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Do societal attitudes and voluntary disclosures go hand in hand?

- A study of three companies' annual reports from 1980-2009

Bachelor Thesis

Accounting

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Abstract

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Title: Do societal attitudes and voluntary disclosures go hand in hand? – A study of three companies' annual reports from 1980-2009

Background and problem: In recent years, a debate about the negative effects of globalization, such as companies' exploitation of resources and how they affect individuals and societies has evolved further. In addition, it has become increasingly important with branding; companies want to create certain positive associations with their brand. These matters have also been observed by media. This makes it especially interesting to study how companies, in voluntary disclosures in annual reports, where they stand uncontradicted, act on issues concerning individuals and societies in which they operate. As society and marketing trends change over time, it is of interest to study whether or not companies answer to these changes.

Objective: The purpose of this study is to examine and compare voluntary disclosures in three companies' annual reports from 1980 until 2009 and link this to the public debate, societal changes and established theories.

Delimitations: Voluntary disclosures in annual reports every fifth year starting from 1980 until 2009 will be studied. The study will not attempt to draw any conclusions whether or not the voluntary disclosure reflects the companies' actual actions. Information that deviates from this stated framework will not be further studied. The economic situation during the studied period will not be taken into consideration.

Method: The study is based on the voluntary disclosures from Ericsson, H&M and ICA and the result will be presented in a matrix based on different parameters and aim the answer the defined problems.

Result and conclusion: All three companies have increased the amount of voluntary disclosure, both regarding the content and extent in all studied areas. They also follow development of the public debate and societal change, but with more or less ten years of lagging. ICA adapts most rapidly, in all studied decades, to the changes within the society, followed by Ericsson until the 2000s when H&M gets ahead of Ericsson.

Suggestions for further studies: Further studies could be to examine whether companies alleged undertakings are in accordance with their actions and also how they reach the decision of what to perform.

Table of contents

1. Introduction	7
1.1 Background	7
1.2 Discussion of problem.....	8
1.3 Definition of problem.....	8
1.4 Objective	8
1.5 Delimitations	8
1.6 The outline of the thesis	9
2. Method	10
2.1 Approach	10
2.2 Gathering and compilation of data	10
2.2.1 Theoretical data	10
2.2.2 Empirical data	10
2.3 Selections made.....	11
2.3.1 Choice of companies	11
2.3.2 Choice of years	11
2.4 Presentation of the chosen areas.....	11
2.4.1 Marketing.....	11
2.4.2 Employees and sustainability.....	12
2.5 Criticism	13
3. Frame of reference.....	14
3.1 Legitimacy theory.....	14
3.1.1 Legitimacy and media	16
3.2 Stakeholder theory.....	16
3.3 Institutional theory	17
4. The development of the public debate and societal change	19
4.1 Marketing	19
4.2 Employees	20
4.2.1 The 1980s.....	20
4.2.2 The 1990s.....	20
4.2.3 The 2000s.....	21
4.3 Sustainability	22
4.3.1 The 1980s.....	22
4.3.2 The 1990s.....	23
4.3.3 The 2000s.....	24

5. Empirical result	25
5.1 Ericsson	25
5.1.1 <i>Presentation of Ericsson</i>	25
5.1.2 <i>The 1980s</i>	25
5.1.3 <i>The 1990s</i>	26
5.1.4 <i>The 2000s</i>	27
5.2 Hennes & Mauritz	29
5.2.1 <i>Presentation of Hennes & Mauritz</i>	29
5.2.2 <i>The 1980s</i>	30
5.2.3 <i>The 1990s</i>	30
5.2.4 <i>The 2000s</i>	31
5.3 ICA	33
5.3.1 <i>Presentation of ICA</i>	33
5.3.2 <i>The 1980s</i>	33
5.3.3 <i>The 1990s</i>	34
5.3.4 <i>The 2000s</i>	36
6. Analysis	39
6.1 Marketing	39
6.1.1 <i>1980</i>	39
6.1.2 <i>1990</i>	39
6.1.3 <i>2000</i>	40
6.2 Employees	42
6.2.1 <i>1980</i>	42
6.2.2 <i>1990</i>	42
6.2.3 <i>2000</i>	44
6.3 Sustainability	45
6.3.1 <i>1980</i>	45
6.3.2 <i>1990</i>	45
6.3.3 <i>2000</i>	46
7. Conclusions	49
7.1 Final conclusion	50
7.2 Suggestions for further studies	51
8. List of references	52
8.1 Literature	52

8.2 Electronic resources	53
Appendix	55
Appendix 2: Empirical result of the search words	55
Appendix 1: Empirical result	55
<i>Ericsson</i>	56
<i>Hennes & Mauritz</i>	57
<i>ICA</i>	58

1. Introduction

This chapter aims to give the reader an understanding of the subject. It begins with a background, leading to the thesis definition of problem. The chapter ends with explaining the objective, delimitations and outlines of the following chapters.

1.1 Background

In the beginning of the 21st century, 51 of the world's 100 largest economies were companies. Thus, some companies have grown so big they have superseded government, which says something about where the power is concentrated (Klein, 2001). The term globalization means the intensification of economic, political and cultural currents between countries, which have been made possible by technological advance and political proceedings (Government Offices of Sweden, 2010). Swedish companies are among the most globalized companies in the world.

In recent years, a debate about the negative effects of globalization, such as companies' exploitation of resources, has evolved. Therefore, the question of companies' contributing to a sustainable development has risen (Svenskt Näringsliv, 2010). Further with globalization, information rapidly disseminates and is easy accessible for many people and were media functions as opinion-makers and the public debate has evolved into questioning companies' actions and effects on their surroundings (Klein, 2001; Deegan & Unerman, 2006).

Consumption patterns have developed from people buying products for their functional value towards buying products for their symbolic value. Postmodern people fulfill existential needs by buying an identity and a lifestyle (Solér, 2010). Along with this, it has become increasingly important with branding, rather than advertising. Companies want to create certain positive associations with their brand, instead of highlighting certain products (Klein, 2001).

Sweden can be described as a country where companies to a great extent have a "stakeholder view", unlike the American "shareholder view". This entails an orientation towards various stakeholder groups in society rather than solely towards shareholders (Borglund, 2006). Companies' often use the annual report as a communication channel to convey a message (Deegan & Unerman, 2006). The report normally consists of both compulsory and voluntary disclosures. The Swedish "stakeholder view" should make both of these parts equally interesting. However, only the compulsory disclosures are regulated by law.

The contents of the voluntary disclosures varies, but it often contains *letter from the managing director*, *letter from the chairperson*, information of the business, market trends and future prospects, the year in brief, a presentation of the *board of directors* and the *group of executives board*. In addition, companies often choose to include information within the voluntary disclosures regarding matters further away from the core business, such as concerns about employees and the environment as well as contributions to the society in which they operate. These matters are of importance for individuals, in the sense of employees, as well as for people in general, in the sense of the future prosperity of mankind and planet earth.

By publishing this kind of information, companies aim to add desired symbolic value to their brands (Klein, 2001). This is of significance in order to meet the requirements of external parties and also to attract and create loyal customers. By viewing the annual report as a communication channel, this is of certain interest since the companies choose what to publish.

1.2 Discussion of problem

According to the legitimacy theory, companies ought to adapt to the concerns of society in order to maintain legitimate. Those concerns are viewed by managers to be set by the media (Deegan & Unerman, 2006). Another reason for adapting is to improve the image of their brand, which has increased in importance, as consumers buy an identity (Solér, 2010). Hence, despite companies grown big and powerful, there are incitements for companies to adapt to society's concerns, which make it interesting to investigate if they actually do so.

As society and marketing trends changes over time, it is of interest to see if the companies answer to these changes. A regularly recurring means of communication is annual reports, whereas the sender is the companies themselves. This implies that annual reports would be a suitable measurement of what companies regard as important over time. In addition, this illustrates how the companies want to display themselves in a forum where they can stand uncontradicted. Since the compulsory disclosures are regulated by law, the voluntary disclosures are of most interest.

Since companies have grown large and powerful, it is interesting to see how they are *marketing* themselves. Further, this also makes it interesting to see how they deal with issues concerning individuals and the society in which they operate. Due to the globalization, they affect individuals and societies even more. These matters have also been observed by media, which makes it especially interesting to study how the companies in the voluntary disclosures act on issues concerning individuals; *employees*, as well as society in general; environment and social responsibility meaning *sustainability*.

1.3 Definition of problem

- How has the extent and content of voluntary disclosures, in annual reports, with regard to marketing, employees and sustainability developed over time?
- Does the development of voluntary disclosures go hand in hand with society and public opinion?

1.4 Objective

The purpose of this study is to examine and compare the voluntary disclosure in three companies' annual reports from 1980 until 2009 and link this to the public debate, societal changes and established theories.

1.5 Delimitations

Since companies seek to align the perceptions of its actions with what is considered as being legitimate, but not always change the actual behaviour (Lindblom 1994), we do not attempt to draw any conclusions whether or not the voluntary disclosure reflects the companies' actual actions according to the decoupling theory (Deegan & Unerman, 2006). Three areas will be focused on; marketing employees, and sustainability (environment and social responsibility).

Information that deviates from this stated framework will not be further studied. The economic situation during the studied period will not be taken into consideration.

1.6 The outline of the thesis

The outline in this thesis is divided into seven chapters.

Chapter 1: Introduction - The background of the thesis is presented followed by the definition of problem. The chapter ends with the aim of the study, delimitations and the outline of the following chapters.

Chapter 2: Method - The chapter describes how the result has been produced. A discussion concerning the choices that has been made and why will also be described.

Chapter 3: Frame of reference - This chapter contains a presentation of well-established theories with the purpose of giving an understanding and foundation needed to the analysis and conclusion.

Chapter 4: The development of public debate and societal change - The chapter aims to present a historical run-through concerning marketing, employees and sustainability covering respectively subject's development over the past 30 years due to the public debate and changes within the society.

Chapter 5: Empirical result - This chapter presents the results that were found when examine the annual reports. Each company is presented separately and followed with the result for each decade divided into marketing, employees and sustainability.

Chapter 6: Analysis - The empirical result is analysed and linked to the public debate, societal changes and the frame of references.

Chapter 7: Conclusions - The conclusions are drawn from the empirical result and the analysis and the chapter ends with suggestions for further studies.

2. Method

This chapter aims to give the reader a description of how the process of gathering, working with and analysing the material was executed. Including an explanation of the choices that has been made and why they were made.

2.1 Approach

This study of voluntary disclosure will focus on marketing, employees and sustainability in annual reports and consists of two parts; the empirical result and the analysis. The empirical part illustrates a compilation of the gathered information from the chosen companies' annual reports and will be presented in an explanatory text and answers *how* this development has emerged. The analysis chapter aims to examine the relation between the public debate and the empirical results. Further, this part will be linked to established theories, and hence seeks to answer *why* this development has occurred.

2.2 Gathering and compilation of data

2.2.1 Theoretical data

To obtain an overview of the public debate and the changes within the society, a historical run-through regarding marketing, employees and sustainability will be presented for each decade. This will be linked to the empirical data in the analysis. To support the connection between the empirical data and the historical run-through, a theoretical framework consisting of established theories will be used.

In order to acquire information about the public debate and the theories articles, literature and a talk show will be used. To get hold of this information, libraries will be visited and databases are going to be searched.

2.2.2 Empirical data

The empirical data consists of annual reports and as mention above, only voluntary disclosure will be examined. For consistency all pages from cover to back, except the pages between board of directors' report and auditors report, will be classified as voluntary disclosure. All the annual reports from all three companies were retrieved from *Centrum för Näringslivshistoria*, but some reports are to be found on respectively company's website.

The three studied areas; marketing, employees and sustainability, will be presented for each company and each year in a matrix as seen below (Table 1). The different parameters linked to the areas used in the matrix will further be presented in section 2.4.

Company	MARKETING				EMPLOYEES		SUSTAINABILITY	
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of words	Number of photographs	Number of words
Year								

Table 1. The matrix

The empirical result is later going to be linked to the historical run-through and the chosen theories in the analysis.

2.3 Selections made

In this study some selections were made in order to make the study possible.

2.3.1 Choice of companies

The study is based on *three* companies – a reasonable number within the given time limit. The choice of companies is based on a number of different criteria. Origin, age and form are fundamental decisive factors. This thesis will have a Swedish point of view, therefore the selected companies are Swedish and the analysis will be put in relation to the public debate. A prerequisite to make a comparison over time possible is available information; therefore the companies were to be well-established before 1980. Further, all three companies are limited liability companies within the private sector.

The purpose of this thesis is to examine the voluntary disclosure of the market in general. Since preferences differ between sectors the information in annual reports can also be presumed to differ. Consequently the chosen companies represent three sectors in order to achieve a broader spectrum. This is of certain significance since it will be put in relation to the public debate. The chosen sectors are provisions, retailing and telecom. These three sectors fulfil some of the most basic needs; food, clothing and communication.

The chosen companies are ICA, Hennes & Mauritz (H&M) and LM Ericsson. These are market leaders in respective sector and are for that reason normative within their field (Deegan and Unerman 2006). Due to this it can be assumed that they are good representatives for their sector.

2.3.2 Choice of years

It was chosen that the study began in 1980 because of the debate concerning environment, employees and marketing gained a foothold this time. The time interval will be every fifth year, due to the time limit, so the reports of the years 80, 85, 90, 95, 00, 05 and 09 are further going to be examined. ICA's report of 2000 was not able to come into possession of, why the report from 1999 was used instead. It is though unlikely that this will affect the result, since the time interval is wide-ranging.

2.4 Presentation of the chosen areas

The parameters to measure the empirical result will be number of pages, photographs, logotypes and search words.

2.4.1 Marketing

The parameters of marketing are the number of pages, number of logotypes (not including photographs of logotypes), number of times the word 'brand' is mentioned and the total amount of photographs for each of the chosen years and will be compiled in an explanatory text for the three decades.

The sender of the voluntary disclosure are the companies themselves, hence, they are in control of which information will be published in the annual reports. Due to this and for the

sake of clarity, and to get a comprehensive picture, we choose to define all the voluntary disclosure as *marketing* when counting the number of pages and photographs.

In the explanatory text in the empirical result, and in the analysis, focus will be on the development towards branding. To support this, number of photographs, logotypes and mentioning of ‘brand’ will be used. Only one search word, ‘brand’, is used to capture the development of marketing because the word was coined in the 80s during arise of *branding* (Klein, 2001) implying that it is only used in this specific context and therefore the occurrence very expressive. To count the amount mentioning of ‘brand’ used in the annual reports were the Adobe Reader ‘Find’-function used and in the Swedish reports were the word ‘varumärke’ (= brand) used instead.

Clip-art pictures, maps, statistic data and logotypes not included in the group are not to be classified as any kind of photograph. A photograph is defined as both a regular photo and a digital created photograph (for example cover of magazines or newspapers and screenshots). Photographs published in the compulsory disclosure should also be registered due to photographs not being regulated by law. The presentation of the *board of directors* and *group executive board* differed between the chosen companies and within a company from one year to another. To avoid a misleading result it was decided to classify respectively presentation of the board as *one* photograph.

2.4.2 Employees and sustainability

We choose to include both environment and social responsibility in the catch-all term sustainability, because occasionally they were difficult to separate.

Employees and sustainability will be measured on two variables; number of search words and photographs and will be presented for each of the chosen years, and further compiled in an explanatory text for the three decades. We decided this alternative will give the most correct, comprehensive and least subjective result. The search words were chosen after all the annual reports were read and a brainstorming on respectively subject had been done. The chosen words are not sector specific in order to be appropriate for all three companies, again, to achieve a more unbiased result. Eleven search words related to employees and thirteen to sustainability were chosen (presented in Table 2).

EMPLOYEE	SUSTAINABILITY
Co-worker	Climate
Culture	Condition
Discrimination	CSR
Diversity	Emissions
Employee	Energy
Equality	Environment
Harassment	GRI
Motivation	Recycle
Personnel	Right
Training	Social
Women	Society
	Sustainable
	Waste

Table 2. The search words

The search words need to be found in headlines, body text or caption (even if the caption is found in the part regulated by law) in order to be registered. A search word is not to be counted if it is found in connection to statistic data (diagram or tables), titles, proper noun, web addresses or names of specific documents. A word found in a context clearly deviating from the chosen subject should not be registered, for example, ‘market climate’ should not be classified as a sustainability word.

To count the amount of search words in the annual reports, the Adobe Reader 'Find'-function were used. The Swedish words are translated to the most exact equivalent in English to make a search possible when a report was only given in English. If a word has more possible endings, for example, training, only train* were typed in the search field to not miss any possible hits. The Adobe Reader function was used for the entire annual reports of ICA and for the reports of H&M and Ericsson year 2000, 2005 and 2009, the remaining were read manually.

To classify as a photograph of an employee, the photo should portray a co-worker and if any uncertainty, the employee's head must be shown. In cases when it is difficult to determine if a photograph depict an employee or a customer, the photo shall be registered as an employee photo. A sustainability photograph needs to be linked directly to either environment or social responsibility to be registered in the category. A photograph shall primary be judge by the depiction and if there are any uncertainties the headline, body text and caption should decide how to classify the photo.

2.5 Criticism

The study's chosen search words are based on commonly used words of today, 2010, therefore it could be that other words besides the chosen ones were common during the 1980s and 1990s. However, we did not apprehend that this was the case after reading all of the studied reports manually.

The study would have a more comprehensive result and more accurate conclusions could be drawn if all the years between 1980 and 2009 were examined, and a larger amount of companies were studied, but due to the time limit this was not achievable.

The articles, literature and facts included in the compilation of the development concerning the public debate and societal change over the 30 years, do not guarantee a complete depiction of the history.

3. Frame of reference

In this chapter are relevant and established theories are presented. This will give the reader an understanding and foundation needed to understand the analysis and conclusion.

3.1 Legitimacy theory

The legitimacy theory states that organizations are constantly trying to gain and maintain 'legitimacy' from external parties. To do so, they are obliged to act within the frames of the society in which they are operating. Since the ethics and morals in society change over time, being legitimate is an on-going process, and is not to be considered as constant (Deegan & Unerman, 2006). If the corporation does not adapt to the changing expectations of society, there will be a growing legitimacy gap, which will decrease the support for the corporation (Lindblom, 1994).

The theory is based on a 'social contract' between the corporation and the society in which it operates. This could be explained as how the corporation should act from the implicit and explicit expectations. The traditional way of measuring the performance of a corporation has been profit maximization. However, as stated above, the expectations of society change which have led to an increase in legislation related to social issues such as the environment and the wellbeing of employees. Hence, what was considered 'legitimate' some decades ago might not be the case today (Deegan & Unerman, 2006).

The social contract implies undertakings for both corporations and society. As stated from Mathews (1993), on one hand "[...] society (as a collection of individuals) provides corporations with their legal standing and attributes and the authority to own and use natural resources and to hire employees" (p. 26). On the other hand corporations must, in return, reciprocate the society. That should be something desirable both for the society in general, in terms of output of goods and services, as well as for groups from which the organization derives its power, in terms of economic, social or political benefits (Shocker and Seith, 1974; Mathews 1993). Therefore, it is not a given right for organizations to have access to resources, or the right to operate; that is something they will have to earn and uphold by being legitimate. Organizations' repayment to society needs to exceed the costs of their existence (Deegan, 2006; Mathews, 1993).

If an organization cannot justify its actions and fails to carry out the duties of the social contract, it may have negative effects on its on-going and continuous operations. This can be notable for the business by decreasing demand of its products, the supply of labour and financial capital. In addition, groups may propagate for legal restrictions or taxes being imposed on actions taken by organizations that do not correspond with society's expectations (Deegan & Underman, 2006). This entails that costs are involved when an organization breaks the social contract, which imposes organizations to act in order to correspond to the values of society (Dowling & Pfeffer, 1975).

Lindblom (1994) states, that the actions of trying to gain legitimacy are termed *legitimation*. According to Dowling and Pfeffer (1975) the organization can apply following actions in this process:

- adopt their output, goals and methods of its actions to correspond to the current definition of legitimacy;
- through communication, try to change the current definition of legitimacy to correspond with its own ways of operating;
- through communication, try to be identified with symbols, values or institutions that have a high level of legitimacy.

Lindblom (1994) also states some actions organizations may take to obtain or maintain legitimacy, in case of its legitimacy being questioned. The organization can try to:

- convey, to the ‘relevant publics’, the actual changes that have been made to better correspond to the definitions of legitimacy at the time;
- change the ‘relevant publics’ perception of its behaviour, instead of changing its actual operations (“*while using disclosures in corporate reports to falsely indicate that the performance and activities have changed*” Deegan & Unerman 2006, p. 274);
- manipulate the image that the ‘relevant publics’ have of the organization by focusing on other performances and thereby draw attention from the problematic activities;
- change the expectations on the organization from external parties, by trying to undermine society’s expectations and argue that they are unreasonable

To act on these strategies, organizations can use annual reports to convey their message. This indicates that one function of financial reports is to use it in purpose of legitimation, which suggests that financial statements and related disclosures are of strategic importance. The idea of the legitimacy theory, that organizations will suffer losses in different ways if they break the social contract, is to be agreed upon from corporate managers in many European and other nations.

Next, a presentation will follow, of reasons why organizations publish certain disclosures, such as social and environmental, in financial reports:

- to avoid getting effected by negative information concerning the organization or its matters that might be found publicly;
- to inform about certain matters that was not public or known of before;
- to draw attention to its strengths, for example, to inform about an achieved environmental reward or positive actions carried out in favour of the employees. The opposite would be to ignore publishing harmful information, for example, in case of pollution or dangerous working conditions;
- to protect or enhance profitability and therefore also avoid to harm current operations and threaten the organization’s survival;
- to avoid damaging the organization’s reputation and thereby risk the value of the organization and its possible future profits, which is considered as being a risk in

reputation risk management when an organization is lacking in legitimacy (Deegan & Unerman 2006).

3.1.1 Legitimacy and media

As has been described above, the legitimacy theory suggests a connection between society expectations and what is stated in corporate disclosure, implying that managers adapt to the concern of society. Consequently, it is interesting to know what managers see and define as society expectations. One source managers is likely to rely on is the media (Deegan & Unerman, 2006).

In an article by Brown and Deegan (1999) they investigate the correlation between what the print media is writing regarding to environmental effects, caused by certain industries and the amount of environmental information in organizations' annual reports in that/respectively industry. They start out from the assumption that media can impel social concern regarding environmental issues of certain organizations, implying that in case of a raise in concern, the organizations will react by increasing the environmental disclosure in their annual reports.

They referred to the '*media agenda setting theory*', which states that increased media exposure about a certain subject is likely to increase the social concern about the same issue. The media is thereby seen as setting the public priorities rather the reflecting them. Due to this, they used media reporting concerning a certain subject as the measure of society opinion.

The conclusions made in the article can be summarized (Deegan and Unerman, 2006, p.283);

- *management uses the annual reports as a tool to legitimize the on-going operations of the organisation (from legitimacy theory)*
- *community concerns with the environmental performance of a specific firm in an industry will also impact on the disclosure strategies of firms across that industry;*
- *the media are able to influence community perceptions about issues such as the environment (from media agenda setting theory)*

Brown and Deegan (1999) could see in their investigation that, in case of increased media reporting, the majority of the industries would consequently increase the environmental disclosure in their annual reports (Deegan & Unerman, 2006).

3.2 Stakeholder theory

The strategy of approaching stakeholders emerged in 1980s (Hitt, Freeman & Harrison, 2001). Clarkson (1995) divided stakeholders into two groups; primary and secondary. Primary stakeholders are defined as stakeholders the company needs in order to survive and these are the ones the corporate management primarily should be focusing on to succeed in the long run. A primary stakeholder could be public interest groups, protest groups, government agencies, competitors, unions, employees, customer segments and shareowners (Freedman & Reed 1983). Secondary stakeholders influence and/or affect the company, but are not involved in any transactions with the company, and thereby the future of the company is not depending on these stakeholders. A secondary stakeholder could be employees, customer segments, certain

suppliers, key government agencies, shareowners and certain financial institutions (Freedman & Reed 1983).

According to Deegan and Unerman (2006), the theory has two branches; a *normative* (moral) and a *positive* (managerial). The normative perspective implies that all stakeholders, both primary and secondary, have certain minimum rights and all are to be treated equally by the company irrespectively of which role the stakeholders have. In this perspective the stakeholders also have the right to be provided with information that shows how the company affects them. Even though they choose not to use the information, or it does not directly concern the financial situation of the company, it is still obligated to inform about pollution or community sponsoring etcetera. If and when conflict of interests occurs, the company needs to partly sacrifice the interest of the stockowners in favour for the stakeholders. This implies that the company has social responsibilities.

The positive branch of the stakeholder theory divides the stakeholders into different groups, which are identified based on the extent of the stakeholder's interaction with the company. The higher degree of importance the stakeholder has to the organization the more effort will be used to managing that relationship. The company can use information as a way of manage (or manipulate) the stakeholders in order to gain their support and approval or to distract an opposition (Gray, Owens & Adams 1996).

A stakeholder's possibility to influence the corporate management depends on the degree of control the stakeholder has over the resources required by the company. The more critical the stakeholder resources are for the continued success of the company, the more influence the stakeholder gets. A successful corporation is one that can satisfy several different stakeholders. Due to this, information concerning financial accounting, social performances, investments and initiatives, will be aimed to the stakeholders as a clarification that the company is operating in their best interest (Deegan & Unerman, 2006).

Since it is a turbulent and accelerating world, the demands and expectations from stakeholders keep changing over time. Therefore it is necessary for the corporate management to always evaluate the demands from stakeholders in order to meet their expectations and achieve strategic objectives (Hitt, Freeman & Harrison, 2001).

3.3 Institutional theory

Institutional theory has been developed within organizational theory since the late 1970s. It has then been adopted by accounting researchers active in management accounting as well as financial accounting (Deegan & Unerman, 2006). On the word of Dillard, Rigsby and Goodman (2004, p. 506) institutional theory "*is becoming one of the dominant theoretical perspectives in organization theory and is increasingly being applied in accounting research to study the practice of accounting in organizations*".

Deegan and Unerman (2006) state that institutional theory provides a complementary perspective, to both legitimacy theory and stakeholder theory, in understanding how organizations comprehend and respond to changing social and institutional pressure and expectations. It links organizational practices, such as accounting, to the values of the society

in which an organization operates. Thus, institutional theory provides an explanation of how certain mechanisms, through which organizations seek to gain or retain legitimacy, become institutionalized in organizations. Dillard, Rigsby and Goodman (2004) emphasize the importance of social and environmental information in order to maintain legitimacy.

There are two main dimensions to institutional theory; *isomorphism* and *decoupling*. By isomorphism means adaption of an institutional practice in an organization. Just as voluntary disclosures are institutional practice in accounting organizations, the process by which these voluntary disclosures adapt and change in that organization are isomorphic processes. (Deegan & Unerman, 2006)

DiMaggio and Powell (1983) set out three different isomorphic processes. The first of these is *coercive isomorphism* where organizations only change their institutional practices because of pressure from those stakeholders who have the most influence over the company. This process is clearly related to the positive (managerial) branch of stakeholder theory, whereby a company will use voluntary disclosures to address the economic, social, environmental and ethical values of its powerful stakeholders. The company is therefore ‘coerced’ into adapting its existing reporting practices to suit the expectations and demands of its influential stakeholders.

The second isomorphic process explained by DiMaggio and Powell (1983) is *mimetic isomorphism*. This involves organizations seeking to emulate the institutional practices of other organizations, often for reasons of competitive advantage in terms of legitimacy. Unerman and Bennet (2004, p. 692) demonstrate ‘*a tendency for a number of organizations within a particular sector to adopt similar new policies and procedures as those adopted by other leading organizations in their sector*’. The ambition of this process is to maintain or enhance external stakeholders’ perceptions of the legitimacy of the organization, and extensively to maintain or enhance the company’s own competitive advantage.

The final isomorphic process specified by DiMaggio and Powell (1983) is *normative isomorphism*. This relates to the pressure arising from group norms to adopt particular institutional practices. In terms of voluntary corporate reporting practices, normative isomorphic pressures could arise through less formal group influences from a range of both formal and informal groups to which managers belong. These groups could produce collective managerial views in favour or against certain types of reporting practices, such as the desirability or necessity of providing stakeholders with social and environmental information through the medium of corporate reports.

The second dimension of institutional theory, *decoupling*, implies that while managers might perceive a need for their organization to be seen to be adopting certain institutional practices, actual organizational practices can be very different to these formally published processes and practices. Thus, the actual performs can be decoupled from the institutionalized. In terms of voluntary corporate reporting practices, this decoupling can be linked to some of the insights from legitimacy theory whereby social and environmental disclosures can be used to construct an organizational image very different from actual social and environmental performance (Deegan & Unerman, 2006).

4. The development of the public debate and societal change

In this chapter a historical run-through is presented concerning marketing, employees and sustainability covering respectively subject's development over the past 30 years due to the public debate and changes within the society.

4.1 Marketing

In “*No Logo – Taking aim at the brand bullies*” (2001), Naomi Klein describes the development and criticism of marketing, mainly from the 80s until the late 90s. A central issue is the development away from advertising specific products and instead advancing towards ‘branding’ that started out in the 80s. The concept of ‘branding’ means the idea of symbolic value added to a brand which will make it represent something more than just the function of a product. To build a brand, it is necessary to let go of the idea of trying to sell products but instead produce brands, which is the one thing in possession of a lasting value; the idea, lifestyle and attitude, all in one package. An eminent brand heightens the experience by making it appear as more meaningful.

The setting of the development of ‘branding’ is globalization, a concept including several things that have had impact on and facilitated for the spread of ‘branding’. Political decisions, based on free market economy opinions, have made possible the elimination of trade barriers. Thanks to this and to the information technology, many companies are in the beginning of the 00s globally arranged with operations all over the world. Another effect of the improved information technology and thereby the increased media coverage, is the cultural exchange in the sense of distributing lifestyles and cultural customs all over the world (Klein, 2001).

In the process of ‘branding’ the companies use images as means of representing the products as synonymous with positive experiences, culturally or socially. Further, they are sponsoring cultural events, where the goal is to *become* the culture, and signing enormous sponsorship agreements with, for example celebrities. A threat regarding the latter is the brand becoming eclipsed by the celebrity, who will get all of the attention. The brands also started to invade the mass media in the 90s and the boundary line between what is editorial and commercial started to be erased, leading to an amalgamation of the mass medium and advertising catalogue. The marketing was amide primarily towards teenagers because it is a growing group and they are still willing to pay to fit in, therefore the ideal age to address for a marketing manager is 17 years.

Some companies have been very successful in creating a desirable and demanded brand and along with fusions, consolidations and other specific tactics in order to conquer the market. This has created a few very powerful companies and their products and services are mainly what the consumer choice consists of, which also makes the output of these companies to be seen everywhere, due to that they use each other's products and services. For example, furniture from IKEA can be seen when taking a coffee at Starbucks.

At the same time as the brands got more insistent and present from the mid-90s, critic against the company's actions concerning; employment conditions, negative environmental-, cultural-

and human impact, was getting more noticeable. When the brand is strongly connected to our identity and culture, the faults, failings and violations of companies are impossible to ignore, because it can also be connected to the individual that consumes these products. As a response to the criticism against the companies, they started to produce performance codes, describing prohibition of discrimination, showing respect to the environment and legislation in force. However, these documents were at the late 90s produced by the PR department and under no control if being complied with. There were accusations that this was just to uphold the brand and not infrequently, a good deed in one area in the company's business, was accompanied with one in the opposite direction in another area.

4.2 Employees

4.2.1 The 1980s

The rise of labour legislation started in the 1970s with four major laws improving working conditions for employees; the law on employment protection, the law promoting measures to employment, the law of trade-union representative and finally the law regarding labour disputes in trials. These laws try different types of employment, that dismissals are based on grounds of facts and aims to help people with disabilities to enter working life etcetera. In the late 70s the law concerning employees' right to participate in decision-making entered into force. Due to this, collective agreements could be achieved (Andersson, Edström & Zanderin 2007). Throughout the 1980s strikes were common but less comprehensive than today. 1 080 strikes occurred during this decade compared to 27 during the 2000s (Medlingsinstitutet, 2010).

The public authority *Jämställdhetsombudsmannen* (JämO) was founded 1980, aiming to supervise that the law of equality, which came into force the same year, were being applied. This law forbids discrimination between the sexes in the working life and imposes that employers should work to encourage equality. During the 80s, women and gender research got a strong emerging at the universities and the word genus is introduced in the world of research. In 1984 a gender agreement is introduced for the public sector, and in the year of 1987 a Swedish company listed on the stock exchange gets its first female CEO (Tillberg, 2009).

4.2.2 The 1990s

During the first half of the 90s a right-wing movement swept over Sweden. This movement led to the populist party, Ny Demokrati, being voted into the Riksdag, and at same time, several crimes of violence occurred solely directed against people with foreign origin (Hansson, 2000). In the light of this, a law against ethical discrimination in the working life took effect in 1994. Employers are not allowed to discriminate a job-applicant because of race, skin-colour, nationality, faith or ethical origin (Andersson, Edström & Zanderin 2007).

During the 90s the Riksdag voted through decisions that would directly affect employees. In 1991 the sickness benefit was lowered, and in 1993 a day of qualifying period was introduced. In 1994 the parents pay was lowered to 80 % of the wage due to the critical financial statement Sweden faced during this time. In the same year fathers were allowed to have one

month paternity leave (Hansson, 2000). During this decade the law of discrimination and sexual harassment was sharpened (Tillberg, 2009).

Examples of important issues concerning equality during the 90s were payroll issues, upgrading of the value of work performed by women, women's representation in boardrooms, in corporate managements and on political positions of power. Why women's representation in boardrooms were debated frequently this decade were that in late 90s was it stated that there were more men named Göran held the position of MD than women on the whole (NätverketGöran, 2010). Two comprehensive investigations regarding the allocation of power influenced the equality policy. The conclusion of the investigations shows that women's power and influence in the development of society need to be at the top of the agenda. (Tillberg, 2009).

The development of the knowledge society led to people, instead of labour and capital, became companies' most important asset. Many companies today are based on employee's individual capability and because of the competition is it crucial for companies to adapt to society's changes in order to succeed. That is way companies should invest in their employees with the intention to create loyal co-workers, which could lead to a better result (Monthelie, 1999).

4.2.3 The 2000s

The writer and philosopher Alain de Botton were invited to the talk show *Skavlan* (Sandelin & Halvorsen, 2010) to discuss his book "*The pleasures and sorrows of work*" (2009), and answer the question '*Why do we work?*' (apart from earning money). He concludes that work gives us a feeling of purpose and makes us feel significant. More and more people complain about their job feeling pointless. De Botton proposes that by this people gives an expression of not apprehending what difference their job is doing for others, or how it could make the world a better place. He states that people need control in order to get a sense of happiness, to commit to their job and to work hard. Corporations know this and are therefore trying to provide employees a sense of being in control, and to make them enjoy their jobs, because this gives better profit. This is the idea the management culture is based on.

Terms of employment during this decade developed to be more short-termed and unsafe than decades before. More and more people are employed by staffing companies and by that are the companies not responsible for parts of their personnel (Klein, 2010).

The power of women in general were topics of the public debate, that later were discussed within the governmental work. Further, a debate regarding parental leave prevailed, which resulted in a larger share acquired to paternity leave (Tillberg, 2009).

The public debate during the 90s concerned how women in Sweden were to a great extent exposed to salary discrimination and structural and systematic discrimination in the working life. This debate led to the law of equality in the 2000s sharpened and came to include salaries between sexes, and more efforts were made to decrease the gap between men and women since it has been the same from the 80s. (Andersson & Eriksson, 2005; Andersson, Edström,

Zanderin, 2007). The employers are obligated to perform annual controls of the salaries of men and women in order to achieve equal pay for equal work (Tillberg, 2009).

Women are highly underrepresented in chief positions. The share of women on managing positions is below ten per cent and on peak positions and boards is the number two-three per cent. At the same time are women well-educated than men as they represent approximately 60 per cent of those who graduate from the universities (Renstig, 2006).

The laws concerning gender discrimination and sexual harassment are further sharpened (Andersson, Edström & Zanderin 2007). The 1st of January 2009 JämO was liquidated and merged with three other secretaries against discrimination and the joint name for all four is Diskrimineringsombudsmannen (DO) (Tillberg, 2009).

4.3 Sustainability

4.3.1 The 1980s

In the early 1970s the parties in the Riksdag agreed with investing in nuclear power, but during the next couple of years the issue would become controversial due to the safety being questioned. Therefore, the Riksdag decided to have a popular vote about nuclear power in March 1980. As a consequence of the disaster in Harrisburg, US, the year before, all three alternatives advocated a phase-out but to different extent. The voting result was therefore neither a yes nor a no, but a compromise (Hansson, 2000; Kärnkraftsinformation, 2008).

One of the worst environmental scandals in Sweden was revealed in the late 1970s. The detection that BT Kemi, a chemical company, had buried poison drums in a small community in the south of Sweden, became a starting point of a growing interest for environmental concerns and established the notion of ‘environmental crime’. In addition, the scandal put the issue of the relationship between pollution, responsibility and legislation on the political agenda (Hansson, 2000; Mårald, 2002).

The nuclear power voting and the scandal of BT Kemi had crucial influence of the following public debate and opinion. During the 1980s the first stepping stone to today's increased environmental awareness was founded. In the light of this, the Swedish Green Party was founded in 1981. A few years later the Riksdag decreed that catalytic emission control will be initiated in all car models from 1989 and forth. The Riksdag also approved the Government's bill that nuclear power shall be phased-out in the year of 2010 (Hansson, 2000).

In 1986 another nuclear disaster occurred, this time in Chernobyl, Ukraine. A radioactive cloud dispersed over large parts of Europe including Sweden, and the debate of nuclear power was revived. Later that year the Government decides to set up an environment- and energy ministry. Further, environmental concern became a large and important consumer matter and ecolabels such as the Krav-sign, Svanen and Naturskyddsföreningen's Bra Miljöval were established during the decade (Nyström, 2009).

The report *Our common future* from the United Nations World Commission on Environment and Development, was published in 1987. It is also known as the *Brundtland Report*, since the former Norwegian Prime Minister Gro Harlem Brundtland was the Chair of the organization.

The report introduced the notion of ‘sustainable development’ and defined it as ‘development that meets the needs of the present without compromising the ability of future generations to meet their own needs’ (Nyström, 2009).

In 1988, the United Nations climate panel IPCC was established, whose commission was to study the climate change caused by humans. During the summer, thousands of dead seals were washed ashore on the coasts of Sweden. Scientists believed that the ‘seal death’ was caused by changing conditions in the sea. Additionally, an up-to-then unknown poisonous plankton alga began to bloom and superseded large fish breeding on the west coast. The algal bloom was believed to be caused by high carbon dioxide content in the sea. That year, the Swedish Green Party became a winner in the general election and was voted into the Riksdag, thanks to a successful campaign and a commitment in actual environmental issues such as the seal death (Hansson, 2000; Nyström, 2009).

The following year, Miljöskyddskommittén was founded with the commission to overhaul the environment legislation. Eventually, this resulted in Miljöbalken which took effect ten years later. This entailed several regulations regarding companies influence on the environment and gradually put pressure on companies to take responsibility (Nyström, 2009).

4.3.2 The 1990s

During the 1990s, environmental issues were put on the agenda of top-level international politics. In 1992 the United Nations Conference on Environment and Development, also known as the Rio Conference, were held in Rio de Janeiro. 172 governments participated and the conference resulted in documents such as Agenda 21, Convention on Biological Diversity and Framework Convention on Climate Change, which in turn led to the Kyoto Protocol in 1997. The protocol was aimed at fighting global warming by reducing carbon dioxide emissions and was initially adopted in Kyoto, Japan (Hansson, 2000; FN-förbundet, 2009).

Sweden joined the European Union in 1995. A couple of years earlier the EU Ecolabel were established, symbolized by the Flower, aiming to encourage businesses to take environmental responsibility. Moreover, the Eco-Management and Audit Scheme (Emas), a system for environmental management and accounting, were adopted by the Ministers for Environment in the European Union (Nyström, 2009; Eu-Upplysningen, 2010).

In 1997 another environment scandal was revealed, again in the southern parts of Sweden. The construction of the Hallandsås Tunnel was interrupted by several major difficulties, one of which implacably became very serious. The main contractor, Skanska, together with Swedish Railways, had used a toxic sealing compound called ‘Rhoca-Gil’. The effects were devastating; chemical discharges and poisoned groundwater. The scandal became a wake-up-call, for Skanska as well as for other companies, regarding risk management. Especially since the public had become equally important as shareholders (Offerman, 2004).

Due to company scandals, new legislation and practices along with the growing public debate, the external pressure from society to enforce companies to take greater responsibility for their actions became more intense. In 1994, John Elkington, a ‘guru’ on the sustainability area, launched *Triple Bottom Line*, aiming at an environmental and social bottom line as well an

economic in the accounting. As an element in this progress the idea of *Corporate Social Responsibility* (CSR) took form. In 1995 the business network CSR Europe was founded and the national partner organization CSR Sweden was founded in 2006. During the same time the idea of creating a sustainability reporting framework is conceived, and soon the organization *Global Reporting Initiative* (GRI) was established. GRI covers three parts; economic, social and environment. In this context, social responsibility became an equal part to environment (CSR i praktiken, 2010; CSR Europe, 2010; CSR Sweden, 2010; Global Reporting, 2010)

4.3.3 The 2000s

During the first decade in the 21st century, the ambitions of the Kyoto Protocol are being realized, although the implementations have not proceeded completely without friction. The deliberations continued in Marrakech 2001 and latest in Copenhagen during the 2009 United Nations Climate Change Conference, also known as Copenhagen Summit, where IPCC's fourth climate report from 2007 played an important role. Unfortunately, the participating governments did not come to an agreement (FN-förbundet, 2009).

News and trends are often the breeding ground for neologism. Therefore, new words or words that have risen in usage say something about the social climate. In 2003, the words 'glokal' and 'glokalisera' were two words of present interest. They originate from the English word 'glocal', which is a fusion of 'global' and 'local'. In 2007, eleven new word formations with the word 'climate' occurred, for example; 'klimathot' and 'klimatångest' to 'klimatsmart' and 'klimatsäkra' (Språkrådet, 2010).

Environmental issues also became a topic of conversation for the public, on account of the documentary movie '*An inconvenient truth*' by Al Gore. The overall impression is that issues regarding environment and sustainability have become a question of survival for politicians, company leaders and consumers, and that it is well on its way on being an integrated part of everyday life for many people and societies (Bergh, 2009).

5. Empirical result

In this chapter the results that were found when examine the annual reports will be presented. Each company is presented separately, starting with a small presentation of the company's business and followed with the result for each decade divided into marketing, employees and sustainability.

5.1 Ericsson

5.1.1 Presentation of Ericsson

On April 1st 1876, “*L. M. Ericsson & Co Mekanisk Werkstad*” was founded by Lars Magnus Ericsson and Carl Johan Andersson. After a few years, they started what was to become the main direction; production of telephone apparatus. In 1896 ‘*Aktiebolaget L. M. Ericsson & Co*’ was constituted and at the beginning of the 1900’s, Ericsson expanded outside of Sweden.

In 1932, Ericsson was taken over by one of its competitors, ITT, led by Sosthenes Behn. After negotiations, the company managed to continue as it had earlier. After the Second World War, Ericsson developed into a stable, international company and concentrated on manufacturing telephone systems and telephones. At the start of the 1990’s, Ericsson became a leader in the area of mobile telephony (History of Ericsson, 2010).

Today Ericsson is a leading supplier of communications network as for services belonging to it and multimedia solutions. Ericsson is also a considerable supplier of mobile phones through the joint ventures of ST-Ericsson and Sony Ericsson, and has built networks in 175 countries. In 2009 the turnover reached SEK 206.5 billion and there were 82 500 employees around the world of which 18 200 in Sweden (Ericsson Annual Report, 2009).

5.1.2 The 1980s

ERICSSON	MARKETING				EMPLOYEES		SUSTAINABILITY	
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
1980	26	38	2	0	13	4	0	2
1985	24	30	2	0	21	5	0	0

5.1.2.1 Marketing

The number of pages of voluntary disclosure in the annual reports of 1980 and 1985 is quite the same (1980: 26, 1985: 24). In general, the information describes Ericsson’s production, out-put (in terms of products and services) and their worldwide markets. The reports contain many pictures in comparison to the amount of pages (1980: 38, 1985: 30), most of which have the character of being small, simple and not laboured, illustrating Ericsson’s products and services. In the annual report of 1980 there are two photographs depicts persons of importance; one with the president of Mexico, José López Portillo, along with his daughters, visiting LM Ericssons’ plant in Älvsjö; and another with the queen of Sweden, Silvia Bernadotte, using one of Ericsson’s products during a visit at AB Thorsman in Nyköping. The Ericsson logotype appears twice in each report, although with different design. In 1980 the

logotype was in handwriting, whereas in 1985 the new and stricter logotype with the three stripes has been introduced, the same as being used today (2010).

5.1.2.2 Employees

The information about the employees was rarely occurring in the voluntary disclosure of the studied reports from the 80s. The search words that can be found are ‘employees’, ‘co-worker’ and ‘personnel’, neither of which occurred more than three times in the same report. The information is generally describing the number of employees, dismissals or transfers. Notable is that in the section ‘letter from the managing director’, the MD expresses his thanks to the co-workers of Ericsson.

The share of photographs illustrating employees has increased from 13 in 1980 to 21 in 1985. The majority of the photographs portray the employees at work or next to a product. There is no photograph of the *board of directors* or the *group executive board* in 1980, whereas in the report from 1985 there is one photograph of the chairman of the board and one of every business field manager, which can be an explanation to the higher amount of pictures that year. Some of the pictures in the report from 1980 illustrate women while in 1985 there are only white men.

5.1.2.3 Sustainability

Two search words were used in the 1980 report, while there were none in the 1985 report. The word ‘environment’ is found in the context of a co-operation with another company, ensuring that the production of capacitors meets high environmental standards. The word ‘society’ is used once, yet only describing Ericsson’s products and services becoming more important for the final consumer.

5.1.3 The 1990s

ERICSSON	MARKETING				EMPLOYEES		SUSTAINABILITY	
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
1990	41	18	2	0	3	9	0	0
1995	43	39	15	0	14	43	2	47

5.1.3.1 Marketing

There has been almost a doubling of the voluntary disclosure from the 80s to the 90s in terms of number of pages (1990: 41, 1995: 43), even though the contents in the report of 1990 are more or less the same as in the 80s. However, in 1995 a new subject appeared for the first time, regarding the environment (which will be further described in the section concerning sustainability below).

The overall focus in the reports is towards customers, both private persons and organizations. This is particularly emphasized in the photographs, which have a focus on mobile phones and people using them. The number of photographs have more than doubled from 1990 (18) to 1995 (39) although the amount of pages are approximately the same. However, in the report from 1990 the photos appear to be more professional than in 1995. Apparent is the large number of logotypes (15) in the report from 1995, which can be explained by its recurrence in the lower corner of several pages.

5.1.3.2 Employees

In 1990, the information concerning employees in the voluntary disclosure remained approximately the same as for the 80s, and in 1995 did the number of times search words. The words can be found 43 times totally in 1995 compared to nine in 1990, but the most common words for both years are 'employee', 'personnel' and 'co-worker'. The search words are used in contexts to describe the extensive reorganization, competence development and spreading of knowledge within the organization. 'Culture' (3) is also to be found, for the first time, in the report of 1995. It refers to the corporate culture within Ericsson, which is described as an important element.

In the *letter from the managing director* in the report of 1995 were two out of twelve sections considering the employees, and it is clear that the tone has changed towards mentioning them in a more 'human' way instead of strict economic contexts.

The report from 1995 is consisting of more photographs linked to employees than the report of 1990 because of the difficulties to decide whether the photos illustrate customers or employees. A majority of the photographs from 1990 only show silhouettes of people which make the determination of their nationality impossible, however, they illustrate both men and women. In the report from 1995 the photographs show a mixture of people with different national backgrounds, and both men and women are represented.

5.1.3.3 Sustainability

No search words were found in the report from 1990, but in the report from 1995 a chapter concerning environmental influence appears for the first time. In the chapter it is stated that Ericsson's active commitment to environmental issues started to take form in 1990. In the same year Ericsson signed their first environmental policy, which then has been revised.

Search words regarding sustainability can be found 47 times in 1995 and focus is upon environment, which also is the most frequently used search word (31). Emphasis is on how to decrease the influence on the environment, from idea to final consumer, mainly in terms of lowering the consumption of energy and other resources, by using life-cycle-analyses. Furthermore, the words 'emission' and 'recycling' are mentioned two respectively four times. In connection to the environment chapter, two pictures associated with sustainability (in this case the environment) appear for the first time.

5.1.4 The 2000s

ERICSSON	MARKETING			EMPLOYEES		SUSTAINABILITY		
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
2000	74	22	2	3	7	49	2	19
2005	66	21	1	6	6	71	1	50
2009	64	28	1	4	14	65	4	41

5.1.4.1 Marketing

In the first decade of the new century the number of pages has increased further. The studied years 2000, 2005 and 2009 have a total of 74, 66 respectively 64 pages of voluntary disclosure and are getting more and more comprehensive while the disposition and contents

change a great deal. In the year of 2000, Ericsson made the decision to divide the annual report into two parts; the first containing primarily financial information; and the second containing informal information. The second part has the characteristics of being an instrument of advertising, especially due to the expensive and professional photos that are covering several double spreads, and that Ericsson literally expresses their want to *show* their business.

The photos in the reports from 2005 and 2009 are less professional than the ones from 2000. However, all have developed towards a more commercial character compared to the two previous decades. In the 00s the contents in the photos are a wide mixture of production, employees, products, customers, environment, society, the *board of directors* and so on, even though customers are still in the centre of attention.

A new element for this decade is the use of logotypes of other companies and organizations. In the report from 2000, logos of several other large commercial organizations are to be found in the photos, for example H&M and Fuji FILM. In 2005, symbols like the United Nation, UNs' Global Compact and *Svanen* are portrayed. The logotype of Ericsson does not occur more than once or twice in every report.

In the 00s, Ericsson uses the search word 'brand' for the first time, in the year of 2000 3 times, 2005 6 times and 2009 4 times. In 2009 Ericsson, for example, describes their capability of maintaining a strong brand, a good reputation and more accepted corporate governance, as an important factor likely to have an impact on how well future results will correspond to their assumptions.

5.1.4.2 Employees

The employees are even more prominent in this decade than in the 90s. This is evident from the number of times the search words appear for each year. In 2000 there are 49 hits, in 2005 71 and 65 in 2009. One contributing element of the strong increase in search words is that they were dedicated a separate chapter as from year 2000.

The increased importance of the employees is clear and has expanded to include them being comfortable and enjoying their work. Further, it is described how to keep the co-workers motivated, where training is a significant element, and emphasized how important the co-workers are for the success of the business. Two search words were increasingly used throughout the 00s; 'culture' (2000: 3, 2005: 6, 2009: 8) and 'co-worker' (2000: 7, 2005: 34, and 2009: 38). The word 'diversity' is introduced in the report from 2005.

The number of pictures varies over the decade; from seven in 2000, to six in 2005 and 14 in 2009. As for in the 90s, the photographs in the 00s show a variety of people; men and women, with different cultural background.

The year 2009 can be seen as an exception from previous reports containing information regarding the wellbeing of and investments concerning the employees. This year Ericsson chose to have a great deal of the information dedicated employees in the obligatory disclosure. Thus, there is no chapter concerning employees in the voluntary disclosure. This

could be an explanation of why the totally appearance of search words regarding this subject decreased from 2005.

5.1.4.3 Sustainability

In the 21st century, the voluntary disclosures regarding sustainability have developed into a wider range. Ericsson describes their effects on and contributions to the society and the surrounding environment in general. For example, the annual reports during this decade communicate how Ericsson participates in aid work during natural disasters, how they contribute to economic growth in societies where they operate and also the decrease of environmental influence due to their communication solutions. The following statement, from the report in 2009, touches all parts of what sustainability has developed into, namely environmental-, economic- and social responsibility: *“Environmentally-friendly communications solutions improve people’s lives all around the world. They make sustainable economic growth a reality”* (2009, 2nd front page).

There is an evident increase in the amount of search words used during the 2000s. While environmental issues are still an important topic, several new words and expressions related to the wider definition of sustainability are introduced in the report, for example; human rights, sustainable economic growth, corporate responsibility and social issues. The usage of this kind of search words increase during the decade. For instance, ‘sustainable’ is used three times in 2000 and seven times in 2009; ‘social’ (2000: 1, 2005: 6, 2009: 3) and ‘society’ (2000: 0, 2005: 7, 2009: 10). The increase in pictures is not as evident, but on the contrary the connection between sustainability and the depictions has become clearer.

A new phenomenon in the 21st century is that Ericsson refers to recognized organizations such as the United Nations Global Compact, the World Health Organization (WHO), the International Federation of Red Cross and the Red Crescent Societies, in terms of cooperation agreements or in association with their work. The logos of the organizations can also be found in the reports. Further, it is mentioned that Ericsson has been appointed one of the 100 most sustainable companies, according to ‘Global 100’.

5.2 Hennes & Mauritz

5.2.1 Presentation of Hennes & Mauritz

Hennes & Mauritz business concept is to ‘offer fashion and quality at the best price’ (hm.com). The company offers fashion for women, men, teenagers and children and also sells cosmetics, accessories and footwear. H&M was founded by Erling Persson and opened its first store in 1947. Today the company has 2 000 stores around the world and employs about 76 000 people.

H&M’s turnover 2009 was SEK 118 697 million and has a growth target to increase sales and number of stores by 10-15% annually. The growth will solely be financed with the company’s own funds. H&M was the largest company, in terms of market value, on the Stockholm Stock Exchange at the end of 2008 with approximately 183 000 shareholders. H&M buy their goods

from independent suppliers, primarily in Asia and Europe, instead of owning any factories of their own.

Hennes & Mauritz began in 1997 concerning for the environment and social responsibilities, after several cases, for example, regarding child labour was brought into light. To start with did they change their slogan from ‘fashion at the lowest price’ towards ‘to offer fashion and quality at the best price’. The same year company developed a ‘Code of Conduct’ obligating subcontractors to follow certain rules concerning, for example, workers’ rights, prohibition of child labour, health and safety (Hennes & Mauritz, 2010).

5.2.2 The 1980s

H&M	MARKETING				EMPLOYEES		SUSTAINABILITY	
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
1980	4	0	2	0	0	0	0	0
1985	8	3	10	0	1	0	0	0

5.2.2.1 Marketing

During the 1980s the voluntary disclosure, given in the annual reports, was principally directed to the company’s stockowners. The report from 1980 contained four pages of voluntary disclosure. The information given on these pages stated the names of the board, a notice to attend the general meeting of shareholders, details of the dividends and a list of existing stores. In this year’s report were no photographs published besides two pictures of the company logotype. In 1985 the annual report consisted of eight pages of voluntary disclosure. In addition to what was presented in 1980, *the letter from managing director* was introduced. 1985 was the first time photographs were used in the annual reports. Two photos displaying H&M clothing were published and a list of logotypes showing the nine different brands included in the company group.

5.2.2.2 Employees

In 1980 the *board of directors* consisted of three women and seven men, and in 1985 of three women and eight men. The year of 1985 the board was presented with a photograph for the first time.

5.2.2.3 Sustainability

There was no mentioning of sustainability in any of the studied reports from the 1980s.

5.2.3 The 1990s

H&M	MARKETING				EMPLOYEES		SUSTAINABILITY	
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
1990	20	19	2	0	3	4	0	0
1995	20	28	2	0	2	3	0	0

5.2.3.1 Marketing

During the 90s the voluntary disclosure more than duplicated in comparison to the 80s. In 1990 it consisted of 20 pages and 19 photos. This year’s report presented H&M’s different segments for the first time. Hence, photos were primarily portraying women, men and

children wearing H&M clothing. This year only two logotypes were presented, but solely the logo of H&M. The report of 1995 also contained 20 pages but the number of photographs had increased to a total of 28, which indicate that more focus was on products of H&M. This year the company used the famous model and actress Lauren Hutton to represent the brand of H&M and the company has continued working with celebrities exposing their brand.

5.2.3.2 Employees

‘Co-workers’ were mentioned for the first time in 1990 this year and at totally four occasions. They were especially thanked by the MD for their efforts and as playing a key role for the outstanding result of H&M. In 1995’s annual report employee related search words mentioned three times and two PHOTOS were portraying employees - the MD and the board. The board consisted of three women and nine men in 1990 and of five women and seven men in 1995.

5.2.3.3 Sustainability

1995 was the first time a context concerning sustainability was mentioned. H&M’s MD, Stefan Persson, wrote in *the letter from managing director*: *”Lika hårda krav som vi ställer på oss själva ställer vi på våra leverantörer. H&M bedriver sin verksamhet efter klara etiska regler som bland annat innebär att vi aldrig accepterar leverantörer som använder sig av barnarbete. Skulle något sådant uppdagas avbryter vi omedelbart samarbetet med leverantören”* (Annual report 1995, p. 3). None of the search words were to be found in this context, but the paragraph is still worth mentioning, since it indicates that acknowledgment of possible social and ethical problems existed within the company during this time.

5.2.4 The 2000s

H&M	MARKETING			EMPLOYEES		SUSTAINABILITY		
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
2000	42	31	1	6	9	34	1	58
2005	51	53	3	11	9	42	2	92
2009	80	141	8	7	27	36	2	135

5.2.4.1 Marketing

During the 2000s the number of pages and photos in the annual reports increased for every studied year. In 2000 the number of pages was to 42 and the number of photos was to 31. This year the company began to publish full-page campaign-like photos. The 2005’s report consists of 51 pages and 53 photos and three logotypes. The first fourteen pages contained photos of H&M products and the prices of some of the items were published, even on the reports front page. In 2009 voluntary disclosure consisted of 80 pages, 141 photos and 8 logotypes. Nine of the first ten pages made up full-page photographs exposing products of H&M.

In the 2000s H&M mention their brand as one of the company’s most important assets and the purpose of the communication is to build the brand in both a long term and a short term using different channels for example the stores, press, Facebook, Twitter and YouTube.com. All employees are responsible for the brand and its development. To strengthen and clarify the brand H&M carries out different PR activities to get attention in order to reinforce the brand. In 2009 famous artists, for the second year in a row, collaborated with H&M to create a

Fashion Against AIDS collection. And throughout the decade several collaborations between H&M and well-recognized fashion designers occurred.

5.2.4.2 Employees

Through the 2000s co-workers were given more attention and were no longer mentioned in strictly economic contexts. Instead, they were named under circumstances more related to the success of H&M. The photos during this time often reflected the shop assistants working environment and portrayed employees involved in the process of creating a collection from an idea to the final consumer.

In 2000 and 2005 employees were dedicated a chapter and nine photos each year, with the headlines 'Our employees create the spirit of H&M' (2000) and 'Co-workers key in upholding our culture' (2005). In 2009 the employees were devoted four pages linked to the headline 'H&M's best asset' and 27 photos portrayed employees in different working environments and group shots of employees working in H&M stores around the world. Two out of the four pages were an interview of four employees from different parts of the world, questioned about their experience when working at H&M.

Search-words linked to employees get 34 hits in 2000, 42 in 2005 and 36 in 2009. Most common word in all three is 'co-worker', 'personnel', 'training'. In 2005 was 'culture' introduced and in 2009 is 'discrimination', 'equality' and 'diversity' mentioned, the first time, once each. The board in 2000 and 2005 consisted of five women and eight men and in 2009 seven women and four men.

5.2.4.3 Sustainability

Throughout the 2000s, sustainability matters are given more exposure; two pages in 2000, four in 2005 and a total of five pages in 2009. In the year of 2000, search words concerning sustainability are mentioned 58 times. The most frequent word to occur is 'environment', which is mentioned 45 times. Other search words this year are 'recycling' (4), 'sustainable' (2) and 'social' (2). One photo that could be linked to sustainability was published this year, portraying the working environment at one of the company's suppliers.

The part concerning sustainability was, in 2005, divided in two with the following headlines; 'Our social responsibilities – corporation for sustainable improvement' and 'Environmental awareness – at every level'. Two photos could be linked to the subject and H&M also chose to publish the picture of EU's ecolable the Flower. During this year the code of conduct, the CSR report and the company's environmental policy were presented for the first time. The search words concerning sustainability reached 92 words. Still, the most frequently used word is 'environment' (43). Other mentioned words are 'conditions' (9), 'CSR' (8), 'energy' (7), 'right' (6) and 'social' (5).

In the year of 2009, H&M shared a great deal of information concerning their sustainability efforts. As mentioned, five pages with the following headlines were devoted to the issue: 'Sustainability is good for everyone', 'Environmentally friendly materials', 'H&M and all for children', 'H&M priorities water'. This year the search words reached 135 hits. The most common search words are still 'sustainable' (40) and 'environment' (35).

H&M updated its Code of Conduct in 2009 “[...] to reflect experiences over the last twelve years. Above all there have been developments on environmental issues, the concept of suppliers has broadened, and the way we do business with suppliers has changed into more of a dialogue” (2009, p. 49). In 2009, H&M also began collaboration with UNICEF aiming to protect children’s rights in cotton-producing areas in India. One of the two photographs, concerning sustainability, that were published in 2009 portrayed a girl in India given the opportunity to go to school due to the collaboration.

5.3 ICA

5.3.1 Presentation of ICA

Inköpscentralernas Aktiebolag, ICA, is retail trade concern with a focus on food and meals. ICA is the market leader within provisions in Sweden. ICA is a joint venture; 40 per cent is owned by the Swedish Hakon Invest AB and 60 per cent is owned by the Dutch Royal Ahold N.V, both public limited companies.

ICA AB now runs businesses in Sweden, Norway and the Baltic states. In 2009, the turnover was 94 651 MSEK. Number of employees was 20 412 and number of shops 2 200. The shops are carried out in accordance with four different business models. However, the core model with independent merchants that form cooperation is the dominating one in Sweden.

1917 is considered to be the year of ICA ABs foundation, although to be fair it was actually AB Hakon Swenson that was founded by the entrepreneur and namesake Hakon Swenson. He realized the idea of the independent ICA-merchant, with a strong connection to the local society. This is also the setting in the awarded TV-commercial (ICA Historien, 2010).

5.3.2 The 1980s

ICA	MARKETING				EMPLOYEES		SUSTAINABILITY	
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
1980	37	54	2	0	29	25	0	5
1985	23	25	3	1	20	13	0	0

5.3.2.1 Marketing

In the 1980 report, there are 37 pages of voluntary disclosures while there are only 23 pages in the report of 1985. The number of photographs is fewer too; 54 compared to 25, but instead they are larger and even make up full-pages. However, this apparent decrease can be explained by the different disposition in the latter report, where more pages are included in the compulsory part.

Primarily, the contents are information about the business including a thorough presentation of the board and management. In the 1980 report, there is also a thorough presentation of the regional departments, while this information is included in the obligatory part in the 1985 report. Both reports also contain a part about the national economy and future prospects.

The layout of the reports is similar to one another, and both front covers are adorned with a plain, large-sized ICA-logotype. The majority of photographs depict members of the board,

the managing directors of the regional departments, other employees, and also pictures from the general meeting. In 1985, Ica is mentioning the search word 'brand' (1) for the first time. ICA Banan sells three brands: Chiquita, Fyffes and Del Monto.

5.3.2.2 Employees

Two search words assignable to employees stand out; 'training' and 'co-worker'. When studying the reports, it is clear that ICA does focus on their employees, among other things by offering various training programs. In the report from 1985, it is mentioned that the company has started its own ICA-school.

The reports contain one article each, or an 'informal talk' as ICA prefers to call it, where members of the board and managing directors discuss 'Mer av den vänliga omtanken' respectively 'Glädjen i att kunna laga mat'. The subjects of these articles are not principally about employees, but they are stressed as an asset by the participants.

Most photographs depict people working for ICA in one way or another. Worth noticing in the context is a full-page photograph of co-workers standing in front of an ICA-market where the vast majority are women. Also the customers in the photographs are mainly women. Another picture shows a pile of newspapers and on top three advertisements from ICA, with a co-worker and a slogan in each advert. The members of the *board of directors* and *group executive board* are all men.

5.3.2.3 Sustainability

Five search words were used in the 1980 report, while there were none in the 1985 report. However, the words are used in contexts where the intentions are economical gain rather than environmental gain, for example 'measures for energy conservation'. Nevertheless, the consequences are furtherance of sustainability.

In the annual report from 1980, one can read that one of ICA's missions is to inform the public about ICA's role in trade and distribution, about food and health and also to support local sports. Still though, according to a customer survey, ICA is considered as not providing enough advice and information for the customers or having enough eco-friendly products.

No photos assignable to sustainability are found. However, two pictures from the 1980 report are worth keeping in mind, since they will be returned to later on; one full-page photograph of a lorry on its way to ICA and one photograph of a lorry parked outside a distribution central.

5.3.3 The 1990s

ICA	MARKETING			EMPLOYEES		SUSTAINABILITY		
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
1990	34	53	4	1	20	48	0	30
1995	26	37	2	1	18	31	2	46
1999	52	69	24	28	29	60	4	115

5.3.3.1 Marketing

Three annual reports dating from the 90s have been studied; 1990, 1995 and 1999. Number of pages varies within a range of 26 to 52, and number of pictures varies between 37 and 69. The

most palpable difference is to be seen in the use of logotypes and search words. The reports from this decade set out a few trends; a new graphic profile and a more distinctive layout, a frequent usage of logotypes and also the launch of ‘environment’.

In a caption in the 1990 report it is declared that *‘Det nya ICA-märket kommer att synas överallt’*. In line with this, the report is adorned with logotypes; four pure logotypes and 17 photographs of logotypes. As is the report from 1999; a total of 24 logotypes are used as well as an additionally 15 photographs of logotypes.

In the report from 1995, the disposition has gone through a major change. For example, a letter from the managing director and the chairman is published for the very first time. Also, the voluntary disclosures have been divided into certain parts with headlines such as *Market*, *Logistics* and *Environment*. The disposition of the report from 1999 continues on the course that the 1995 report has entered upon, with a few more headlines added to the list, among them *Market communication*, *Employees – capital of knowledge* and *Ethics*.

While the inside of the reports are logotype-adorned, the front cover logotype from the 1980s has been replaced with photographs. For example, the 1995 one is represented by nine different photographs, all with a human hand and a product from the ICA range on it, and the 1999 one is covered by a photograph of fresh fruit.

The focus of the ICA-brand is in the beginning of the 90s not more intense than in 1985. However, to the year 1999 there has been a great development in this area. The search word ‘brand’ can be found as many as 28 times and ICA started to describe what was to be included in their ‘brand’ as well as how the work of strengthening it proceeded and that ICA is one of the strongest brands in Sweden.

5.3.3.2 Employees

As in the annual reports from the 80s, the two top search words are ‘training’ and ‘co-worker’. While the usage of ‘training’ declines from 23 to 14 times during the decade, ‘co-worker’ rises from 12 to 23. The ICA-school has been renamed to *‘ICA Utbildningar AB’*. The number of search words range from 31 to 60 and the photographs are about 18 to 29. In 1999, employees are for the first time devoted two full-pages of text plus one full-page photograph. By then, most search words are represented; though ‘training’ and ‘co-worker’ are still the dominant ones.

The word ‘culture’ is for the first time used in 1999 mainly in the sense of corporate culture. It is stated that during the past year, all co-workers have participated in a dialogue about the corporate culture. It is also denoted as a priority development area. ICA has also introduced a ‘co-worker index’ in order to measure the connection between motivated co-workers, satisfied customers and ICA’s profit. In the same chapter, ICA also informs about their equality plan, whose goals are changes of attitude as well as an even distribution between men and women within all divisions of the concern.

In general, there are several photographs of employees in the reports. This is particularly distinctly in the report from 1999, where a total of 29 photographs are presented. Most of the

photos are taken on the shop floor and can be divided into two types; portraits of smiling co-workers looking straight into the camera and photos showing a committed co-worker busy serving a customer. In addition, two photos show co-workers of foreign extraction and two photos show men shopping for groceries, one of who carries a baby.

In 1990, all members of the board are men. In 1995, one out of twenty members of the board is a woman. In both years, two employee represents out of six are women. In 1999, three members of the board are women, out of fifteen. In the group executive board, there is one woman out of six. She is also the secretary.

5.3.3.3 Sustainability

For the very first time, the search word ‘environment’ is used in the report from 1990. In fact, it is used 24 times, which is more than any other search word. In 1995 ‘environment’ occurred 42 times. Further, environmental issues are devoted a full-page for the first time, suitably with the headline *Environment*. Until the report of 1999, the only full-page has expanded into three and the usage of ‘environment’ has doubled yet again, now reaching 79 hits. The word is used in plentiful ways and one can, for instance, read that many ICA-merchant have arranged ‘miljökundkvällar’ and ‘miljöbarnkalas’ to spread knowledge about the environment. Most search words are represented; with ‘waste’ (10) being the second most frequently used word.

In 1995, ICA’s own ecolable Skona has been introduced. In the report from 1999, the soft capital, Food quality and health as well as Ethics have been given one full-page each. It is stated that the results of ICA’s intense efforts to strengthen these soft values are difficult to measure financially, but that it is reflected in a positive way in customer surveys regarding the brand ICA. Further, ICA collaborates with organizations such as Cancer Fund, the Worldwide Fund for Nature (WWF) and the Red Cross in Sweden. ICA also actively contributes to improve human rights, especially children’s rights, and deprecates child labour.

All three reports from the 90s contain pictures of lorries. In the 1990 report, it is accompanied by the caption *’Ingen kan tveka om för vilka handlare bilarna kör ut varor’*, referring to the ICA-logotypes on the lorry. In 1995, the caption is instead; *’Skåp med två lastplan och bilar på järnväg är sätt att minska miljöbelastningen’*. In 1999, there is quite simply a caption next to the ICA-logotype on the side of the lorry; *’För miljöeffektivare transporter’*.

5.3.4 The 2000s

ICA	MARKETING				EMPLOYEES		SUSTAINABILITY	
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
2005	97	85	11	30	20	177	10	373
2009	74	79	24	28	21	145	7	570

5.3.4.1 Marketing

The report from 2005 actually consists of three separate reports; ‘Årsredovisning’ with the financial information, ‘Verksamhetsberättelse’ (Operating Report) with information about the business, the past year and market trends and last ‘Rapport om etik och samhällsansvar’ taking a closer look at issues such as employees and sustainability. Total number of pages is 97 and of photographs 85. In 1999, the three parts are reunited in one, like the reports from

every other year, with 74 pages and 79 photographs. However, regardless of the form, there has been a remarkable increase in the usage of search words since the late 1990s report. All together, the search words in these two reports are found 1 323 times which, needless to say, makes up the lion share of the total usage.

In both annual reports the layout is pleasant and easily comprehensible; photographs are being lavished on and financial facts are mixed with lighter interviews, articles and other sections.

The ICA-brand is in the 00s still as important as in the 90s and the search word appeared 30 times in 2005 and 28 times in 2009. The focus is upon the strength of the brand, environmental work to reinforce it further and there are statements that ICA's customers have a high confidence in the brand.

5.3.4.2 Employees

The total amount of search words regarding employees was almost trebled from 1999 to 2005. There was a remarkable upswing of many search words and practically every search word is used at least once. 'Co-worker' (69) along with the synonyms 'personnel' (14) and 'employees' (12) make up more than half of the amount of search words, while 'training' is used 42 times.

In 2009, as most years, the two outstanding search words are and 'co-worker' and 'training'. All search words are represented at least once, but the total amount are lower. Two full-pages are devoted to co-workers in 2009, compared to five full-pages in 2005. The headline in 2009 is *'Värdebaserat ledarskap som utgångspunkt'*. Four keystones are used; good leadership, career and training, good working environment and finally equality and diversity.

In the report from 2005, ICA declares that their success is dependent on co-workers with different education, age, sex, ethnical and cultural background. ICA express that diversity is a must for the company's future and this is further strengthened by the fact that 'diversity' is used 13 times. ICA also continues with the equality plan from 1999; with emphasis on accomplish an even distribution between men and women. In the report from 2009, sexual orientation, religion and disablements are added to the list of diversity.

In the reports from 2005 and 2009, there are 20 respectively 21 photographs of employees. A new tendency is that many of the co-workers are portrayed with both text and photo and sometimes even an interview. As in the report from 1985, ICA has once again published pictures of current advertising campaigns portraying co-workers – or in this case actors that create co-workers in the well-known TV-commercial.

Both in 2005 and in 2009, all members of the board are men. In 2005, two out of eight in the group executive board are women. In 2009, this figure is three out of twelve.

5.3.4.3 Sustainability

In 2005, the annual report is split into three parts. One of these is named *'Rapport om etik och samhällsansvar'* and is entirely dedicated to matters regarding sustainability. Along with the content in the other parts, a total of thirty full-pages are dedicated to sustainability. In 2009, this figure is twenty pages and all disclosures are included in one report.

The total amount of search words regarding sustainability was trebled from 1999 to 2005, from 115 to 373. The increase continues and in 2009 search words are found 570 times. Some words have faced a remarkable upswing, such as the words 'conditions' (30), 'society' (42) and 'social' (39) in the report from 2005. In 2009, 'sustainable' (105) and 'climate' (73) stand for the largest increase.

The main picture on the front page of the report from 2009 depicts a woman surveying an expansive sea entrance surrounded by mountains. The title is '*Öppna affärer kräver öppna sinnen*', which is further explained within the report and the theme runs all through the report. In brief, this is about being humble towards what is happening in the surrounding world, adapting to it and translate the good trends into sustainable and profitable solutions.

On the word of ICA itself, one of their strategic keystones is to contribute to a long-term sustainable society. This develops within *ICA's Goda Affärer*, seven points of views on ethics and society responsibility, which in turn are based on Global Compact's ten principles. *ICA's Goda Affärer* was introduced in 2005 already, and is referred to in the title of the 2009 report.

ICA sponsors several different organizations, such as Cancer Found and Pink Ribbon, WWF, Blodomloppet and BRIS. ICA also fund-raised four million Swedish kroners during 2005. In the report from 2009, there is a photo of when the managing director of ICA shakes hands with Ban Ki-moon, the Secretary-General of United Nations, during the Copenhagen Summit, and in connection with this a short report of the meeting.

In both 2005 and 2009, a GRI-index is enclosed, and in 2009 ICA has been appointed a B+. ICA brings out opportunities and threats with sustainability efforts. On one hand, if ICA does not manage to meet the expectations from the world around in a satisfying way, there is a risk that ICA as a brand will suffer. Likewise, if ICA does not adapt quickly enough to changing legislation or similar, the company's cost efficiency might worsen. On the other hand, these are also opportunities.

With the report from 2005, the serial story of the lorries ends. Two identical photos of a lorry, with an ICA-logo, on road passing a flowering field with clear blue sky are published.

6. Analysis

In this chapter the empirical result will be analysed based on the historical run-through of the public debate and societal changes. It will be presented separately for each decade.

6.1 Marketing

6.1.1 1980

The amount of voluntary disclosure during the 80s varies among the three organizations, where H&M is clearly the one with the least comprehensive part. Even though the content among the three disclosures seems to be somewhat different, the general focus is upon financial, business specific and information of interest for shareholders. This is consistent with the traditional way of measuring the performances of a company, being profit maximization, stated in the legitimacy theory (Deegan & Unerman, 2006). Furthermore, the information was aimed to primary stakeholders, according to the stakeholder theory (Clarkson, 1995). This implies that the information could be intended for, besides shareowners, employees, financial institutions, customer segments and key government agencies and suppliers.

Klein (2001) states, that 'branding' had already started in the 80s, which is not being reflected in the studied annual reports. A possible reason would be that it takes some time for trends to spread and according to Klein (2001), this trendsetting started in the US and UK. Hence, it is likely that these Swedish companies were at the time working with advertising in the more traditionally way. The photographs in the Ericsson report mainly showing their products and H&M's two first pictures ever, displaying clothing, can be a sign of this earlier form of marketing in terms of advertising certain products.

There are some signs of the significance of the logotypes, which will come to be of even more importance in the process of 'branding'. Ericsson has during the 80s changed the design of their logotype into a more modern one, ICA's logotype takes up a large share of the cover of both the studied annual reports and H&M showing the different brands included in the company group.

The two photographs of 'famous' persons in Ericsson's report from 1980 is possible to fulfil the same purposes as referring to other institutions or symbols with high legitimacy, described in the legitimacy theory (Lindblom, 1994). To have these persons displayed, Ericsson is likely to try to reinforce their legitimacy.

6.1.2 1990

During this decade there has in general been a clear increase in the voluntary disclosure, both in terms of the quantity and of the contents, as well as for the number of photographs. The increase of the latter, probably made possible due to technological advances, is likely to be a result of the development towards 'branding' of which pictures are important means of assistance in presenting the products as being synonymous to different positive things (Klein, 2001).

The development towards 'branding', as described by Klein (2001), may also be reflected in a numerous of other ways in the reports from the three different companies during the 90s. In the reports from ICA this is very clear due to the use of the search word 'brand' which is noticeable specially from 1999, when it was used 28 times.

Both Ericsson and ICA introduced a new subject during this decade, namely the subject concerning environment. This could be a way of adding value to their brand, enabling customers to be identified with responsible companies and environmental thinking. (Klein, 2001). The environmental focus is corresponding to the increased awareness from media in the 90s, hence the society in general according to the media agenda setting theory (Brown & Deegan, 1999). This also implies that a new demand from the company's stakeholders had developed, which the companies has to meet in order to maintain their legitimacy. A new 'cost' for society in the 'contract' between companies and the general public had revealed; the negative impact companies' activities have on the environment (Deegan & Unerman, 2006).

ICA is the one company out of the three that has put the most effort into the branding process in the 90s. Not only have they introduced their concern for the environment, but also for the employees and ethics in general. Both of which described by Klein (2001) as two important issues that companies dealt with at the end of the 90s in order to convey the society of their good intentions.

Furthermore, ICA has put a lot of effort into selling in their logotype. They even states in 1990 that their logotype will be seen everywhere, which it also does in the report. Ericsson too chose to display their logotype several times in 1995. The reason for this can be assumed to be the will of the companies to make their logo known in order to be able to add value into it, making consumers demand their brand instead of the specific products, which is the very core of 'branding' (Klein, 2001).

H&M's most evident contribution to the marketing of their brand in this decade, and the one to come, was to use a famous model and actress showing their clothing. This is tactics described by Klein, that companies use in order to synonymous the celebrity with the brand. This could also be a way for H&M of gaining legitimacy in nearly the same sense. However more deliberate aimed to their consumers, as the pictures used by Ericsson in 1980.

6.1.3 2000

For all three companies the amount of voluntary disclosure takes yet another leap from the 90s into the 00s. One of the reasons is likely to be the company's use of the annual reports as a communication channel (Deegan & Unerman, 2006) in their work with branding (Klein, 2001). This is supported from the increased occurrence of the search word 'brand' in the annual reports of all three companies, however, most evident in the reports from ICA who mentioned it 30 times in 2005. Both H&M and ICA describe what is included in their brand, the importance of it and their work of looking after and developing it. The search word is also to be found in the reports of Ericsson, however, not mentioned in an as evident contexts as for H&M and ICA.

Another reason for the expansion of the voluntary disclosure could be an increased number of primary stakeholders as a result of the intensification of globalisation (Klein, 2001) and the change in some stakeholder's expectations due to the development in media coverage and in society (Deegan & Unerman, 2006), which would entail an increased demand for different kind of information.

Both Ericsson and ICA chose to one year divide their annual reports into different parts. This could be due to an increased number of stakeholders, seeking different forms of information. Parts with more financial and business related information is likely to primary being designed for stakeholders in the narrow sense, for example; shareholders, financial institutions and government agencies. While the more informal parts are likely to be aimed to stakeholders in the wide sense, which could also include; customers, employees, public interest groups and protest groups. The mixture of photographs with different subjects is also a sign of the companies trying to meet the varying expectations from the several stakeholders, which is, according to the stakeholder theory, a way to act in order to become a successful company (Hitt, Freeman & Harrison, 2001).

As stated by Klein (2001), it got more difficult to determine what was editorial- and commercial material in the mass media in the 90s. This is reflected in the 00s in reverse, when annual reports are portrayed in a way approaching the look of magazines, especially the latest ones from ICA and H&M. The latter of which have many similarities to a fashion magazine with full-page campaign-like photos of their clothing, sometimes even with price tags to it, and other photos showing different celebrities. The reports of ICA also have elements similar to those in a magazine, such as interviews and articles. Concerning Ericsson, the pattern is not as clear. In 2000, when the report was divided in two, the informal part had some magazine-like elements with several double spreads of professional photos. However, even though the commercial touch is clearer than in the two previous decades, the reports from 2005 and 2009 took a step back, which in the 2009 report is even more obvious due to the lack of chapters concerning the environment and employees in the voluntary disclosure which instead were placed in the compulsory part.

H&M continues to reinforce the identification with celebrities in this decade. The tactics of 'branding' has developed to not only use celebrities as *models* for their clothing, but also famous designers in the *making* of collections, which adds even more value into the brand. ICA has also started to take on the same tactics as H&M, using famous actors in TV commercials, which are referred to in their annual report of 2009. They have built up their own 'world' in an ICA store and made the commercials look more like a TV show, which would imply that ICA is trying to 'become' the culture, as a part in the concept of 'branding'. This approach of H&M and ICA can also be a way of trying to attract younger people, who are a very important target group in marketing due to their eagerness of fitting in. A threat is that the celebrity would take over and get all the attention (Klein, 2001).

One way of gaining and reinforcing legitimacy according to Dowling and Pfeffer (1983), is to try to be identified with other organizations with high legitimacy. This has clearly been used of ICA, Ericsson and H&M, having mention and/or displayed logotypes of the United Nations

and UNICEF among others. In Ericsson's report from 2000 it is also obvious that they intentionally show the logotypes of other commercial organizations, such as the one of H&M. As explained by Klein (2001), there are a few large companies that are very powerful in the world and which are using one another's products/services for the reason that they are the ones available. To act like Ericsson did in the 2000 report they are possible to be identified as one of these multinational and powerful companies, which is likely to be desirable.

When it comes to ICA and the way their annual report takes form, it is notable that there has been a remarkable increase in the usage of almost all search words since the 90s. Additionally they emphasize their concern about the environment, and their employees far more than Ericsson and H&M in both writing and photographs, making the voluntary disclosure being flood with positive information that not in a direct way concern their business. As stated both by Klein (2001) and in the legitimacy theory (Deegan and Unerman, 2006), one reason for companies to publish positive information about certain things could be to draw the attention away from other activities considered as negative by its stakeholders. This is supported in the institutional theory as well, where it is stated that *decoupling* (Deegan & Unerman, 2006) exists, meaning that what is presented by the companies is not sure to be their actual actions.

6.2 Employees

6.2.1 1980

The rise of the labour legislation, giving the employees more legal rights, did not occur until the late 1970s, and this could be an explanation of why employees were not mentioned in any of the studied H&M reports from the 80s, and only at a few occasions (9) in the reports from Ericsson during the same period. ICA on the other hand seemed to have adopted and mentions their employees 38 times during the 80s and provides their employees with several training programs. As Deegan and Unerman (2006) implies, the organizations need to adapt to the society's expectations, and due to the increased legislation concerning employees the companies needed to include this development into their annual reports in order to gain legitimacy.

A further signal that ICA is focusing on their employees is noticeable in the company's annual reports from the decade when many of the photos depict employees, as well as company products. Both Ericsson and ICA had more photographs dedicated to respectively employees than search words. The search words that were to be found are mentioned in contexts more business-like way during the 80s.

The law of equity was founded in 1980 as well as the public authority JämO but none of the three chosen companies make any statements that they are promoting equality during this decade. H&M were the only of the studied companies in the 80's having women representation in the *board of directors*.

6.2.2 1990

At the beginning of the 90's a right-wing wave influenced Sweden in many ways. As a reaction to this, the debate led to a law concerning ethical discrimination that came into force in 1994 making it illegal for employers to turn down a job-applicant because of his/her race,

skin-colour, nationality, faith or ethnical origin. In the case of Ericsson the photographs in 1990's annual report hardly showing any people clearly enough to see their nationality, but the photos illustrated both men and women. However, in the report of 1995, after the law came into force, the photographs showed both men and women with different national backgrounds. This happened in ICA as well and ICA mentioned the search word 'diversity' for the first time in the report of 1995.

During this decade the law concerning sexual harassment was sharpened, and a lot of focus in the public debate was on discrimination, but still these issues are not mentioned in any of the companies' studied annual reports from the 90s. Neither 'harassment' nor 'discrimination' got any hits.

Issues concerning equality during the 90s were payroll issues, upgrading of the value of work performed by women, women's representation in boardrooms, in corporate managements and on political positions of power. H&M's *board of directors* in the 90s had female representation unlike Ericsson who throughout the decade had a board all consisting of men. But Ericsson had a female representative in their group executive board in both 1990 and 1995. ICA got their first female representative in the *board of directors* in 1995 and in 1999 in the *group executive board*. ICA also got two hits on the search word 'women' in contexts concerning female participation in different training programs. The company also state, wanting an equal share of men and women in the company group and had until 1999 only portrayed female customers but in this year's report published two photos show of men shopping for groceries.

Three laws concerning employees came into force in 90s, but they were all decreasing the benefits of being an employee because of Sweden's financial statement during this time. During the same time was the debate concerning the development of the knowledge society evolving, stating that co-workers instead of labour and capital, becoming companies' most important asset. In the studied report it is noticeable that the employees were dedicated more space and mentioned increasingly for every year. In Ericsson it is clear that the tone has changed towards mention the employees in a more 'human' way, instead of a strict economic context. And in 1990 the employees of H&M are especially thanked by the MD for their efforts, and as playing a key role for the outstanding result of the company. ICA devoted two full pages in their report from 1999 to their employees. During the 90s both Ericsson and ICA mentioned 'culture', and ICA also commented 'equality' and 'motivation', indicating that a wider spectrum concerning employees is evolving. This development shows that information concerning employees was getting more institutionalized.

Because of the development of the knowledge society the companies needed to adapt and look after their employees interests to a greater extent. Lindblom (1994) states, that the increased dedication to co-workers is a way for organizations to maintain legitimacy and support for its activities. And why the companies publish a greater amount of information concerning employees could be to draw positive attention to its strengths (Deegan & Unerman, 2006).

6.2.3 2000

The 90s' public debate regarding women salary discrimination and women in general being discriminated in the working life because of their sex, led to the law of equality in 2000s came to include these topics. Yet again women's underrepresentation in boardrooms and on managing positions was brought into light. Further, the debate continued regarding fathers' paternity leave, and if they should be allowed to have a larger part of the total parental leave, facilitate for women to make a career.

On one hand H&M have female represents in the board of directors, and in 2009 women were in majority, seven women to four men, but it does not mention 'equality' in any of the studied reports until 2009. ICA, on the other hand, writes about 'equality' and 'women' on numerous occasions, but their board of directors still consists of all men throughout the 00s. Ericsson got their first female representative in the board of directors in 2005 and in 2009 were four out of thirteen women. The company's group of executive consisted of one woman in both 2005 and 2009. Ericsson does not comment 'equality' in any of the studied reports. Overall, the issues are noticeable in all three companies' reports from this decade in the way that women are getting more influence and power.

During the 2000s the laws concerning ethical discrimination and sexual harassment are further sharpened, and the all related search words were to be found this decade. ICA mentions all the related search words linked to the issues on several occasions while Ericsson solely mentions 'diversity', and H&M mentions both 'discrimination' and 'diversity' once in the report of 2009. It is clear that the issues are getting more attention within the annual reports.

Corporations are aware of the fact that when employees have a sense of being in control and enjoying their jobs, the company gets a higher profit, as Alain de Botton states (2009). People need control in order to commit to their job and to work hard. Work gives us a feeling of purpose, and makes us feel significant. This could be an explanation of why the studied companies chose to increase their use of the search word 'culture', often related to the culture within the organization, and the word 'motivation' during the 00s. In the case of H&M 27 photographs were dedicated employees portraying them in different working environments and group shots of employees working in H&M stores around the world, creating a feeling of 'we'.

The increased importance of the employees is clear because in the 2000s all the studied companies had a chapter solely dedicated to their employees. In Ericsson's annual reports from 00s, the concept had expanded to include employees being comfortable and enjoying their work. The company also describes how they tend to keep the co-workers motivated and mention how important the co-workers are for the success of the business. H&M gives the co-workers, throughout the 2000s, more attention and they are no longer regarded in only strictly economic contexts. Instead, the co-workers are mentioned under circumstances related to the success of H&M, and as a valuable asset. ICA's total amount of search words regarding employees was trebled from 1999 to 2005, from 60 to 177, and practically every search word is used at least once. These kinds of corporate actions can be linked to organizations'

willingness to please the society's expectations and to gain legitimacy (Deegan 2006). The increased dedication to employees could be that they are one of companies many stakeholders (Friedman & Reed 1983) and want to achieve a motivational effect; increase the loyalty and engagement to the company by publishing information about their employees.

Throughout the 1980s strikes were common compared with the 2000s. All strikes demanded higher salaries and better work conditions. The reduced amount of strikes could be explained by employees getting more attention (based on the increasing amount of information concerning employees in annual reports), and the fact that organizations using staffing companies to a greater extent, giving them fewer rights. This could be an example of organizations taking actions to change focus and draw attention from problematic areas, as Lindblom (1994) states, to obtain or maintain legitimacy.

6.3 Sustainability

6.3.1 1980

During the three studied decades from 1980 and onward, there has been a remarkable increase of voluntary disclosures regarding sustainability in the annual reports. This corresponds well with the progress of the public debate and political procedures, although with a bit of lagging.

In early 1980s, the nuclear power voting put the question about the future source of energy in the lime light. This may explain why, in ICA's annual report from 1980, one can read that the organization has taken energy-saving measures. Neither Ericsson nor H&M has mentioned anything similar, but then it is also a clear pattern that ICA quickly apprehends when there is a new spirit abroad, and adopts it to their annual reports.

ICA also clearly expresses that the organization wants to play a part in society, for instance by informing the public about certain matters. Despite this mission, customers did not think that ICA gave enough information nor offered enough eco-friendly products.

H&M does not include any disclosures at all assignable to sustainability in the reports from the 1980s. Ericsson and ICA only mention it a few times. This indicates that these reporting practices have not yet been institutionalized in the organizations. But although disclosures regarding sustainability are scarce, the trend of events during the 1980s caused an incipient awareness to grow, which in turn was picked up by the companies in their annual reports.

6.3.2 1990

Environment is the outstanding theme of voluntary sustainability disclosures in the 1990s. The search word 'environment' makes a striking entry in the reports; from nothing the previous year, it is mentioned 24 times in ICA's report from 1990, 31 times in Ericsson's report from 1995, and 45 times in H&M's report from 2000.

Common to both ICA and Ericsson is also focus upon environmental issues closely related to the business, which also is reflected by other used search words such as 'emission' and 'recycling'. ICA has realized an environmental reform and Ericsson has signed their first environmental policy. One aspect of this policy is the use of life-cycle analyses and adherent

actions of their products. ICA too primarily uses 'environment' in a consumer- and product-near context, for example regarding improvements of the packages.

This may be due to a number of occurrences during the 80s, and the media attention on these. First, the scandal of BT Kemi coerced companies to overhaul their impact on the environment and to take responsibility for it. Second, increasing consumer awareness and new ecolables put emphasis on products as the company image and as a comparative advantage. Third, the Green Party being voted into the Riksdag indicated that the environment was of national matter. Last, a new stricter legislation could be costly in the future, if actions were not taken.

One can see that occurrences in society do not give an *immediate* effect in the annual reports. Thus, there is a certain degree of lagging before the companies choose to publish disclosures of this kind. However, according to Deegan & Unerman (2006), the purpose is to gain and maintain legitimacy from various stakeholders. The more intense the media reporting is about a certain topic, the more inclined the company is to publish disclosures related to this topic, consistent with the *media agency setting theory* by Brown and Deegan (1999).

The fact that both ICA and Ericsson have implemented environmental policies and have chosen to publish information about them in their annual reports, indicates that environmental concern is becoming institutionalized within the organizations. According to DiMaggio and Powell (1983) these processes, realized in order to gain legitimacy, may be due to different reasons, such as for comparative advantage or pleasing stakeholders.

However, these theories do not entirely accord with H&M. The annual reports do not contain any disclosures about sustainability, apart from one exception; in a letter from the managing director in 1995, the MD states that H&M does not accept suppliers that use child labour. Reality though, is that a child labour scandal was revealed only a few years later. Only the involved parties know why, but perhaps the reason is prevention is better than cure. An interesting detail is that in the report from 1999, ICA too has mentioned child labour. This may be due to the increased media reporting (Deegan & Unerman, 2006).

Since the previous decade, ICA has clearly put effort into informing the public, for instance by arranging events for customers and children, which also has been positively received. In 1995, ICA launched its own ecolable, as an answer to the other newly established ecolables. Further, to play the vital part in society that ICA is aiming at and to strengthen the brand, ICA collaborates with various organizations active within the frames of sustainability, in order to gain legitimacy of their stakeholders.

6.3.3 2000

When entering the 21st century, the focus in sustainability reporting has shifted from local to global. The work of the United Nations is given a lot of attention and presented ideas are gained a hearing. For example, 'sustainable development' introduced in the Brundtland report in 1987, is being frequently used in the companies' annual reports. In fact, the search words 'sustainable' and 'sustainability' partly pushes the word 'environment' into the background.

The idea of sustainable development also constitutes the basic foundation of ideas like CSR, GRI and TBL, all of which were introduced in the late 1990s. During the 2000 decade, those theories gain ground. Both H&M and ICA mention CSR. H&M has published a CSR report while ICA has instead enclosed a GRI-index. Moreover, H&M has presented their Code of Conduct and environmental policy for the first time, and is also active in projects against aids. Ericsson is participating in aid work and has been appointed one of the 100 most sustainable companies, according to Global 100. This testifies that all three companies seem to have institutionalized sustainability reporting in the annual reports (Deegan & Unerman, 2006).

Hitherto, focus has been upon the companies' direct efforts on the environment, such as reducing emissions and encouraging recycling. Though as from the 2000s, the companies start to engage in activities further away from their core business. Not least, this is seen in the use of words and phrases such as human rights, social responsibility and working conditions.

An interesting phenomenon is that all three companies began referring to recognized organizations in the reports during the 2000s. In 1999, ICA began collaborations with three organizations, all with Swedish branches. In the reports from 2005 and 2009, ICA also referred to the United Nations at a few separate times, for instance when the managing director of ICA met Ban Ki-Moon and also the fact that *ICAs Goda Affärer* relied on Global Compacts ten principles. Ericsson too, refers to Global Compact and also to other global organizations such as WHO and the Red Cross. Also H&M refers to the UN in the sense of the collaboration with UNICEF aiming to protect children's rights in cotton-producing areas in India.

As Dowling & Pfeffer (1975) states, organizations may try to be identified with institutions that have a high level of legitimacy, such as the United Nations, in order to gain legitimacy. The work of the UN was highly topical throughout the 1990s and the 2000s. ICA has, from the very beginning, emphasized their will to play a vital part in society. ICA is also the least multinational company of the three. This may explain why ICA has chosen to collaborate also with local organizations. The fact that H&M starts working with UNICEF may be seen as an attempt to regain their legitimacy after the child labour scandal in the late 1990s, by trying to change the perception of H&M's behaviour and conveying actual changes such as this participation in a project against child labour (Lindblom, 1994).

Sustainability matters are given more exposure in all three companies in the 2000s. While the amount of search words in Ericsson peaks in 2005, due to an extended compulsory part, search words increases throughout the decennium in the reports of both H&M and ICA. For H&M, the child labour scandal seems to have been a wake-up-call. Before it happened, hardly any information was published in the reports, but from 2000 and ahead it escalates. H&M dedicates four full-pages in 2005 and five full-pages in 2009. ICA dedicates thirty full-pages in 2005 and twenty in 2009 to sustainability. Regardless of the extent, the purpose according to Deegan and Unerman (2006) is to attain legitimacy. However, in the case of ICA, the extent of information is somehow overwhelming and gets the upper hand over company information.

Neologism says something about the world we live in. In 2007, words formed with ‘climate’ were added to the vocabulary. The meaning of the word is closely associated with the climate change due to carbon dioxide emissions; global questions widely debated by participants on conferences of United Nations as well as filmgoers after *An inconvenient truth* and also in the media coverage. In respective report from 2009, Ericsson and H&M use the word ‘climate’ five times and ICA 73 times.

The studied companies use photographs to strengthen their messages. In H&M’s report from 2009, a girl in India is portrayed, and in Ericsson’s report from 2009 a small family in Africa is depicted. The photographs used by ICA show Swedish settings rather than international. This may be due to that H&M and Ericsson are more global companies, and hence have a greater variety of stakeholders and different expectations to meet (Hitt, Freeman & Harrison, 2001).

Photographs of lorries are frequently recurring throughout the annual reports. However, the portrayal shifts over the years. In the 1980s, focus was upon the distribution of goods and the service and supply that this involves. In 1990, the ICA logotype on the lorry is enhanced. In the reports from 1995 and 1999, the captions inform about measurements taken to render the transports and improve the environment. In 2005, the ICA-logo and the setting are more conspicuous than the lorry; a flowering field and clear blue sky, which instinctively connect ICA to a beautiful landscape. Apparently, lorries are significant for ICA but the photos of them are at the same time conveying different messages over the years. Thus, ICA has adapted to correspond to the current definition of legitimacy (Dowling and Pfeffer 1975).

7. Conclusions

This chapter will summarize the empirical result, analysis and will answer to the study's defined problems. And finally will suggestions for further studies be presented.

The purpose of this study was to examine and compare the voluntary disclosure in three companies' annual reports from 1980 until 2009 and link this to the public debate and changes in the society.

How has the extent and content of voluntary disclosures with regard to marketing, employees and sustainability developed over time?

Overall, both extent and content regarding marketing, employees and sustainability has increased over the studied decades for all three companies. ICA has the most comprehensive annual reports, H&M the most linear development and Ericsson the most fluctuating.

Marketing: The extent of marketing has increased from one decade to another, concerning both the amount of pages and photographs in all three studied companies.

Regarding the content of branding, there is no noticeable mentioning of 'brand' until 2000 (ICA 1999) and then it reoccur in every studied report. The amount of photographs over time and between the companies has varied; however, the development is towards more campaign-like and professional looks. Occurrences of full-page photographs have become more common the last decade.

Employees: From 2000 (ICA 1999) all three companies had introduced a specific chapter dedicated to respectively employees and has been a reoccurring feature ever since (except from Ericsson in 2009). The usage of search words concerning employees enhanced for all the studied companies from 1995 and 2000 and has continued since.

During the 80s and early 90s the employees are referred to in a more formal and economic context. In the mid-90s and forward, the companies mention their employees in a more 'human' way and they are described as an important asset for success of the business. This is supported by the search words, regarding the employees, which were used in a wider range during the 00s. For example, the usage of 'equality', 'diversity' and 'motivation' were introduced in this decade.

Sustainability: The awareness of and tendency to include disclosures regarding sustainability matters differ among the companies; ICA is the first one out in 1990, Ericsson follows in 1995 and H&M in 2000. As from respective year and onward, the extent of sustainability disclosures increases remarkably. This is especially evident in the reports from H&M and ICA.

Some clear patterns stand out in the disclosures about sustainability. During the 1990s, focus is upon environment; direct effects, measures and improvements. In the 2000s, the perspective

shifts from locally to globally. The conception of ‘sustainable development’ comes through and the companies extend their concerns into also including social responsibility.

Does the development of voluntary disclosures go hand in hand with society and public opinion?

There seems to be more or less ten years of lagging until the development in the public debate and changes in the society are being adapted in the company’s annual reports.

Marketing: Branding debate started mid-80s in US, and in the mid-90s signs could be seen in the annual reports that companies were paying more attention towards branding. In the 00s the companies started to mention their brand as an important asset. ICA is on the front edge when adapting to development of marketing, but H&M overtakes the ‘lead’ in 2009 when it regarding the number of pages and photographs.

Employees: Many laws concerning employees’ rights in the working life came into force late 70s which were observed and adapted by the chosen companies in the 90s, except for ICA who had paid attention to their employees since the 80s. The public debate and legislation during the 90s were focusing on diversity, equality and discrimination. This societal change was brought in to light in the 00s in all the companies’ annual reports. Ericsson however only touches the issue of diversity. Again, ICA is on the front edge, especially during the 2000s.

Sustainability: In Sweden during the 1980s, several events founded the platform for a growing public debate about issues associated with sustainability. In the prolongation, this was adopted by the companies in their annual reports. During the 1990s, environmental issues were put on the agenda of top-level international politics and the work of the United Nations gained a hearing, which is to be seen in the reports from the 2000s. Throughout the decades, ICA adopts societal attitudes most rapidly out of the three companies.

7.1 Final conclusion

It is obvious that all three companies, from late 90s, put a lot of resources into branding and convey themselves as responsible organizations regarding their employees and worldwide sustainability. They adapt to societal changes, though with a certain amount of lagging. This implies that the companies *do* follow the development, in order to obtain legitimacy. Since the chosen companies are market leaders within their respective sector, it is expected that other comparable companies will imitate their practices regarding voluntary disclosures.

A distinctive pattern is that ICA adapts more rapidly to societal changes and the public debate than H&M and Ericsson. To both extent and content, the voluntary disclosures in the reports of ICA are most comprehensive; even somewhat excessive. Ericsson adapts earlier on societal changes than H&M during the 80s and 90s, but in the 00s H&M gets ahead of Ericsson.

This pattern may be explained by the different lines of businesses that the studied companies belong to and also the very nature of the organization. Seemingly, the closer the company is to their customers, the more inclined the organization is to adopt societal attitudes. Food and meals are strongly associated with fundamental values such as health and family. In addition, most people go grocery shopping at least once a week. This entails that customers are close to

their local ICA-merchant and that there is a short way from consumer to management, which prepares for feedback. However, the latter also regards H&M. Clothes and fashion have become an expression of identity, which may explain why H&M is the second most prone company to adopt and enclose sustainability information in the annual reports. Further, both food and clothes originates from nature, in contradiction to the operations of Ericsson. Another explanation may be that ICA's main market is the Swedish one. That makes the market more concentrated and the stakeholders more alike, which means that ICA can devote themselves to national concerns. Today, Ericsson provides social infrastructure rather than telephones, which have moved them further away from private consumers and closer to company clients. Additionally, due to the fact that they operate globally, there are numerous influential stakeholders.

After studying the voluntary disclosures of these three companies, one is faced with the question of trustworthiness; is it empty words or is it reality; is it all talk and little action? Regardless, the companies have clear incitements to adapt to societal changes, although with a bit of lagging. This implies that contemporary occurrences and new legislation will be seen in the voluntary disclosures during the next decade. It is also evident that stakeholders actually *do* have an influence on companies, which means that even individuals may contribute in shaping the future business activities.

7.2 Suggestions for further studies

In this thesis we have seen what companies' state in the voluntary disclosures of annual reports regarding their actions and contributions to the wellbeing of their employees and to the society in general. Hence, a natural and interesting step would be to examine whether companies alleged undertakings are in accordance with their actions and also how they reach the decision of what to perform.

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Appendix

Appendix 2: Empirical result of the search words

Appendix 1: Empirical result

ERICSSON	MARKETING				EMPLOYEES		SUSTAINABILITY	
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
1980	26	38	2	0	13	4	0	2
1985	24	30	2	0	21	5	0	0
1990	41	18	2	0	3	9	0	0
1995	43	39	15	0	14	43	2	47
2000	74	22	2	3	7	49	2	19
2005	66	21	1	6	6	71	1	50
2009	64	28	1	4	14	65	4	41

H&M	MARKETING				EMPLOYEES		SUSTAINABILITY	
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
1980	4	0	2	0	0	0	0	0
1985	8	3	10	0	1	0	0	0
1990	20	19	2	0	3	4	0	0
1995	20	28	2	0	2	3	0	0
2000	42	31	1	6	9	34	1	58
2005	51	53	3	11	9	42	2	92
2009	80	141	8	7	27	36	2	135

ICA	MARKETING				EMPLOYEES		SUSTAINABILITY	
	Number of pages	Number of photographs	Number of logotypes	Number of 'brand'	Number of photographs	Number of search words	Number of photographs	Number of search words
1980	37	54	2	0	29	25	0	5
1985	23	25	3	1	20	13	0	0
1990	34	53	4	1	20	48	0	30
1995	26	37	2	1	18	31	2	46
1999	52	69	24	28	29	60	4	115
2005	97	85	11	30	20	177	10	373
2009	74	79	24	28	21	145	7	570

ERICSSON							
	1980	1985	1990	1995	2000	2005	2009
<u>EMPLOYEE</u>							
Anställd (employee)	2	3	5	16	22	13	6
Diskriminer* (discrimination)	0	0	0	0	0	0	0
Jämställd* (equality)	0	0	0	0	0	0	0
Kultur (culture)	0	0	0	3	3	6	8
Medarbetar* (co-worker)	2	0	2	7	7	34	38
Motiv* (motivation)	0	0	0	0	0	4	1
Mångfald (diversity)	0	0	0	0	0	3	1
Personal (personnel)	0	2	2	13	13	7	2
Utbild* (training)	0	0	0	4	4	4	9
Kvinn* (women)	0	0	0	0	0	0	0
Trakasseri (harrarsment)	0	0	0	0	0	0	0
TOTAL	4	5	9	43	49	71	65
<u>SUSTAINABILITY</u>							
Avfall (waste)	0	0	0	0	0	2	0
CSR	0	0	0	0	0	0	0
Energi (energy)	0	0	0	9	1	3	3
Förhållanden (condition)	0	0	0	0	0	2	0
GRI	0	0	0	0	0	0	0
Hållbar (sustainable)	0	0	0	0	3	7	7
Klimat (climate)	0	0	0	0	0	0	5
Miljö (environment)	1	0	0	31	13	21	8
Rättighet (right)	0	0	0	0	1	1	2
Samhälle (society)	1	0	0	1	0	7	10
Social (social)	0	0	0	0	1	6	3
Utsläpp (emissions)	0	0	0	2	0	0	3
Återvinn* (recycle)	0	0	0	4	0	1	0
TOTAL	2	0	0	47	19	50	41

H&M							
	1980	1985	1990	1995	2000	2005	2009
<u>EMPLOYEE</u>							
Anställd (employee)	0	0	0	0	4	1	3
Diskriminer* (discrimination)	0	0	0	0	0	0	1
Jämställd* (equality)	0	0	0	0	0	0	1
Kultur (culture)	0	0	0	0	0	6	5
Medarbetar* (co-worker)	0	0	4	2	16	21	20
Motiv* (motivation)	0	0	0	0	1	1	0
Mångfald (diversity)	0	0	0	0	0	0	1
Personal (personnel)	0	0	0	0	5	7	3
Utbild* (training)	0	0	0	1	8	6	2
Kvinn* (women)	0	0	0	0	0	0	0
Trakasseri (harrarsment)	0	0	0	0	0	0	0
TOTAL	0	0	4	3	34	42	36
<u>SUSTAINABILITY</u>							
Avfall (waste)	0	0	0	0	1	1	4
CSR	0	0	0	0	0	8	5
Energi (energy)	0	0	0	0	1	7	8
Förhållanden (condition)	0	0	0	0	1	9	9
GRI	0	0	0	0	0	0	0
Hållbar (sustainable)	0	0	0	0	2	6	40
Klimat (climate)	0	0	0	0	0	2	5
Miljö (environment)	0	0	0	0	45	43	35
Rättighet (right)	0	0	0	0	1	6	8
Samhälle (society)	0	0	0	0	1	1	2
Social (social)	0	0	0	0	2	5	9
Utsläpp (emissions)	0	0	0	0	0	3	7
Återvinn* (recycle)	0	0	0	0	4	1	3
TOTAL	0	0	0	0	58	92	135

ICA							
	1980	1985	1990	1995	1999	2005	2009
<u>EMPLOYEE</u>							
Anställd (employee)	0	1	6	1	2	12	4
Diskriminer* (discrimination)	0	0	0	0	0	5	4
Jämställd* (equality)	0	0	0	0	2	5	3
Kultur (culture)	0	0	0	0	7	6	3
Medarbetar* (co-worker)	8	4	12	12	23	69	77
Motiv* (motivation)	0	0	0	0	5	0	3
Mångfald (diversity)	0	0	0	1	0	13	5
Personal (personnel)	5	0	7	3	6	14	7
Utbild* (training)	12	8	23	13	14	42	36
Kvinn* (women)	0	0	0	1	1	11	2
Trakasseri (harrarsment)	0	0	0	0	0	0	1
TOTAL	25	13	48	31	60	177	145
							499
<u>SUSTAINABILITY</u>							
Avfall (waste)	0	0	2	2	10	14	21
CSR	0	0	0	0	0	3	0
Energi (energy)	2	0	0	0	5	13	70
Förhållanden (condition)	0	0	0	0	0	30	10
GRI	0	0	0	0	0	9	8
Hållbar (sustainable)	0	0	0	0	3	16	105
Klimat (climate)	0	0	0	0	2	2	73
Miljö (environment)	1	0	24	42	79	177	125
Rättighet (right)	0	0	0	0	4	11	19
Samhäll (society)	1	0	3	1	4	42	57
Social (social)	0	0	0	0	1	39	46
Utsläpp (emissions)	0	0	1	1	4	11	27
Återvinn* (recycle)	1	0	0	0	3	6	9
TOTAL	5	0	30	46	115	373	570