United Nations Global Compact (UNGC) (Brown et al., 2009; Buhr et al., 2014; Milne and Gray, 2013). Despite these global initiatives encompassing well-meaning and beneficial components, they can be argued to be primarily "self-serving, and self-absorbing and very rarely systems-changing" (McIntosh, 2015, p. 10; Buhr et al., 2014; Milne and Gray, 2013). Dealing with fundamental systems issues requires transformational thinking and action (Ehrenfeld and Hoffman, 2013). It would appear that approaches that are based on moral values to foster sustainability offer greater possibility in this regard (Bouckaert and Zsolnai, 2012; Ehrenfeld and Hoffman, 2013). This paper focuses on Buddhism as an alternative approach to foster corporate sustainability.

Drawing on institutional theory, this study examines whether Buddhism is evident in representations of current corporate sustainability practices in a Buddhist cultural context. Institutional researchers understand social context in terms of institutions (Bebbington et al., 2009), that is, specific practices and mechanisms, ideas and understandings and cultural frameworks that have gained a degree of social permanency. In this paper, alongside the common global institutions acknowledged in the corporate sustainability reporting field, Buddhism is interpreted as an institution. Both local (Buddhism) and global (e.g. GRI, UNGC) institutional influences on corporations' sustainability reporting practices are considered, and the consequences of dominant institutional forces on both the practice of reporting and the fostering of corporate sustainability more broadly are examined. Corporate sustainability reports are used as a site of analysis, as they constitute a useful medium for representing a corporation's interactions with the environment (Bebbington and Gray, 2001) and society, and are an increasingly common part of modern corporate practice, including in developing country contexts.

This study seeks to contribute to understandings of whether Buddhism functions as an alternative approach to enable sustainability at the organisational level and consider whether the local cultural context is represented within corporate sustainability reports and possible reasons and consequences. It addresses the question, "To what extent are

Buddhist principles and values portrayed in the representations of corporate sustainability practices through sustainability reports in Sri Lanka"? The paper contributes both to the literature on Buddhism and sustainability within the organisational context and the sustainability reporting literature. In relation to the latter, the key contribution lies in the consideration of a dominant local influence (Buddhism) as an institutional force.

The paper is structured as follows. The literature on Buddhism and sustainability within the organisational context, as well as literature on corporate sustainability reporting, is discussed next. Institutional theory and its application to sustainability reporting is then considered. Data sources and the data analysis process are outlined. Findings are then presented followed by discussion and concluding comments.

Buddhism and the Sri Lankan context

Sri Lanka is a developing country with a population of 20.3 million of whom 70 per cent identify as Buddhist (Department of Census and Statistics, 2014). The most common school of Buddhism in Sri Lanka is Theravada which manifests in ideological form in political and economic systems, including in institutional settings (Berkwitz, 2003). According to Berkwitz (2006), Sri Lankan Buddhists "continue to believe that their country has a specifically Buddhist heritage and that their culture has been fundamentally shaped by Buddhist traditions" (p. 51). He notes an "inseparable bond between Buddhism and the nation" (p. 53). The social norms and value system embedded in the local culture contribute to identity with Sri Lankans perceiving Buddhism variously as a philosophy, a way of life and as a religion (Bond, 2004). Sri Lanka has been called one of the most religious countries in the world, and religion influences almost every aspect of life (Gombrich and Obeyesekere, 1988).

Buddhism's reach into modern Sri Lankan workplaces is less well-researched. Fernando and Jackson (2006) state that Buddhist leaders engage in religious practices at work such as worshipping Buddha statues, chanting and collective meditation. They note that Buddhist leaders are driven by their Buddhist faith in corporate decision-making and not only seek monetary gains but also give priority to mental satisfaction through engagement with society, especially through giving/philanthropy (Nanayakkara, 1997). Likewise, Kumarasinghe and Hoshino (2010) find that managers reflect the Buddhist value of wealth-sharing rather than accumulation. Furthermore, the normative influence of Buddhism has been found to underpin the moral argument for corporate social responsibility initiatives and its implementation in corporations (Fernando and Almeida, 2012). Thoradeniya et al. (2015), in a study more closely aligned with this paper, find that psychological factors pertaining to religion, especially Buddhism, influenced Sri Lankan managers' beliefs relating to sustainability reporting. However, Buddhism's influence on corporate sustainability reporting practices beyond the above is not well-known.

Buddhism and sustainability

Buddhism orients individual adherents to move through meditative practice towards the realisation of the ultimate truth or Nirvana. More generally, Buddhist principles are considered useful pointers to understanding the nature of reality in an effort to ensure the wellbeing of both humans and non-humans (Boyce et al., 2009). The wellbeing of all beings is of paramount importance in fostering sustainability which can be defined as

"the possibility that humans and other life will flourish on Earth forever" (Ehrenfeld and Hoffman, 2013, p. 7).

Three Buddhist principles drawing connections with sustainability and organisational practices commonly appear in the literature:

(1) the Four Noble Truths including the Noble Eightfold Path (Boyce *et al.*, 2009; Daniels, 2007; Dillard, 2009; Lamberton, 2005; Liyanarachchi, 2008; Prayukvong and Rees, 2010);

(2) the Law of Karma (Daniels, 2007; James, 2004; Liyanarachchi, 2008; Prayukvong and Rees, 2010); and

(3) the Compassion (Prayukvong and Rees, 2010).

The Four Noble Truths that encompass the Noble Eightfold Path are at the core of Buddhist teachings (Rahula, 1978). The Four Noble Truths elucidate the reality of life providing a basis for inquiry into the unsatisfactory nature of existence, characterised by suffering, the causes of suffering, freedom from suffering and the practice of the Noble Eightfold Path as a means to freedom from suffering (Rahula, 1978). This principle enables understanding of the root causes of unsustainability, and discernment of the path to the realisation of sustainability (Daniels, 2007; Lamberton, 2005). Unsustainability (which is seen as a manifestation of suffering) is seen to arise through greed for material possessions (Daniels, 2007, 2011). Excessive production and consumption are said to harm both society and nature. Instead, careful use of resources and innovative investments to promote sustainability are depicted as contributing to solutions (Daniels, 2007). Overall, the Four Noble Truths underscore the value of moderation attained through moral integrity.

The Noble Eightfold Path is seen as a way of realising sustainability (Daniels, 2007). It consists of eight aspects of wholesome living that can be applied at individual, organisational and societal levels. They are right understanding, right aspiration, right speech, right conduct, right livelihood, right effort, right mindfulness and right concentration. The Path aims to develop three qualities: wisdom (represented through right understanding and aspiration), morality (right speech, conduct and livelihood) and concentration (right effort, mindfulness and concentration) (Daniels, 2007; Liyanarachchi, 2008). The enactment of the Noble Eightfold Path enables one to infer an array of Buddhist values that are aligned with realisation of sustainability applicable at an organisational level. They include moderation, empathy, cooperation and contentment.

Schumacher's (1973) work on Buddhist economics draws on the Noble Eightfold Path's right livelihood. It enables "an alternative normative view that envisaged the purpose of economic activity as relating to the generation of both means of living" and deep concern for humanity and the earth (Boyce *et al.*, 2009, p. 56). Such insights have been applied in social and environmental accounting to create a more holistic conceptualisation of accounting and accountability (Boyce *et al.*, 2009; Dillard, 2009; Liyanarachchi, 2008). Lennerfors (2015) highlights that the Noble Eightfold Path "could be used both on an individual level for people working in companies and organizations, but also as a development tool for organizations themselves" (p. 73).

The Law of Karma explains the interaction between cause and effect and elucidates the value of interconnectedness of all beings (James, 2004). Both human and non-human

beings, including nature are seen to coexist; there is a symbiotic relationship between all beings (James, 2004). Paterson (2006) emphasises that all non-human species and ecosystems possess an intrinsic value which leads to humans' nature conservation efforts. Paterson (2006) asserts that ignorance and forgetfulness of the interconnectedness of all beings causes environmental degradation. Insights gained through Buddhist principles and values by organisational actors could foster the ethic of the welfare of all beings instead of individual self-interest (Lamberton, 2015).

The principle of compassion infers the value of empathy performed through deeds, thoughts and words. Empathy enables greater consideration of other humans and nature, allowing loving kindness and non-violence to grow within one's self and towards others. Compassion also promotes cooperation with a sense of mutual respect at both organisational and societal levels (Prayukvong and Rees, 2010). The extent to which these Buddhist principles and values influence current representations of corporate sustainability reporting practices is explored in this paper. Next, the sustainability reporting literature relevant to this study is discussed.

Sustainability reporting as a vehicle for representing underlying corporate values

Sustainability reporting is a relatively commonplace business practice globally (KPMG, 2013). Through sustainability reports, corporations report on their social, environmental and economic performance. It is also a potential vehicle to present an image of the corporation and its values.

Corporations' values are likely influenced by the cultural contexts in which they operate (Al-Akra *et al.*, 2009; Bebbington *et al.*, 2009; Gallhofer and Chew, 2000; Haider, 2010; Kamla, 2007; Kuasirikun and Sherer, 2004; Schneider *et al.*, 2012). Statements in corporate sustainability reports indicate the values by which corporations operate and portray the underlying importance of such values to the company (Schneider *et al.*, 2012). Gallhofer and Chew (2000) suggest that corporate sustainability reports could encompass statements about community activities that are coherent with the values of indigenous cultures. Schneider *et al.* (2012) examine how a New Zealand state-owned enterprise promoted its image through the depiction of indigenous Maori concepts and values in relation to environmental responsibility through its annual reports. Discretionary narratives and images in sustainability reports can communicate broader historical, geographical and cultural landscapes (Davison, 2007).

Reporting corporations in developing countries are exposed to different cultural contexts (Al-Akra *et al.*, 2009; Kamla, 2007; Kuasirikun and Sherer, 2004; Lodhia, 2003; Thoradeniya *et al.*, 2015) than are their counterparts in more developed countries. Particular influences discussed in relation to corporate reporting include religion. Al-Akra *et al.* (2009) and Kamla (2007) investigate how Islamism influenced corporate reporting practices in Arabic countries. Al-Akra *et al.* (2009) discuss how Islamic values of transparency influence the disclosure patterns of the corporate sustainability reports in Jordan. Kuasirikun and Sherer (2004) find community involvement disclosures influenced by Thai religious heritage. Buddhism is referred to in explaining disclosures of religious donations made by Thai corporations. The researchers note, however, few Thai companies "show commitment to supporting Buddhism in the context of what has been becoming an increasingly secular Thai society" (Kuasirikun and Sherer, 2004, p. 648). In relation to Sri Lanka, Thoradeniya *et al.*

(2015) examine the influence of managers' attitudes on sustainability reporting. They argue that religion (Buddhism) favourably influences managers' belief systems and their intention to engage in sustainability reporting. They find Buddhism's influence more significant among managers of non-listed companies than listed companies. In non-listed companies (often family-owned), leaders/owners with deep-rooted Buddhist beliefs were found to influence managers and their beliefs, whereas in listed companies, managers' beliefs were more likely to be influenced by economic rationality. The level of education (indicated by academic/professional qualifications) of these managers' favourably influenced their intention to engage in sustainability reporting.

Despite the low level of sustainability reporting in some developing countries (Beddewela and Herzig, 2013; Haider, 2010), reporting has gained traction including in Sri Lanka (Thoradeniya *et al.*, 2015). Haider (2010) finds common motivations for undertaking sustainability reporting in developing countries are for the purposes of gaining corporate reputation and image, social legitimacy, sustaining competitive advantage and managing powerful stakeholders. Haider (2010) argues that similar to developed countries, sustainability reporting practices adopted in developing countries rely upon globally recognised standards and best practices. Despite observing an increased Islamic influence on sustainability reporting in nine Arabic countries, Kamla (2007) admits the dominant role of Western accounting models due to the influence of colonisation. Kuasirikun and Sherer (2004) find that Thai listed corporations adopt ISO 14001 as a means to demonstrate environmental responsibility, although they identify the disclosures produced lacked meaningful details for the Thai context. Islam and Deegan (2008) affirm the global influence on sustainability reporting in Bangladesh emphasising the pressure exerted by international buyers on the garments industry. It is argued that sustainability reporting has been institutionalised by a range of global institutions (Higgins and Larrinaga, 2014). How such local and global institutions affect sustainability reporting is considered next, drawing on institutional theory.

Theoretical framework
Institutional theory
Institutional theory provides a useful framework to understand how and why institutional effects occur in and around corporations, explaining how social choices are formed, facilitated and directed through the influence of the institutional environment (Contrafatto, 2014; Higgins and Larrinaga, 2014). Institutions influence organisations differently within organisational fields which "demarcate the specific context in which institutions influence organizations" (Higgins and Larrinaga, 2014, p. 274). Scott (1995, 2014) introduced a useful approach to understand institutional influences through the identification of three key analytical elements/pillars: regulative, normative and cultural-cognitive. These elements/pillars are considered to provide stability and meaning to organisations.

Regulative systems involve rule-setting, monitoring and sanctioning activities that constrain and regularise behaviour. For example, individual organisations are imposed on by structures set down by professional and industrial bodies under regulative systems (Higgins and Larrinaga, 2014). Normative systems comprise social values and norms that create social expectations in pursuing organisational goals and objectives. These values and norms are considered to be prescriptive in nature and set expectations that shape organisational actors' behaviour. Social classes,

religious systems, communities and voluntary associations are examples which foster common values and norms. While the logic of organisations following regulative systems is instrumentality or self-interest in achieving organisational ends, the underlying logic in the normative systems is appropriateness or an indication that something is "the right thing to do" (Higgins and Larrinaga, 2014; Scott, 2014). Cultural-cognitive systems comprise taken-for-granted assumptions and shared understandings shaped through symbolic systems, relations and artefacts. In most instances, compliance occurs and routines are followed as other types of behaviours are inconceivable (Scott, 2014). Hence, "the prevailing logic employed to justify conformity is that of orthodoxy, the perceived correctness and soundness of the ideas underlying action" (Scott, 2014 p. 68)[2]:

> The basic premise of institutional theory is that a variety of institutional mechanisms exert pressures on individual organizations within fields, which results in isomorphism – or homogenization – of organizational structures and practices (Higgins and Larrinaga, 2014, p. 276).

DiMaggio and Powell (1983) explicate that institutional isomorphism is led by three different institutional mechanisms – coercive, normative and mimetic. How and why institutionalisation occurs is explained through these three mechanisms that "map well" onto the three institutional pillars described above (Scott, 2014, p. 158). "The existence of different mechanisms does not mean that they exclude each other, but that rather they are likely to operate at different levels" (Higgins and Larrinaga, 2014, p. 276).

Coercive institutional mechanisms operate under regulative systems that force organisations to comply to and align with rules, regulations and laws in such a way that behaviour becomes very similar in all of them. "To be effective, the use of coercion requires relatively clear demands, effective surveillance, and significant sanctions" (Scott, 2014, p. 159). According to DiMaggio and Powell (1983, p. 152), normative pressure "stems primarily from professionalization" that influences individuals or organisations through formal education and professional networks. However, Scott's (1995, 2014) explanation of the normative pillar also emphasises conformity on a moral basis (Thornton *et al.*, 2013). Further, in relation to a cultural context, norms which are central to institutions become internalised, and therefore no external motivation for conformity is needed (Zucker, 1977). The mechanism that better represents the cultural-cognitive element is mimeticism or imitation (Scott, 2014). Mimetic isomorphism, often resulting from uncertainty in the environment and the absence of proper reference or guidelines, encourages organisations to imitate peer organisations that seem to be more successful and legitimate (DiMaggio and Powell, 1983). Cultural-cognitive systems allow diffusion of ideologies, processes and procedures that in turn induce organisations to follow conventions and routines (DiMaggio and Powell, 1991; Scott, 2014). Institutional effects in relation to the depth or shallowness of institutionalisation depends on the influence of these mechanisms. Organisations that operate in highly institutionalised environments and succeed in becoming isomorphic are more concerned with gaining legitimacy and resources for their survival independent of ensuring their productive efficiency (Meyer and Rowan, 1977).

Meyer and Rowan (1977) delineate important consequences of institutional isomorphism for organisations by stating:

> […] they incorporate elements which are legitimated externally, rather than in terms of efficiency; they employ external or ceremonial assessment criteria to define the value of structural elements; and dependence on externally fixed institutions reduces turbulence and maintains stability (pp. 348-349).

Although institutionalisation processes can assist organisations to construct their formal organisational structures to appear legitimate and stable, Meyer and Rowan (1977) caution that such formal structures tend to decouple the activities of participants. This disconnection means that "the actual behaviour of organizational members frequently does not conform to official prescriptions or accounts" (Scott, 2014, p. 185). Meyer and Rowan (1977) explain that this deliberate disconnection between organisational structures and practices could occur for two main reasons: local demands for gaining productive efficiency may clash with externally generated pressures for ceremonial conformity, and/or that ceremonial rules formed from different parts of the environment may conflict with one another.

Meyer and Rowan's (1977) arguments on isomorphism and decoupling suggest that the structural features of organisations operating in the same field are similar, and tensions between formal and informal structures exist. Formal structures represent officially sanctioned practices of doing business, whereas informal structures refer to "actual patterns of behaviour and work routines" (Scott, 2014, p. 185). A possible reason for the adoption of formal structures disconnected from "actual work" is the institutional pressure exerted on organisations to adopt ceremonial practices while allowing their informal units to operate independently. According to Scott (2014, p. 187), "organizations are more likely to practice decoupling when confronted with external regulatory requirements than with normative or cognitive-cultural demands". Also, decoupling is likely to occur when organisations recognise "high symbolic gains from adoption but equally high costs associated with implementation" (Scott, 2014, p. 187). However, there is a caution against treating decoupling as an obvious result of external institutional pressures, as organisational actors may interpret and respond to these pressures in different ways.

Institutional theory and the sustainability reporting field

An institutional theory approach to corporate sustainability reporting argues that sustainability reporting is not necessarily undertaken by organisational actors with a clear rationale but to emulate peer organisations that seem to be more successful and legitimate (Bebbington *et al.*, 2009; Higgins and Larrinaga, 2014; Islam and Deegan, 2008). Different regulatory systems influence how sustainability reporting evolves. For example, environmental regulations and industry legislations prevailing in certain countries act as coercive pressures forcing corporations to comply with their structures and rules to ensure legitimacy. Researchers have identified that global institutional pressures tend to replace the influence of local fields (Kamla, 2007; Kuasirikun and Sherer, 2004; Islam and Deegan, 2008; also see Amran and Devi, 2008, for an exception). The process of global institutionalisation is argued to have been enabled primarily through the GRI (Brown *et al.*, 2009; de Villiers and Alexander, 2014; de Villiers *et al.*, 2014). GRI guidelines exert a normative pressure on reporting organisations (de Villiers and Alexander, 2014). Furthermore, as organisations increasingly adopt the GRI, it has

become the legitimate standard for sustainability reporting also encouraging cognitive/mimetic processes (Higgins and Larrinaga, 2014).

The GRI forms an important part of the sustainability reporting field (Brown *et al.*, 2009). The development of sustainability reporting guidelines is the major activity of GRI. GRI propose:

> […] standard disclosures of an organisation's strategic profile and management approach, and recommend performance indicators in relation to the organisation's economic, social and environmental performance (Buhr *et al.*, 2014, p. 62).

Importantly, the GRI does not prescribe content (i.e. how an indicator has to be reported) but provides guidance on what to report and both content and quality principles that should be sought to be achieved. Actors engaged with the GRI include multilateral organisations such as United Nations Environmental Programme, large multinational corporations, international consultancies (AccountAbility, SustainAbility) and large accountancy firms. According to Brown *et al.* (2009), these actors and their levels of engagement with the GRI, together with their interactions with one another, stimulate the field of sustainability reporting and lead to standardisation. They suggest that the most active and influential actors are of greater importance in "framing the debate over what matters most and what should therefore be reported" (p. 577).

The UNGC developed by multilateral intergovernmental organisations is the largest international, voluntary, strategic policy initiative for business and non-business organisations. It seeks to align strategy and operations with ten universally accepted principles in the spheres of human rights, labour, environment and anticorruption (Chandan, 2015). The UNGC allows organisations to show accountability to the outside world (Brown *et al.*, 2009) including international markets by assuring the adoption of sustainability codes of conduct while acting as an international forum to promote and self-report on corporate sustainability. Institutions such as the UNGC and voluntary international standards on sustainability reporting and also, more recently, the International Integrated Reporting Council are likely also to exert normative isomorphic pressures on sustainability reporting practice through professionalisation (Atkins and Maroun, 2015; Buhr *et al.*, 2014). Further, activities such as verifying sustainability reports and developing, applying and standardising sustainability management practices (e.g. AA1000 and ISO 14001) are also part of the sustainability reporting field (Brown *et al.*, 2009).

These oft-studied institutions within the sustainability reporting field are considered in this study alongside the local institutional force of Buddhism that also possesses the capacity to influence Sri Lankan managers and organisations through normative structures based on Buddhist principles and values. These principles and values are associated with moral rather than professional conformity; however, they are still relevant to sustainability reporting. Next, the method and data for this study are presented.

Method
Data sources
To examine the extent to which Buddhism appears to influence the representation of sustainability reporting within a Buddhist cultural context, a set of stand-alone sustainability reports and combined annual reports (annual reports which include sustainability disclosures) produced by a group of Sri Lankan corporations are analysed.

Sustainability reports are drawn from two annual award schemes:

(1) Sri Lanka's Ceylon Chamber of Commerce (CCC) Corporate Citizen Sustainability Award; and

(2) the Association of Chartered Certified Accountants (ACCA) Sri Lanka Awards for Sustainability Reporting.

Award scheme:

- focusing on overall sustainability performance, lists ten winning corporations; and

- an award scheme focusing on sustainability reporting, recognises nine corporations.

The CCC awards categorises winning corporations into two categories based on annual turnover [above and below 15 billion Sri Lankan rupees (LKR)], while ACCA adopts seven categories based on industry sectors (see below).

Among the 19 award-winning corporations, one (Diesel and Motor Engineering) is recognised in both award schemes. Two multinational companies [Standard Chartered Bank and American and Efird (Lanka)] do not produce country-specific reports and were therefore excluded from the sample. This led to a sample of 16 corporate reports from 2012/2013 across major industry sectors, with nine large and seven medium-sized corporations according to the CCC award scheme criteria. Fifteen are combined reports and one is a stand-alone report (Brandix Lanka Limited). The combined reports were reviewed in full but with greater attention to sustainability sections. Disclosures, interpreted in this paper as constituting both text disclosures and images, which draw connections with Buddhism were sought. A summary of the sample appears in Table I.

Method of analysis
The reports were analysed interpretively. First, explicit references to Buddhist principles and values were sought. A keyword search was conducted searching the words Buddha, Buddhism and Buddhist and terms relating to Buddhist principles and values identified in the literature discussed above (the Four Noble Truths, the Noble Eightfold Path, the Law of Karma, compassion, moderation, interconnectedness, empathy, cooperation and contentment). A search for images that explicitly connoted Buddhism was also undertaken. Buddhist symbols embedded in images such as the image of Buddha, monks and Buddhist ceremonies were identified. Each explicit disclosure found was examined and contextualised through a further close reading of the reports.

Reports were reread to search for disclosures (text and images) that offered implicit indications of Buddhism. Disclosures that did not directly refer to or include Buddhist principles, values or symbols, but still held some connection to Buddhism, constituted implicit mentions. Also, disclosures which the lead author (a Sri Lankan Buddhist) could discern a reference to Buddhism, yet a non-Buddhist/non-Sri Lankan might not identify such association, were considered as implicit. The placement and juxtaposition of the images and statements were also taken into consideration to understand how disclosures were related to sustainability.

	Name	Award scheme	Sector	Ownership	Annual turnover in 2012 (LKR billion)	Report size (pp)
1	Commercial Bank of Ceylon	CCC	Banking/Finance	Local/Listed	>15	486
2	National Development Bank	CCC	Banking/Finance	Local/Listed	>15	344
3	Sampath Bank	CCC	Banking/Finance	Local/Listed	>15	436
4	Aitken Spence	CCC	Diversified	Local/Listed	>15	260
5	Brandix Lanka Limited	CCC	Manufacturing	Local/Private	<15	82
6	Ceylon Tobacco Company	CCC	Manufacturing	MNC/Listed	>15	124
7	Singer Sri Lanka	CCC	Retail Trading/Manufacturing	MNC/Listed	>15	218
8	Diesel and Motor Engineering	ACCA and CCC	Retail Trading	Local/Listed	>15	141
9	Access Engineering	ACCA	Civil Engineering/Construction	Local/Listed	<15	152
10	Talawakelle Tea Estates	ACCA	Agriculture/Plantation	Local/Listed	<15	228
11	John Keels Holdings	ACCA	Diversified	Local/Listed	>15	316
12	Expolanka Holdings	ACCA	Diversified	Local/Listed	>15	252
13	HDFC Bank	ACCA	Banking/Finance	Local Government owned/Listed	<15	184
14	Union Assurance	ACCA	Banking/Finance	Local/Listed	<15	348
15	Aitken Spence Hotel Holdings	ACCA	Leisure/Services	Local/Listed	<15	230
16	Nawaloka Hospitals	ACCA	Leisure/Services	Local/Listed	<15	140

Table I.
Companies and their reports

The search for evidence of the influence of explicit disclosures of global institutions such as the GRI, UNGC, ISO and other voluntary standards were identified through a similar process. Statements on the adoption of GRI (including the GRI index), membership of the UNGC and adoption of codes such as ISO standards were examples. Diagrams, flow charts referring to standards and guidelines were examples of images searched for. Implicit global influences, such as how the reports were structured relating to particular institutions, were also considered.

Findings

"Buddhist" terminology within the reports analysed

The keyword search generated limited results. Of the Buddhist principles related to sustainability earlier identified, compassion is the only one mentioned. The report of the Commercial Bank of Ceylon uses compassion to describe the management of staff "Through the compassionate management of its human capital, the Bank creates a dedicated team" (Commercial Bank of Ceylon, 2013, p. 30). Singer Sri Lanka (hereafter Singer), a multinational company, referred to compassion in its local subsidiary report to indicate its connection with Sri Lankans. "Sri Lankans know that Singer Sri Lanka PLC is a compassionate and benevolent company and, as such, often turn to it in their moment of need" (Singer, 2013, p. 86). This statement is incorporated in the sustainability section under the subheading "Fostering human rights and equal opportunity". However, while reference to compassion is evident in both these statements, no specific reference to Buddhism is made, leaving the possibility of compassion being referred to as a universal principle.

Empathy, cooperation and contentment were also terms located in the reports; however, their use is limited. Cooperation appears in three reports, while contentment and empathy are each mentioned once. These terms were used in the reports to describe sustainability in relation to the commonly espoused social, environmental and economic dimensions. The terms are not framed as Buddhist values (e.g. "contentment" was used to indicate that ensuring employee contentment is a core priority of the corporation rather than as a Buddhist value).

More explicit disclosures relating to Buddhism

Only five corporations (Nawaloka Hospitals, Sampath Bank, Singer, HDFC Bank and Aitken Spence Hotel Holdings) explicitly disclose evidence of Buddhism in their reports. All are listed companies. Four are local in the sense they are founded and headquartered in Sri Lanka and have their main operations in the country (Table I). One (Singer) is a subsidiary of a multinational; however, the report is for the Sri Lankan operations.

Explicit disclosures on Buddhist principles and values are very limited, especially when compared to the total amount of information the reports contain (Table I). Buddhist principles and values represent a normative institutional influence. Sampath Bank's report contains three images associated with Buddhism (of 92 images). Singer features an image of a Buddhist festival and a list of donations made to Buddhist temples on a single page in its report. Nawaloka Hospitals and HDFC Bank's reports include one image associated with Buddhism each along with paragraphs providing descriptions of the images. Finally, Aitken Spence Hotels Holdings report contains a single sentence related to Buddhism in their report's sustainability section. What is

interesting is that, with the exception of Aitken Spence Hotels' disclosure, explicit disclosures identified were images.

The most explicit reference in the reports is an image of Buddha in Nawaloka Hospitals report (Figure 1). The image illustrates Buddha and His disciples caring for a sick monk. The image is interpreted as portraying the value of empathy inferred by the Buddhist principle of compassion. While this image clearly represents Buddhism, there is no mention of Buddhist values or principles in the report beyond the report's title – "A Legacy of Care". It is commonly believed by Buddhists that one who cares for the needy with empathy pays due respect to and care for Buddha. The image is a clear representation of Buddhism which has both contextual relevance and cultural significance.

Accompanying Figure 1 is a caption in Pali, the language in which most Buddhist discourses are documented. This represents a Buddhist stanza included in the Dhammapada (a Buddhist scripture enclosing a collection of discourses). An English translation is "Health is Our Greatest Wealth" (Nawaloka Hospitals, 2013, p. 1). Physical wellbeing and mental soundness especially is given priority in Buddhism. This image is situated on the report's contents page followed by a brief description of the report title that explains the corporations industry, i.e. healthcare. The description emphasises the importance of the corporation as a service provider rather than necessarily one that imparts Buddhist values of empathy despite the depiction in the image. The rest of this report does not contain any disclosures that explicitly denote Buddhism.

Sampath Bank's report (2013) contains an image captioned "blood donation at [bank-branch]" (p. 242) that portrays Buddhist monks as participants (Plate 1). It could be argued to portray the value of empathy. However, once again, no direct reference to Buddhism is acknowledged in the text. The image is in the report's sustainability section under the subtheme "empowerment of community" which comprises a series of photographs of community development projects held in rural Sri Lanka. A statement under the subtheme reads "we also recognise the role of supporting local cultures and

Figure 1.

Source: Nawaloka Hospitals, (2013, p. i)

some of our community projects reflect this important aspect that enriches our lives and inculcates values" (Sampath Bank, 2013, p. 241). This image explicitly depicting Buddhist monks could be argued to be used to recognise the dominant value of giving identified within the local culture (Fernando and Almeida, 2012), or simply be representative of a cross-section of the population.

Sampath Bank's report also features Buddhist ceremonies (Plates 2 and 3). These two images appear side by side in the report under the subheading "Work life balance". The subheading implies the value of moderation that needs to be embedded into employees' lives and introduces the aspect of spiritual wellbeing through these annual Buddhist ceremonies. According to Plate 2's caption, this image depicts a ceremony of chanting Dharma (Buddhist teachings). This religious and cultural event is believed to foster spiritual soundness (Fernando and Jackson, 2006). The image itself portrays a certain orderliness in the arrangement and postures of the people sitting on the floor. In the same vein, and as per the accompanying caption, Plate 3 depicts a Buddhist ceremony of singing devotional songs celebrating Vesak. Vesak is celebrated by Buddhists in commemoration of Buddha's Birth, Enlightenment and Passing Away.

Two more images feature in Singer's and HDFC Bank's reports which explicitly depict Buddhist ceremonies. An image in Singer's report depicts a Buddhist procession.
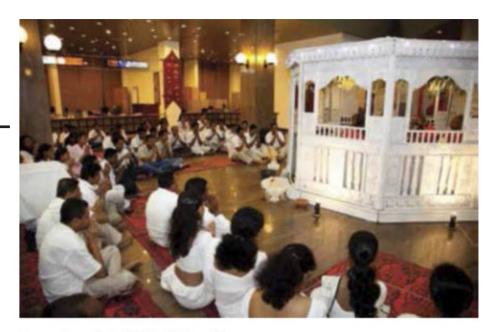

Source: Sampath Bank, (2013, p. 242)

Plate 1.

Plate 2.

Source: Sampath Bank PLC, (2013, p. 220)

Plate 3.

Source: Sampath Bank PLC, (2013, p. 220)

It is captioned "Supporting and sustaining our cultural events" (p. 86) and appears in the sustainability section of the report. A list of donations to Buddhist temples is stated below the image indicating corporate philanthropy. The other image, appearing in HDFC Bank's report, portrays a free food offering ceremony in celebrating Vesak, again highlighting the culture of giving. It appears under the subheading "Sustaining our staff" that describes religious and cultural activities organised by the Bank. The text that accompanies the image explicitly references its connection to Buddhism stating that "The Buddhist society of the Bank conducts a religious ceremony in the head office annually with financial contribution from the Bank and staff members" (HDFC Bank, 2013, p. 71).

Apart from the images mentioned above which allude to the social dimension of sustainability, a statement that explicitly discloses the Buddhist value of interconnectedness of all beings relating to both the social and the environmental dimensions of sustainability is offered by Aitken Spence Hotel Holdings. This report incorporates a quote from the Dalai Lama: "Life must be characterised by a sense of universal responsibility not only human to human but also human to other forms of life" (Aitken Spence Hotel Holdings, 2013, p. 56). The quote appears under the subheading "Group sustainability strategy" juxtaposed with a figure that illustrates a set of closely nested circles depicting the key sustainability foci of the corporation at the core and community and environment towards the outer rings. The quote from the Dalai Lama appears to be used to tie the value of interconnectedness of all beings to sustainability with a legitimate focus on the corporation. Attention now turns to a consideration of implicit disclosures.

Implicit disclosures related to Buddhism

In addition to the above-mentioned disclosures found, one implicit disclosure was uncovered. Plate 4 is an image of two children planting a tree. It is incorporated in the sustainability section of the annual report of Access Engineering (2013) and has a caption of a national tree planting day at "Rajamaha Viharaya" (p. 78). The place of the campaign which denotes "an ancient Buddhist temple" is implied in the Sinhalese term "Rajamaha Viharaya". Despite the image clearly depicting the closeness to nature, a non-Sri Lankan may not be able to understand the connection it holds with Buddhism. Thus, it is considered implicit. The image appears under the subheading, "Sustaining good practices", and the surrounding text describes the corporation's sustainability framework including its sustainability policy and the importance of preserving the planet. While not explicitly mentioning Buddhism or a particular Buddhist value, this image implies the Buddhist value of interconnectedness between humans and nature. Despite the strong presence of self-identified Buddhists among the general population of Sri Lanka and the potential one might see in Buddhism informing sustainability, the above analysis demonstrates that there is minimal evidence of Buddhism in the sustainability reports of award-winning corporations in the country. The next section moves to explore global institutional influences.

Explicit global institutional influences

One of the salient attributes recognised in the analysis is that almost all the corporations included in the study pursue what is perceived as "best practice" in sustainability reporting. Adoption of the GRI framework is very prominent. Fifteen of the 16

Plate 4.

Source: Access Engineering, (2013, p. 78)

corporations explicitly disclose that they follow the GRI. Sustainability is thus typically promoted through the triple bottom line approach that measures the impacts of activities across social, environmental and economic dimensions. For example, Access Engineering (2013, p. 76) states "in this report, we have used the GRI framework to define our sustainability priorities along the Triple Bottom Line of People, Planet and Profit".

The 15 corporations in this study adopt the G3 version of the GRI framework – the most recent iteration for the timeframe analysed. As per GRI guidance, 13 of the 15 reports include an index listing the indicators reported on. As would be expected, not all corporations report on all indicators. Given the considerable amount of flexibility built into the GRI framework and the provision of six levels of compliance, namely, A^+, A, B^+, B, C^+ and C, the corporations apply GRI in various ways. Only one (Diesel and Motor Engineering) complies with the level of A^+. The others have varying levels of application from C to B+. Explicit disclosures which state the adoption of GRI were found in the sustainability sections of the reports with several repeating the adoption in other sections including the Chairman's/CEO's statement, management discussion and analysis and third party assurance.

External verification or third party assurance on sustainability reporting was a further explicit disclosure. Eight reports incorporate assurance reports from accountancy and/or consultancy firms. Independent assurance on sustainability reporting/performance is issued against GRI as well as in the case of four reports the international consultancy firm, AccountAbility's AA1000 Assurance Standard (see Table II for details).

	Name	Disclosures-Buddhism (Explicit/Implicit)	Buddhist principles/values	Global standards and external verification (Explicit)
1	Commercial Bank of Ceylon	–	Compassion*	GRI; UNGC; AA1000AS;
			Contentment*	EV
2	National Development Bank	–	Empathy*	GRI
				EV
3	Sampath Bank	Three images (p. 220; 242) – Explicit	Cooperation	GRI
			Cooperation*	EV
4	Aitken Spence	–	Cooperation*	GRI; UNGC; ISO 14001; ISO 9001; ISO 22000; ISO 50001
5	Brandix Lanka Limited	–	–	GRI; ISO 50001
				EV
6	Ceylon Tobacco Company	–	Cooperation*	Sri Lanka Financial Reporting Standards
7	Singer Sri Lanka	Image (p. 86) – Explicit	Compassion*	GRI; ISO 9001
8	Diesel and Motor Engineering	–	–	GRI; UNGC; AA1000AS; ISO 14001; ISO 9001; IIRC; EV
9	Access Engineering	Image (p. 78) – Implicit	Interconnectedness	GRI; UNGC; AA1000AS; ISO 14001; ISO 26000; ISO 9001; OHSAS 18001:2007
10	Talawakelle Tea Estates	–	–	GRI; ISO 22000
11	John Keels Holdings	–	–	GRI; UNGC; ISO 14001; AA1000AS: ISO 9001; ISO 22000; OHSAS 18001; EV
12	Expolanka Holdings	–	–	GRI; ISO 14001; ISO 9001
13	HDFC Bank	Image (p. 71) – Explicit	Cooperation	GRI; IIRC
14	Union Assurance	–	–	GRI; EV
15	Aitken Spence Hotel Holdings	Quote (p. 56) – Explicit	Interconnectedness	GRI; UNGC; ISO 14001; ISO 9001; ISO 22000, ISO 50001
16	Nawaloka Hospitals	Image (p. 1) – Explicit	Compassion	GRI; ISO 9001; ISO22000 EV
			Empathy	

Notes: Key: GRI = Global Reporting Initiative; UNGC = UN Global Compact; AA1000AS = AccountAbility 1000 Assurance Standard; EV = External Verification provided; ISO = International Standard Organisation; OHSAS = Occupational Health and Safety Assessment Series; IIRC = International Integrated Reporting Council; *findings from keyword search

Table II.
Summary of findings

Another international practice mentioned in six reports was membership of the UNGC. Being seen to abide by the ten principles of the UNGC seems to confer a sense of being a responsible company. Four areas emphasised by this voluntary initiative (human rights, labour standards, environment and anticorruption) could be considered key aspects potential international stakeholders (e.g. investors) are interested in, especially in relation to the Sri Lankan context. For example, Commercial Bank of Ceylon (2013) reports that:

> […] as an active member of the UNGC initiative [it] is committed to safeguarding of human rights by upholding the principles of Global Compact and preserves human rights values and practices in all its operations (p. 26).

In addition, a series of international standards on sustainability initiatives are followed by 11 of the corporations. Standards on environmental management systems (ISO 14000), quality management systems (ISO 9000), energy management systems (ISO 50001), food safety management systems (ISO 22000) and Occupational Health and Safety Assessment Series are some examples (Table II).

An important feature of these global institutions is that they promote the standardisation process by working collectively and being closely connected to one another in terms of the practices recommended and adopted (Brown *et al.*, 2009). The collective influence exerted by such global institutions facilitates the spread of institutional isomorphism and arguably builds trust that global standards and practices have been adhered to by these Sri Lankan corporations. Building on this discussion, the implicit influence of global institutions in the sustainability reports is discussed next.

Implicit global institutional influences
More subtle influences of the global institutions and their relationships to each other are observable. Brown *et al.* (2009) postulates that international business organisations such as the International Chamber of Commerce which is closely linked to its national members are increasingly participating in GRI events, working groups and consulting. Analysis of these sustainability reports signals that this activity appears to be occurring. Seven of the eight winners of the (CCC) award scheme followed the GRI guidelines in reporting their sustainability performance. A summary of the main findings is presented in Table II.

Discussion
Despite operating in a context where Buddhism is prevalent, disclosures relating to Buddhism in the sustainability reports of the companies analysed are extremely limited. This finding signals that Buddhism is not influential in the local field of corporate sustainability reporting, as it does not appear to influence what is reported or how it is reported. Further, the finding suggests a disconnection between the practice of sustainability reporting and the national context, as also discussed by Milne and Gray (2013). The institutionalisation of sustainability reporting encourages Sri Lankan companies to respond to global influences such as GRI, UNGC to appear legitimate and stable. The companies appear "on par" with other global and local corporations in the field of sustainability reporting – despite their daily routines potentially operating independently of such global practices.

A plausible cause of the disconnection between the practice of sustainability reporting and the national context emerges through an examination of how and why

sustainability reporting "is spreading in the way it is" (Higgins and Larrinaga, 2014, p. 273). Sustainability reporting can be considered to occur, at least in part, as a response to "various pressures, expectations, and social change and how the corporation interprets and prioritizes these" (Buhr *et al.*, 2014, p. 59). The analysis of the Sri Lankan sustainability reports in this study reflects previous assertions that large and influential institutional stakeholders such as multi-agency initiatives, consultancies, local/international accounting professional bodies and large financial institutions play a dominant role in influencing sustainability reporting (Brown *et al.*, 2009; Milne and Gray, 2013).

A common criticism laid against such institutionalised practices is that the information generated fails to represent a reasonable picture of the impacts of and on local institutions and social conditions (Buhr *et al.*, 2014). Buhr *et al.* (2014) state that it is anticipated that the act of corporate reporting leads to a public dialogue which forms "the public opinion to which they are responding" (p. 59). It could be argued that unless the local context is represented in reports, the effectiveness of the reports as a vehicle of communicating meaningful information to create a public dialogue on sustainability is likely to be reduced. Furthermore, reliance on standardisation influenced through global institutions could sideline potentially relevant local institutions that could perhaps foster sustainability. Global institutions are also critiqued as to their ability to foster systems level changes (Buhr *et al.*, 2014).

The disconnection between sustainability reporting practice and Buddhism could represent a decoupling effect caused by a greater pressure for ceremonial conformity with global standards than with the values and norms of Buddhism. A few images and some text portray some connections to Buddhism and a sense of local inclusivity, but the reports are largely secular documents giving a sense of a secular corporate world. However, drawing conclusions about this decoupling, including its causes, is beyond the scope of this study. Such an analysis would be beneficial but would require examination into, for example, the actual patterns of organisational behaviour including organisational actors' work routines which are not able to be ascertained solely through an analysis of the corporate sustainability report.

It is interesting that disclosures which have a connection with Buddhism are more often images than text. Davison (2007) suggests that images/photographs help stakeholders to relate to the organisation and how they understand and feel about it. Davison (2007, p. 133) states that the message of the disclosure is illuminated by "the way in which photographs highlight, complement and supplement information more traditionally communicated in numbers and texts".

The disclosures reveal that Sri Lankan corporations, at least those in this study, embrace institutional mechanisms such as the GRI framework and other voluntary international standards. These mechanisms lead to institutional isomorphism (DiMaggio and Powell, 1983). Consequently, the sustainability reports appear only marginally different from other corporate sustainability reports prepared following similar global standards. Sustainability reporting is a voluntary practice shaped through global reporting practices rather than the predominant norms and values in Sri Lanka (Beddewela and Herzig, 2013). Normative pressures exerted by the global professional institutions such as the GRI in terms of setting the societal expectations through social values and norms were also clearly observable (de Villiers and Alexander, 2014). Sustainability award schemes also provide a forum for the

establishment of norms about expected behaviour in corporate sustainability reporting including adoption of the GRI framework and external verification. The symbolic potential of winning sustainability performance/reporting awards, demonstrating compliance with social expectations, is likely to influence sustainability reporting among Sri Lankan corporations, as elsewhere. Global institutions seem more powerful and influential, and in turn visible, in sustainability reports than do prevalent local institutional influences as Buddhism, even within a Buddhist culture, and where connections with sustainability are relatively obvious and known within the general population. Mimetic isomorphism observed through the content of the reports depicts adoption of the GRI as "the legitimate standard" for sustainability reporting which represents a taken-for-granted assumption of Sri Lankan corporations. It appears that to gain and enhance legitimacy and recognition on a global stage as well as locally in awards schemes, corporations tend to emulate well-established peer organisations' practices.

As a result of the normative influences observed, corporate values, principles and guiding philosophies represented through the corporate sustainability reports of the selected Sri Lankan companies are far more aligned with the guidelines and codes of conducts influenced primarily by global standardisation rather than Buddhist values and/or principles grounded in the context in which these reports are generated. This finding is in line with previous research in developing countries which has found sustainability reporting to be highly influenced by global standardisation (Islam and Deegan, 2008; Kamla, 2007; Kuasirikun and Sherer, 2004). To the extent Buddhism is present in the reports, it is through allusions to caring, compassion, interconnectedness and corporate giving linked to traditional Buddhist ceremonies. However, despite Sri Lankan corporate actors' noting an inclination towards giving and sharing of wealth entrenched in a culture that is influenced through Buddhism (Kumarasinghe and Hoshino, 2010), corporate philanthropy featured in the reports analysed mostly appears to be aligned with the UNGC's principles rather than the local institution of Buddhism. This finding indicates the decoupling effect which depicts that Sri Lankan sustainability reports tend to conform to external structures of UNGC perhaps for greater acceptance rather than the prevalent influence of Buddhist values and norms which could be more useful in promoting sustainability in the local context. Further, social, rather than environmental, dimensions of sustainability were more readily observable in connection with Buddhism which is consistent with Kuasirikun and Sherers' (2004) who saw in their study of community disclosure Buddhism's connection only in religious donations.

The global institutional context is therefore seen to play a crucial role in "framing the case for sustainability reporting" (Brown et al., 2009, p. 574), more so than the local context. Standardised practices alone are arguably insufficient to establish a strong positive impact on society and nature and may perpetuate business-as-usual (Buhr et al., 2014; Milne and Gray, 2013). Almost all the sustainability reports analysed use a triple bottom line approach to the reporting of sustainability, likely the result of the GRI framework. The "GRI guidelines are very much a work in progress" and the "organizations which comply with the GRI are someway short of any serious discharge of social and environmental accountability" (Milne and Gray, 2013, p. 18).

Conclusion and future directions

Buddhism would seem to have the potential to inform sustainability – yet, there appear barriers to its application and representation in the corporate world. It would seem that global institutions which are dominant in relation to reporting limit the potential for local institutions that have the potential to transform business-as-usual. The findings in this paper begin to problematise this disconnection between the institutions prevalent in the local context and the corporate representations portrayed through sustainability reports. However, further consideration of the consequences of this disconnection is needed. It is not solely the needs of powerful stakeholders (or institutions) that drive the need for sustainability and accountability information – the issues involved are wider and more important than that (Buhr *et al.*, 2014).

Global standardisation in the form of powerful global institutions poses a challenge to incorporating and representing locally prevalent institutions in corporate sustainability reporting. The normative influence of local institutions prevalent within a particular context (such as Buddhism considered here) could hold deeper connections to the roots of its society and culture that, in turn, could allow stronger connections with humanity and nature. Despite the GRI guidelines offering a usable format and content as parameters for reporting corporations, "standardised and commodified information in itself cannot be a strong instrument for empowering or mobilising social action" (Brown *et al.*, 2009, p. 579). Sustainability reporting practice closely woven with the local cultural values is likely to encourage active stakeholder engagement and representation of local institutions while enabling sustainability reporting to appear more innovative, relevant and potent as a driver of positive change.

Institutional fields evolve and the composition and power of participants that redefine institutions change (Hoffman, 1999; Scott, 2014). As such, suggested policy and practice implications drawn from this study relate to changing the institutional field and its prevalent forces. While a regulatory force (e.g. government regulation) is likely to have the most impact through coercive pressure, there are other potential ways in which the field could evolve. Global and local professional institutions could take the lead in fostering change. New guidelines could be issued by the GRI which recognise and promote local influences and their importance. Report assessment criteria for local award schemes could be developed and introduced. Sri Lanka's CCC and the ACCA could encourage connections predominant in Sri Lankan culture such as Buddhist principles and values aligned with sustainability and incorporate these into corporate sustainability reporting award assessments. Ultimately, global and local institutions that influence the sustainability reporting field could work together in shaping the development of reporting standards and practices (Higgins and Larrinaga, 2014) in a way which is more locally relevant and potentially more sustainability enabling.

Further research which explores the possible reasons for the prevailing disconnection between local institutions that might promote sustainability and corporate sustainability reporting practice requires a closer examination of pressures on report preparers as well as a consideration of the purpose and audience of such reports. A consideration of how corporate reporters interpret institutional pressures and how they are being affected is an area for future investigation. Sustainability reports that cater to the requirements of professional institutional networks and investors are unlikely to drive sustainability (Buhr *et al.*, 2014; Milne and Gray, 2013). Thus, how individual organisational actors' values and beliefs impact the sustainability reporting

process, the role of the leadership in this regard and how such personal values shape the enactment of sustainability reporting practice at the organisational level need to be explored. It is also important to explore whether corporations such as those that follow globally accepted best practices enable strong positive connections with society and nature beyond their reporting disclosures. There is a sense in which reliance on global institutions disconnect reporting from its local cultural context, and thus the routines developed can potentially lack meaning for those participating in them. The "secular" presentation of the corporation presents its own orthodoxy.

Notes

1. While hard to ascertain exact figures as to the current level of practice of sustainability reporting within Sri Lanka (Sri Lanka is not included in the global surveys conducted by KPMG), anecdotal evidence suggests that it is on the rise. Sustainability reporting awards schemes, such as the one used in this study to select our sample, are evidence of the growing popularity of, and attention to, the practice.

2. For more details on institutional theory's evolution, three pillars and analytical framework, see Scott (2014).

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