Information disclosure in corporate social responsibility reports
The case of Lithuanian companies

SVIESA LEITONIENE *, ALFREDA ŠAPKAUSKIENĖ **

Abstract
Though the phenomenon of corporate social responsibility (CSR) is closely scrutinized in studies of both Lithuanian and foreign scholars, the problem is the quality of social information disclosed in social responsibility reports. The objective of this article is to analyse the quality of disclosed information in CRS reports of Lithuanian companies. The characteristics of quality of information were comparability, reliability, objectivity and sustainability. The research demonstrated that in Lithuania, CSR reports provide unreliable information, which is only partly comparable and objective, however, relatively sustainable.

Keywords: corporate social responsibility, information disclosure, social reporting.

Streszczenie
Ujawnianie informacji w raportach społecznej odpowiedzialności
Studium przypadku firm litewskich
Chociaż zjawisko społecznej odpowiedzialności przedsiębiorstw (CSR) jest szczegółowo rozpatrywane w badaniach zarówno litewskich, jak i zagranicznych autorów, to problemem jest jakość informacji przekazywanych w tych raportach. Celem niniejszego artykułu jest analiza jakości ujawnianych informacji w raportach CSR sporządzanych przez spółki litewskie. Cechami jakościowymi informacji były porównywalność, wiarygodność, obiektywność i zrównoważenie. Badania wykazały, że na Litwie raporty CSR nie zapewniają wiarygodnych informacji; są one tylko częściowo porównywalne i obiektywne, jednak też stosunkowo zrównoważone.

Słowa kluczowe: społeczna odpowiedzialność przedsiębiorstwa, ujawniania, raportowanie społeczne.

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ISSN 1641-4381 print / ISSN 2391-677X online
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Prawa wydawnicze zastrzeżone.
http://www.ztr.skwp.pl
DOI: 10.5604/16414381.1212004
Introduction

Corporate social responsibility (CSR) is construed and recognized as a set of principles and initiatives improving the running and reporting of the company. Corporate social responsibility reporting promotes the reliability of the company and enhances the competitiveness and attractiveness of the company for company clients and potential investors. The preparation of social responsibility reporting shows the company’s desire to communicate with stakeholders and its resolution to be accountable for pursued activities. Simultaneously, when the company prepares social responsibility reporting, it receives feedback from stakeholders. One of the reasons why companies should disclose information about socially responsible activities is that they are provided with an opportunity to gain the trust of stakeholders. Though the phenomenon of socially responsible business is closely scrutinized in studies and research papers of both Lithuanian and foreign scholars (Adams, 2004; Beretta, Bozzolan, 2008; Murthy, 2008; Tosgio, 2012; Chauvey, Cho, 2015; Patten, 2015; Čiegis, Norkutė, 2012; Dagiliene et al., 2014; Leitoniene, Sapkauskienė, 2014; Juščius, Griauslytė, 2014), the issue of the comparability, reliability, objectivity and sustainability of social responsibility information disclosed in reports is not sufficiently analyzed.

Thus the objective of this article is to theoretically and practically substantiate the issues relating to the quality of social responsibility reports and to analyze the quality of information contained by these reports in content of comparability, reliability, objectivity and sustainability in the case of Lithuania.

The first section of the article provides a systematic analysis of the scientific literature and identifies the multidimensionality of the perception of the quality of the social responsibility reports. The second section presents the methodology for the analysis of the quality of social responsibility reports, which was composed by systematizing theoretical research on the quality of corporate social responsibility reports. The third section explores the situation of socially responsible business in Lithuania. The fourth section of the article introduces research on the quality of information contained by social responsibility reports in the case of Lithuania, which was performed using the content analysis method.

1. Theoretical background

Over the last decade researchers from various countries have analyzed how companies react to pressure to be socially responsible and to submit social responsibility information. The preparation of social responsibility, environmental protection and sustainable development reports or the disclosure of information on websites can be regarded as a response to the requirements imposed on them. Another reason why companies disclose social responsibility information is that they seek transparency during the pursuit of activities. This behaviour was greatly influenced by scandals in the financial
sector which rocked the world several years ago and forced individuals to raise concerns about the transparency of business activities. In addition to the two major reasons mentioned above, it is possible to single out the following reasons for the submission of social responsibility information: the need to introduce corporate social responsibility as part of business management, the improvement of business processes in order to establish sustainable activities, the necessity of accountability for sustainable activities, the necessity of compliance with legal instruments, the need to disclose achievements for interested groups during the implementation of socially responsible activities, the avoidance of a bad reputation that can be earned when reports are not submitted and the desire to communicate with interested parties in order to ascertain their needs (KPMG, 2013). Furthermore, in some cases social responsibility activities and reports can be interpreted as marketing tools used for gaining consumer loyalty. It is necessary to remember that the natural duty of businesses is to earn profits, therefore, in some cases corporate social responsibility is just a formality and the declaration of actions inconsistent with reality. In this case, one can notice the relevance of the issue concerning the reliability of social responsibility reports and information included in these reports or, in other words, the problem of quality.

Characteristics of the quality of information are quite similarly described in the IFRS Conceptual Framework and in the Global Reporting Initiative (GRI) Reporting Principles. International Financial Reporting Standards (IFRS) defines the quality of financial information, and the disclosure of reports must have the following two fundamental characteristics: relevance and faithful representation, and the four enhancing characteristics: comparability, verifiability, timeliness, understandability. Similarly, the GRI Reporting Principles identify the following six quality characteristics: balance, comparability, accuracy, timeliness, clarity and reliability. Meanwhile, in scientific literature, the perception of the quality of the disclosure of social responsibility information evokes a great deal of discussion (Boesso, Kumar, 2007, p. 273; Whittington, Ekara, 2013). Quality can be comprehended and defined in a number of different ways. Usually quality means that the object is distinguished by good properties and conforms to certain standards or surpasses those standards. In the literature when evaluating the quality of reports, preference is given to attributes that characterize the content of the report, i.e. the volume of the report, the style of disclosure, the inclusion of topics, the range of the addressees of the publication, the nature of disclosure, the manner in which knowledge is disclosed, the period of submitted information, the frequency of the report and the like. However, the above-mentioned attributes entirely fail to reflect the reliability of information in terms of stakeholders, which is an important constituent part of the quality of social responsibility reports (Gelbmann, 2010, p. 95; Manetti, al., 2011, p. 111; Bolton, 2013; Frederiksen, Nielsen, 2015, p. 244). Due to this reason, researchers supplement the range of the quality attributes of disclosed social responsibility information with such characteristics as relevance and reliability, substantiality, comparability, objectivity, sustainability, timeliness, clearness, conciseness, accessibility, connection formation and future orientation (Habek, Wolniak, 2015; Whittington,
Ekara, 2013; Beretta, Bozzolan, 2008, p. 343; Boesso, Kumar, 2007, p. 276). Therefore, the complexity, sensitivity and subjectivity of quality as an object, causes difficulties when it is necessary to assess it.

Thus, taking into consideration that this article analyzes a social responsibility report as a tool used by companies to communicate with stakeholders in order to gain their trust, research on the quality of corporate social responsibility reports is carried out by analyzing the content of these reports (in terms of a form, format, volume, visualization, language) as well as their comparability, reliability, balance and sustainability.

2. Research methodology

The analysis of scientific research showed that social responsibility reports can be analyzed using the following several methods: correlation, regression and content analysis methods (Leitoniene, Sapkauskiene, 2014, p. 240; Manetti, 2011, p. 115; Hooks, van Staden, 2011, p. 208). Taking into account the objective of the research, the content analysis method was selected because the analysis of the content enables one to assess the content of communication in an objective, systematic and quantitative manner. Content analysis refers to the technique used for information collection and content analysis. When analyzing the content, the following things are taken into consideration: words, expressions, pictures, symbols and topics. The scientific literature singles out these two methods of analysis: mechanical and interpretative analysis. The method of mechanical analysis is convenient when it is necessary to establish repetition frequencies and interconnections of researched factors. The typical examples of the method of mechanical analysis include: the counting of words, and the proportion and frequency of disclosed information. The method of interpretative analysis helps to understand what information is disclosed and how it is disclosed in reports, and is used to analyze the quality and informativity of disclosed information (Beck et al., 2010, p. 212). The present research combines content, mechanical and interpretative analysis methods.

Before conducting the content analysis, another important stage involves deciding which documents should be analyzed. Based on research performed by various scholars, it is common to analyze annual social responsibility reports. Though companies can submit corporate social responsibility information in a number of different ways, when carrying out the content analysis, annual social responsibility reports were selected due to the following reasons: they are the most significant source of information, the main communication tool with interested parties as well as reliability, periodicity and simplicity. In addition, the research paper analyzes only those corporate social responsibility reports that are submitted as a separate report or as part of the annual report; separate social responsibility information available on company websites was not regarded as a social responsibility report.

When performing the content analysis, yet another stage of significance is deciding which quantitative content elements will be analyzed: words, sentences, phrases, lines,
Information disclosure in corporate social responsibility reports

and the number of pages or the percentage in the report or on the page (Leitoniene, Sapkauskiene, 2014, p. 241). When applying the content analysis method, the criterion of the number of sentences is selected on a frequent basis because, from a quantitative perspective, the counting of sentences is more accurate than the counting of single words. Furthermore, sentences convey the essence, which cannot be achieved by analyzing individual words. The sentence counting method is also more acceptable since it allows sentences to be assessed that are included both in tables and in graphs. The page counting method is easily implemented in practice, as it is easy to count pages and it is not difficult to compare obtained results to the ones of other companies. The present research counts pages, sentences and percentages provided in reports. The analysis of Lithuanian CSR reports was conducted in accordance with the quality attributes provided in Table 1. The following table includes the analyzed quality attributes of CSR reports.

First and foremost, the research on the quality of corporate social responsibility reports was performed analyzing their form, format and breadth of disclosure in terms of the number of pages and sentences, and visualisation.

The second stage involved analyzing other quality attributes such as reliability, comparability, objectivity and sustainability.

Table 1. Attributes of quality of CSR information

<table>
<thead>
<tr>
<th>Attributes</th>
<th>Characterisation</th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Form</td>
<td>Is the corporate social responsibility report submitted as a separate report or as part of the annual report?</td>
<td>Yes/No</td>
</tr>
<tr>
<td>Format</td>
<td>Is this report submitted in PDF or HTML format?</td>
<td>PDF and HTML</td>
</tr>
<tr>
<td>Frequency</td>
<td>How often has the report been issued?</td>
<td>Annually, biannually, other period</td>
</tr>
<tr>
<td>Language</td>
<td>Is this report submitted in Lithuanian and/or English?</td>
<td>National/English</td>
</tr>
<tr>
<td>Breadth of disclosure</td>
<td>What is the volume of CSR reporting?</td>
<td>The average number of pages and sentences contained by the report</td>
</tr>
<tr>
<td></td>
<td>Visualisation of CSR reports – what part of the social reports are taken up by diagrams, graphs and figures?</td>
<td>The average number of pages of pictures contained by the report</td>
</tr>
<tr>
<td>Reliability</td>
<td>Was the report audited by third parties?</td>
<td>Yes/No</td>
</tr>
<tr>
<td></td>
<td>Which standards and principles did the company introduce? Global Accountability Framework, GRI Principles; Dow Jones Sustainability Index; FTSE4 Good Index; ISO9001; ISO14001; EMAS SA8000, OHSAS 18001; AA 1000; AA 1000 AS</td>
<td>List of standards and principles</td>
</tr>
</tbody>
</table>
Table 1. Attributes of quality of CSR information (cont.)

<table>
<thead>
<tr>
<th>Attributes</th>
<th>Characterisation</th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comparability</td>
<td>Is information provided in the report compared to previous periods?</td>
<td>Comparable information of 2 years</td>
</tr>
<tr>
<td>Objectivity</td>
<td>Is only positive or also negative information submitted?</td>
<td>Bad news – yes/no</td>
</tr>
<tr>
<td>Sustainability</td>
<td>Is information about social responsibility areas submitted proportionally or are certain areas emphasized more?</td>
<td>Sentences and % (in the whole report) about employees, the environment, market (product and services), society, corruption</td>
</tr>
</tbody>
</table>

Source: own compilation.

The source – presentation of the CSR reports as a separate document shows companies’ greater attention to disclosure of information about their socially responsible activity. This may also lead to better quality of social information presentation, i.e., increase of the relevance of the CSR reporting (Gill et al., 2008, p. 251).

The frequency – maintaining presentation frequency of the CSR reports also confirms the importance of social information disclosure for companies. It can also increase the relevance and quality of information because it allows users to compare the information in the CSR reports, and at the same time monitor the development of the CSR activities in companies (Beretta, Bozzolan, 2008, p. 345). This is consistent with the characteristics of timeliness in GRI Reporting Principles, which state that the organization should report on a regular schedule.

The format – the format of the submission of the CSR reports determines the possibilities of conducting content analysis (Juščius, Griauslytė, 2014, p. 61). If the CSR report is submitted in HTML form, the pages cannot be counted. Thus, this report must be eliminated when analyzing certain quality attributes.

The language – CSR reports in English and national (Lithuanian) languages expand the customer base, i.e., increases the availability of information, relevance and at the same time the quality of the CSR reports. Moreover, the characteristic of clarity (GRI) stated that organizations should make information available in a manner that is understandable and accessible to stakeholders using the report.

The volume – increasing the volume (total and average number of pages and sentences) of the CSR report can also be a sign of quality, as companies become increasingly more open to stakeholders as they provide more and more information about their socially responsible activities (Hooks, van Staden, 2011, p. 202; Chiu, Wang, 2015, p. 388; Chauvey, Cho, 2015, p. 790).

The visualization (average number of pages of pictures, tables and figures) – the CSR reporting quality is determined not only by reporting extent, but also by the way the information is presented. Information presentation using diagrams and graphs is clearer and easier to compare, so the quality of the CSR report increases due to the increasing relevance of these reports (Ramo, 2011, p. 375). However, if and when the
Information disclosure in corporate social responsibility reports

reports are uninformative, but with attractive advertising images or photos, this reduces the quality of the CSR reporting.

According to GRI Reporting Principles, reliability should provide confidence that the report can be checked to establish the veracity of its contents. Reliability requires that information included in reports be correct and the data provided in them be accurate, credible and not misleading. This was evaluated taking into consideration whether corporate social responsibility reports were audited and whether certain standards were introduced to company activities in order to enhance the reliability of the submitted information (Habek, Wolniak, 2015).

Again, according to GRI Reporting Principles, comparability enables stakeholders to analyse changes in the organization’s performance over time, and that could support analysis relative to other organizations. Comparability was analyzed taking into account whether standard units of measurement were used in reports and whether they were compared to report data of previous periods.

Objectivity was assessed by analyzing whether the reports contain only positive and/or negative information, such as whether the company is objective and able to provide negative information about their socially responsible activities as well (Beretta, Bozzolan, 2008, p. 338). Objectivity corresponds to the balance of GRI Reporting Principles. The principle of balance states that the report should reflect the positive and negative aspects of the organization’s performance. And that the reports should avoid selections, omissions or presentation formats that are reasonably likely to unduly or inappropriate influence a decision or judgement by the report reader. Visualization partly meets the last requirement.

The attribute of sustainability helped to evaluate whether all interested parties received the same attention in corporate social responsibility reports. A very similar quality characteristic is derived from GRI Reporting Principles. It is accuracy, which can be expressed in many different ways, ranging from qualitative responses to detailed quantitative measurement.

3. Corporate social responsibility in Lithuania

In Lithuania the implementation of the social responsibility practice commenced in 2005. At that time 12 Lithuanian companies voluntarily joined the Global Compact Initiative organized by the United Nations. By becoming members of this initiative, businesses voluntarily committed themselves to observing the 10 principles of corporate social responsibility and to disclosing the results of their activities in social responsibility reports in the pursuit of their activities. Currently, the Global Compact Initiative unites 73 Lithuanian companies that belong to various economic sectors. The Lithuanian Responsible Business Association also promotes the expansion of sustainable business in Lithuania. The Association, which was formed from the national network of responsible businesses, has been pursuing its activities since 2013 and is composed
of 34 companies. Thus, in Lithuania there is an inconsiderable number of socially responsible companies. At the same time, it is necessary to note that a significant portion of Lithuanian companies declare that they are socially responsible, however, they do not submit any public information about the implementation of social responsibility in their activities. In Lithuania companies reach a voluntary decision regarding whether or not to disclose social responsibility information and it is not imperative that companies include social responsibility information in annual reports. Nevertheless, it is essential to stress that in 2008 in the Republic of Lithuania, the Law on Corporate Financial Statements and the Law on Consolidated Financial Statements of Corporate Groups began to require companies or groups of companies to present financial and non-financial results of activities in their annual reports, i.e. information in relation to personnel and environmental protection issues. Companies listed on the NASDAQ OMX Vilnius (the Vilnius Stock Exchange) are provided with corporate social responsibility guidelines, which assist companies in applying social and environmental protection requirements to their business, enhancing the transparency of social responsibility reports and improving their quality.

In addition, as of 2016, Lithuania should witness legal instruments coming into effect and contributing to the implementation of the new EU directive regarding the compulsory disclosure of non-financial information by large and corporate companies. If these legal instruments come into force, as of 2017 Lithuanian public interest companies or groups of companies with 500 or more employees will be compelled to publicly disclose information related to environmental protection, social responsibility and senior management once a year.

As mentioned previously, in Lithuania a decision whether or not to disclose social responsibility information is a voluntary act that is not subject to regulation. Therefore, at present in Lithuania, the majority of socially responsible companies prepare social responsibility reports on the basis of the 10 social responsibility principles of the Global Compact Initiative and only a small minority of them apply social responsibility reporting guidelines prepared by the Global Compact Initiative.

This demonstrates that in Lithuania a social responsibility report is a new phenomenon that is not regulated by law and that allows companies to select the form, content and scale of information disclosure and to consider only those interested parties that are of significance to them at that particular moment. This may contribute to the distortion of submitted social responsibility information, since Lithuanian companies lack experience in preparing similar reports, which, in turn, may condition the lack of quality of disclosed social responsibility information and determine low confidence in this type of information on the side of stakeholders.

4. Results

The article analyzes the 2010–2014 social responsibility reports of Lithuanian companies belonging to the United Nations Global Compact Network and the Lithuanian Responsible Business Association. The analysis focuses on social responsibility reports
that were published separately or as part of the annual report on the websites of Lithuanian companies in the period 2010–2014. A separate social information provided on the websites of these companies was not regarded as a social responsibility report. According to the data of early 2015, 73 companies joined the Global Compact Network and 34 companies became members of the Lithuanian Responsible Business Association (17 companies belonged to both organizations), however, the number of provided social responsibility reports was significantly lower. During the period 2010–2013, 17 Lithuanian companies, which were included in the study sample, provided 43 CSR reports. In April 2015 only 3 CSR reports were provided for the year 2014. Only 8 companies provided social responsibility reports on an annual basis. During the analysis period, two companies stopped providing social reports in subsequent years and two companies submitted the one report for several accounting periods. The research sample included companies of the finance, energy, chemicals, beverages, telecommunications and other sectors.

Table 2. The results of the analysis of the 2010–2014 social responsibility reports of Lithuanian companies

<table>
<thead>
<tr>
<th>Attributes / Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014*</th>
</tr>
</thead>
<tbody>
<tr>
<td>The form of provided reports:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– a separate report</td>
<td>8</td>
<td>10</td>
<td>11</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>– part of the annual report</td>
<td>–</td>
<td>–</td>
<td>2</td>
<td>2</td>
<td>–</td>
</tr>
<tr>
<td>The format of provided reports:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– PDF format</td>
<td>6</td>
<td>8</td>
<td>11</td>
<td>10</td>
<td>–</td>
</tr>
<tr>
<td>– HTML format</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>The language of provided reports:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Lithuanian</td>
<td>8</td>
<td>10</td>
<td>13</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td>– English</td>
<td>–</td>
<td>–</td>
<td>3</td>
<td>3</td>
<td>–</td>
</tr>
<tr>
<td>The average number of provided reports</td>
<td>15</td>
<td>17</td>
<td>14</td>
<td>23</td>
<td>14</td>
</tr>
<tr>
<td>Visualisation, the number of pages</td>
<td>4.38</td>
<td>3.24</td>
<td>3.49</td>
<td>5.79</td>
<td>7.38</td>
</tr>
<tr>
<td>Comparability, in percentage</td>
<td>75</td>
<td>80</td>
<td>69.23</td>
<td>66.67</td>
<td>66.67</td>
</tr>
<tr>
<td>Sustainability, the number of sentences:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– employees, in percentage</td>
<td>253</td>
<td>227</td>
<td>166</td>
<td>172</td>
<td>159</td>
</tr>
<tr>
<td>– environmental protection, in percentage</td>
<td>25.69</td>
<td>27.75</td>
<td>31.93</td>
<td>30.23</td>
<td>53.46</td>
</tr>
<tr>
<td>– market, in percentage</td>
<td>17.79</td>
<td>17.62</td>
<td>15.06</td>
<td>16.86</td>
<td>41.51</td>
</tr>
<tr>
<td>– society, in percentage</td>
<td>28.46</td>
<td>26.43</td>
<td>27.71</td>
<td>26.16</td>
<td>0.00</td>
</tr>
<tr>
<td>– corruption, in percentage</td>
<td>17.79</td>
<td>20.26</td>
<td>18.67</td>
<td>20.35</td>
<td>5.03</td>
</tr>
</tbody>
</table>

* In April 2015 only 3 social responsibility reports were provided for the year 2014.

Source: own compilation.
The results of research on social responsibility reports demonstrated that the majority of companies provide a social responsibility report as a separate report in PDF format on the Global Compact website (see Table 2). In addition, as many as 45 percent of companies refer to these reports as social responsibility reports and 20 percent of companies define them as progress reports. Another 20 percent of companies attempt to combine these concepts and refer to the latter reports as social progress, activity or social responsibility progress reports. Only an insignificant number of companies define them as sustainability reports.

Furthermore, it is necessary to note that the breadth of disclosure in terms of the number of pages of reports continued to increase except for the year 2014. During the collection of the data only 3 reports were provided, therefore it is impossible to arrive at generalized conclusions. The analyzed Lithuanian companies require more than a year to prepare these reports; therefore, it is possible to explain such results by referring to the experience of report preparation and to assume that the quality of social reports continues to increase. However, a more detailed analysis of social responsibility reports revealed that although the breadth of disclosure in terms of volume (the number of pages of reports) continued to increase, the number of sentences proceeded to decrease because textual information was replaced with visual information: tables, graphs, pictures and images. Meanwhile, the analysis of the visual information demonstrated that as many as 75 percent of companies incorporated images that did not convey any significant information. Only an insignificant number of companies provided graphs and tables that prevailed in the areas concerning personnel and environmental protection, although their number continued to increase during the period of the analysis.

The results of the credible research on the information included in social responsibility reports revealed that Lithuanian companies do not feel the necessity and do not have the intrinsic motivation to prove the reliability and validity of social information since none of the analyzed reports was examined by an audit firm. The analysis of standards also verifies the low level of credibility of these reports. For example, only 3 analyzed companies apply the Global Reporting Initiative to their activities. One third of companies use the ISO 9001 Quality Management System and the ISO 14001 Environmental Management System. Though all the analyzed companies publish information on employment conditions and relationships with employees, only 2 companies apply the SA8000 Standard and only 3 companies use the OHSAS 18001 Standard. These are the standards that show the organization’s compliance with international standards of employment ethics.

When analyzing the comparability of social responsibility reports, it was explored whether separate companies compare social information to previous periods. During the analyzed period the majority of companies (approximately 70 percent) compared social information to previous periods, however, the performed analysis revealed that the comparability of social information tends to decrease. In addition, all the compa-
nies, without exception, compared social information to information related to personnel and environmental protection, and only several companies compared social information to information related to the market and society. This was influenced by the abundance of quantitative aspects, which is characteristic of these areas of social responsibility.

When exploring the objectivity of social responsibility reports, it was analyzed whether companies disclose negative information. The number of companies that disclosed negative information remained the same during the analyzed period, i.e. roughly one third of companies provided negative information. The number of companies that revealed negative information did not change and remained stable during the analysis period. Most of the negative information related to accidents at work. One company provided information about being held in a labor dispute and receiving penalties. Another company provided information about unfavorable working conditions. The results of the research demonstrate that the majority of Lithuanian companies are inclined to disclose only the positive side of socially responsible activities, which allows them to create a positive corporate image.

The initial research on the sustainability of information included in corporate social responsibility reports revealed that the social information provided appears to be relatively sustainable and no substantial difference between the scopes of provided social information is present. However, information relating to the market and employees receives the greatest attention; meanwhile, information relating to the issue of corruption is not provided abundantly.

**Conclusions**

One of the major issues encouraging companies to submit social responsibility reports involves interrelationships between companies and interested parties, i.e. on the one hand, pressure imposed by interested parties, and on the other hand, the desire of companies to gain the trust of stakeholders. Owing to this, it becomes especially important for companies to submit reliable and qualitative social responsibility information.

The analysis of scientific literature revealed the existence of the multidimensional perception of the quality of corporate social responsibility reports and information included in them. In addition, different studies involve the use of different sets of attributes characterizing the quality of social responsibility information. The present research describes the quality of corporate social responsibility reports in term of the following attributes: the content (form, format, volume, visualization, language) as well as comparability, reliability, objectivity and sustainability. The above-mentioned attributes were analyzed using the content analysis method.

The analysis of the situation showed that in Lithuania the issue concerning the quality of corporate social responsibility reports is of great relevance because a corporate social responsibility report is a relatively new phenomenon unregulated by law and
companies lack experience in preparing similar reports. This may condition the lack of quality of disclosed social responsibility information and explain the low confidence in this type of information on the part of interested parties.

The results of the research showed an increase in the scope of corporate social responsibility reports in terms of the number of pages, however, these changes did not have a positive impact on the quality of reports as there was a decrease in the scope of reports in terms of the number of sentences and an increase in the visualisation within the reports, which consisted of promotional images rather than of informative tables and graphs. The research also revealed that information included in corporate social responsibility reports is not reliable and is only partly comparable and objective; however, it is relatively sustainable.

The analysis of the 2010–2014 corporate social responsibility reports demonstrated that Lithuanian companies failed to achieve considerable progress and remained at the same level. Some companies even managed to take a step back. These results display an immature attitude to social responsibility on the part of companies and prove the statement that companies are more inclined to employ social responsibility reports as a marketing tool. On the other hand, it is necessary to take into consideration that the government of the Republic of Lithuania has only recently started to apply tools encouraging companies to submit corporate social responsibility reports, therefore, one should anticipate significant changes in this area, but in the distant future.

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