Boundary objects: sustainability reporting and the production of organizational stability

Manuel Fernández-Chulián [1], Nicolás Garcia-Torea [2], Carlos Larrinaga [*],[2] and Jan Bebbington [3]

[1] Departamento de Economía Financiera y Contabilidad, Universidad Pablo de Olavide de Sevilla, Sevilla, Spain.

[2] Departamento de Economía y Administración de Empresas, Universidad de Burgos, Burgos, España.

[3] Pentland Centre for Sustainability in Business at the University of Lancaster, UK.

[*] Corresponding author. Correspondence should be addressed to carlos.larrinaga@ubu.es

Boundary objects: sustainability reporting and the production of organizational stability

Abstract

Purpose: The study investigates how sustainability reporting constructs a narrative about an organization that provides its members with a reality they can accept, with the consequence of producing organizational stability.

Design/methodology/approach: The article reports a research engagement concerning the 'backstage' of sustainability reporting in one Spanish savings bank, which the researchers engaged with for more than three years.

Findings: The article describes how sustainability reporting operates as a boundary object occupying the space between the organization's loosely coupled systems and facilitating the cooperation of members with different interpretations of the organization. Different translations of discourses and actions ensure that the sustainability report conveys a ductile narrative that can be tailored to specific interpretations. At the same time, the editing inherent in sustainability reporting ensures that any narrative that may challenge the organization's dominant perspective is ignored and marginalized. In this way, sustainability reporting produces a discourse that inscribes a narrative of the organization and eventually ensures organizational inertia.

Originality: In contrast to prior research that has been concerned with exploring the extent to which sustainability reporting is associated with organizational change, this study applies different lenses to show how and why sustainability reporting is implicated in the construction of the organization and the maintenance of its stability and inertia.

Research implications: The article highlights the relevance of investigating sustainability reports by exploring the backstage of their production rather than solely the final document.

Keywords: Sustainability reporting; research engagement; boundary object; linguistic work; sensemaking; organizational change.

Boundary objects: sustainability reporting and the production of organizational stability

1. Introduction

Social and environmental accounting (SEA) theory and praxis are usually conceived of as a way to shed light on organizations' impacts beyond financial performance and focus managerial attention on sustainability concerns (Hopwood, 2009). The rapid expansion of sustainability reporting (SR hereafter) [1], which has become a common practice among large corporations worldwide [2] (KPMG, 2022), soon attracted the attention of SEA researchers who investigated the *emancipatory* potential of SR to change organizational behavior (Gray, 2002). Despite the development of a significant and still burgeoning stream of literature seeking to address this question during the last three decades, conclusions remain provisional as research provides inconclusive findings about the relationship between SR and organizational change, producing "a tension in this literature that straddles theoretical and methodological approaches" (see Garcia-Torea *et al.*, 2023, p. 24). Some scholars who have engaged with organizations to explore how SR is implicated in organizational dynamics have concluded that, at the most, SR can be expected to initiate limited change (Adams and McNicholas, 2007; Higgins *et al.*, 2019; Narayanan and Adams, 2017) and that it should be viewed as a step in the broader path towards organizational change (Contrafatto and Burns, 2013; Mitchell *et al.*, 2012). In contrast, other authors contend that SEA plays a role in reinforcing corporate hegemony (Spence, 2009; Tregidga *et al.*, 2014) and perpetuating exploitative relationships (Tinker *et al.*, 1991).

This study adopts alternative lenses that help understand how SR is implicated in the construction of the organization and the maintenance of its stability and inertia by moving the focus beyond conceiving it as a catalyst for organizational change or an instrument mobilized deliberately to impede it. Critically, change should be conceived of as an anomaly in organizational contexts (Zucker, 1977), with organizations employing substantial resources to maintain their operating approaches, thereby seeking stability and inertia (Meyer and Rowan, 1977), which is thought to represent the natural state of organizations (Laughlin, 1991). Our research relies on this perspective to show and reflect on why and how SR could operate as a mechanism that reproduces the organization, with the effect of reinforcing its stability [3] and inertia rather than as an element implicated in processes of organizational change. This explanation helps us better understand how, in specific settings, SR is found to be an impediment to change (Garcia-Torea *et al.*, 2023).

While different accounting studies have explained how management accounting is involved in reproducing the organization (Covaleski and Dirsmith, 1983, 1986; Llewellyn, 1998; Moll and Hoque, 2011), there is a paucity of research concerning how the process of elaborating external accounts might have a similar function. Much research focusing on legitimacy (Deegan, 2002) or discourse analysis studies (Laine, 2009; Tregidga *et al.,* 2014) scrutinizes SR as a black box where the object of investigation is the *clean,* final report that is published and observable from the outside of the organization, omitting in the analysis the local tailoring taking place in the *backstage* of its production. We maintain that understanding SR requires studying not only the report itself but also the *process* through which a sustainability report is produced to illuminate how and why alternative articulations and interpretations are sanctioned or discarded from the organization's narrative.

This article provides a contextual understanding of SR by focusing on one of the mechanisms that are thought to produce organizational inertia: setting and managing boundaries (Dolfsma and Dannreuther, 2003; Llewellyn, 1994, 1998). According to Hernes (2004), "boundary setting is intrinsic to the very process of organizing" (p. 10), yet it has received relatively scant attention in organizational studies (Santos and Eisenhardt, 2005). Further, research on how accounting practice is implicated in boundary management is also relatively limited (Busco *et al.*, 2017; Kartalis *et al.*, 2016; Llewellyn, 1994, 1998), especially within the SEA literature (but see Antonini *et al.*, 2020; Gray *et al.*, 1995). We argue that the analysis of SR from a boundary management lens could explain why "environmental issues [continue to be] seen as "out there" at the boundary of managerial attention" (Hopwood, 2009, p. 438) and the role that accounting and SR play in this process. Resolving this perception is necessary to ensure sustainability is a core part of organizational action.

This article mobilizes the notion of a boundary object (Star, 2010) to investigate how SR functions as a mechanism that preserves organizational stability. We study this question through a research engagement consisting of the active participation of two authors in assessing and producing the sustainability reports of a Spanish savings bank for a three-year period during the initial stages of the 2008 financial crisis. Drawing on notions from linguistic work, sensemaking, and boundary work literatures, we develop and mobilize a theoretical bricolage (Gendron, 2018) to shed light on how, instead of being understood as an external communication tool, SR could be conceived as an internal communication mechanism that allows the production of a narrative that nourishes the loose couplings between different internal and external worlds, facilitating organizational members to make sense of the reality they live and contributing to the stability of the case organization.

The rest of the article is structured as follows. Section 2 develops the theoretical framework that explains how organizational stability is achieved by decoupling different elements of the organization while simultaneously articulating them through linguistic work taking place at their boundaries. Section 3 presents the research engagement in the savings bank. A longitudinal description of the transformation of the report and our participation in this organization follows in section 4. Section 5 describes how the case organization was made possible by the existence of loose couplings between key subsystems. Section 6 shows how SR worked as a boundary object by deploying linguistic work to maintain the organization's stability by reinforcing its boundaries. Finally, section 7 provides some concluding remarks.

2. Achieving stability by setting and managing boundaries

Organizational scholarship contends that organizing is an ongoing and interpretive social process based on the actions and sensemaking of actors (Czarniawska, 2008; Weick *et al.*, 2005). This assertion may suggest that organizations are unstable constructions subject to constant change due to their exposure to environmental and contextual factors. However, it is stability rather than change that characterizes organizing. Czarniawska (2008) argues that organizations are autopoietic systems naturally seeking stability. According to Greenwood and Hinings (1996), organizing archetypes emerge from cognitive structures or schemes of interpretation that provide organizations with "a taken-for-granted quality, in which actors unwittingly accept the prevailing template as appropriate, right, and the proper way of doing things" (p. 1027), thereby constraining tendencies to change.

Organization theorists explore two notions central to organizations' stability: *loose coupling* and *sensemaking*. First, loose couplings allow organizational elements to preserve their identity and some level of independence from each other (Orton and Weick, 1990; Weick, 1976), even though they depend on each other as elements of an organizational system. Loosely coupled systems are simultaneously "open and closed, indeterminate and rational, spontaneous and deliberate" (Orton and Weick, 1990, p. 204-205). Weick (1976) identified benefits from loose coupling, some of which are critical for maintaining organizational stability, such as (1) lowering the likelihood that the organization will have (or will be able) to respond to environmental changes, (2) preventing the spread of a breakdown in one element to the rest of the organizational system, and (3) ensuring that adjustments to local conditions do not affect the whole organization.

Loosely coupled systems introduce ambiguity, distress, and uncertainty in organizations, jeopardizing their stability. Second, to deal with these challenges, organizations require technologies that enable a *sensemaking* process to construct a negotiated social reality for organizational members (Weick, 1976). Weick *et al.* (2005) stress that sensemaking is at the core of organizations because it develops "plausible images that rationalize what people are doing" (p. 409). Sensemaking involves the construction of narratives and, hence, a linguistic work that, according to Czarniawska (2008), encompasses activities such as translating, editing, and inscribing. Specifically, texts are seen as the "many different languages used in organizing. Texts [are] translated from and to technical, economic, legal and everyday language; from and to local languages (…). Editing [is], in the first place, a political action; it [is] happening within the same language but it [addresses] different interests and viewpoints. Inscribing [serves] as proof that the other two actions were completed with success" (p. 42). Drawing on those ideas by Czarniawska (2008), linguistic work may support the stability of organizations by (a) translating between the different languages and values that are prevalent across loose couplings, (b) editing narratives according to the positions of the different interests, and (c) inscribing a negotiated narrative that makes sense of the organization.

The achievement of organizational stability requires a sensemaking process that not only provides unity to the loosely connected elements of the organization but also maintains the distinctions between them (Weick, 1976). Note the association between loose couplings and sensemaking. The literature on the dynamics of constructing and reproducing boundaries is key to understanding how loosely coupled systems sustain organizations. In his study of boundary setting, Hernes (2004) highlights that drawing and managing boundaries are at the core of organizing. Accordingly, this study follows a constructivist understanding of boundaries, according to which boundary setting is intrinsic to the process of organizing, not incidental to it (Dolfsma and Dannreuther, 2003; Hernes, 2004; Llewellyn, 1994; Santos and Eisenhardt, 2005). Hernes (2004) argues that organizations persist "through the reproduction of boundaries" (p. 10) and that this reproduction is accomplished through interactions. However, boundaries are also areas of transition across which bounded explanations do not hold (Hernes, 2004) and where embedded knowledge is at stake (Carlile, 2002). Organizational narratives are at risk at boundaries because they might hold within some subsystems but not across boundaries (Hernes, 2004). Therefore, boundaries are "areas of tension (…) dangerous places" (Hernes, 2004, p. 11), where the narratives sustaining the organization can be questioned and, consequently, organizational change is most likely to originate. Accordingly, much of the interpretative and sensemaking work reproducing organizations occurs at boundaries to manage the divergences between interpretations nurtured in specific

subsystems. This notion resonates with the idea of *boundary work*, defined by Zietsma and Lawrence (2010) as "attempts of actors to create, shape and disrupt boundaries" (p. 190) (see also Dacin et *al.*, 2010; Lamont and Molnár, 2002).

Some studies have reflected on the role of accounting in sensemaking and boundary work. Llewellyn (1994, 1998) argued that accounting is implicated in boundary maintenance by absorbing uncertainty, shaping expectations, and visualizing some activities over others. Consistent with the need for sensemaking to cope with the ambiguity created by loosely coupled structures, Llewellyn (1994) shows that accounting reduces, absorbs, and denies endemic uncertainty in organizational life. Particularly, in the case of sustainability, which is characterized by conflicting financial, social and environmental demands (Gray, 2006; Humphrey *et al.*, 2017), accounting and reporting has been involved in substantial symbolical and rhetorical activity (e.g., integrated reporting; Gibassier *et al.*, 2018) with the ultimate function of maintaining the loose coupling between the usual operation of the business and sustainability concerns (Contrafatto, 2014; Larrinaga and Bebbington, 2001; Larrinaga *et al.*, 2001; Narayanan and Adams, 2017). Bebbington *et al.* (2008) provide an example of how oil and gas companies sustain those loose couplings to reconcile their core activities with sustainability threats to their business model. As these companies cannot afford to be seen as ignoring the impact of energy on climate change, they engage in symbolical and rhetorical sensemaking activities in their sustainability reports to make sense of the two different and conflicting logics that characterize their business.

This section has focused on how loose coupled systems and sensemaking achieve organizational stability. We now refer to the notion of boundary object to understand how accounting performs the boundary work to which Llewellyn refers (Busco *et al.*, 2017). In this regard, understanding accounting as abstract work is implicit in Llewellyn's interpretation of how accounting participates in boundary work (e.g., costing, finance) (Llewellyn, 1998). However, an examination of the literature suggests that not only accounting ideas but also accounting artifacts participate in managing and reproducing boundaries (see, for instance, Kartalis *et al.,* 2016).

Stokes and Gabriel (2010) argue that the space between the boundaries defining groups is not empty but is a populated area that simultaneously separates and connects their identities. Boundary spaces are populated by the interaction between people and between people and objects. Star (2010) introduces the notion of *boundary object* to conceptualize the object people act toward and with it in this shared boundary space. Star is ambiguous about what a boundary object is or how it comes into being. According to her, a boundary object could be anything that, in the appropriate circumstances, occupies the space between different groups and identities. She contends that the materiality of the boundary object stems from the action rather than from having physical substance. Even abstract concepts (such as a theory) can be boundary objects if they operate in the space within boundaries and are used by bounded groups. Star's proposal of boundary objects derives from observing successful cooperation between remarkably different scientific disciplines to create "good science".

In contrast to the implicit idea that productive cooperation requires consensus, she notes that consensus was rare across disciplinary fields, but collaboration continued nonetheless. Star (2010) maintains that boundary objects are crucial to explaining such dynamics. She argues that the capacity of boundary objects to enable cooperation without consensus is driven by the three characteristics that determine their architecture. First, boundary objects have interpretive flexibility, i.e., the same object can be interpreted differently depending on who is acting toward and with it. Second, boundary objects are organic infrastructures of work processes and arrangements that provide a language, a

shared space, and a set of material practices that allow cooperation between different groups. Third, a boundary object occupies the space between different groups where, due to its vague identity, it is ill-structured to be considered a common object but can be tailored to more specific uses within each group. For example, in their study of a hybrid organization, Busco *et al.* (2017) conceived accounting and control tools as boundary objects that visualized and mediated the bonds between different organizational members, allowing them to cope with conflicting logics while promoting innovation.

This investigation mobilizes the notion of a boundary object to explore, through an engagement research exercise, how SR functions as a mechanism that preserves organizational stability.

3. The research engagement exercise

This section describes the case organization and the nature of the research engagement performed in the production of the sustainability reports of a Spanish savings bank (Sparkasse [4] hereafter) between 2007 and 2010.

3.1. The case organization: Sparkasse

At the time of the engagement, Sparkasse was a Spanish savings bank with more than 500 employees, and several billion euros in assets. This organization was representative of the dozens of Spanish savings banks that had provided retail banking services during the last century and a half, each in a bounded geographical area, usually one Spanish province.

Since their inception in the 19th century, Spanish savings banks had a dual financial and philanthropic purpose to grant the working-class access to financial services and educate them on the use of savings. Savings banks had no shareholders, and part of their profits was statutorily distributed to their *obra social* (OS hereafter) to carry out philanthropic activities. OS activities evolved from alleviating pauperism in the 19th century to a broader set of actions, such as promoting culture, leisure, social assistance, research and education, and the protection of artistic and natural heritage. Traditionally, OS actions were bounded to the geographical area where the savings bank was established. However, this situation changed since the 1990s when some organizations expanded geographically. It is relevant for our study to note that, following common practice in the sector, Sparkasse organized the OS in one department.

The 45 savings banks existing at the beginning of our engagement were associated under the Spanish Confederation of Savings Banks (in Spanish, *Confederación Española de Cajas de Ahorro*; CECA hereafter). Sparkasse was founded in the 19th century, although its statutes dated from the early 20th century. Following the Spanish savings bank regulation in force until 2010, Sparkasse was the property of nobody and had no equity shares; it was not state-owned either; it was founded on public initiative and with decision rights allocated to customers, workers, local councils, and society (Parejo *et al.*, 2004). Broader regional economic aspirations and the universal access to financial services were important considerations for these organizations (García-Cestona and Surroca, 2008).

While the barriers impeding savings banks from competing with commercial banks were removed in the 1970s, the economic boom of the early 2000s fostered the sector's growth opportunities, with Sparkasse's profits rising from €3.3 billion in 2000 to €11 billion in 2007. This growth was attained by making their banking business

indistinguishable from commercial banks and investing in the (then) flourishing Spanish real estate sector. However, the 2007 financial crisis damaged the savings banks' solvency, significantly affected by real state leverage (The Economist, 2009). In 2010, the Spanish government and Central Bank required savings banks to merge, reducing their number from 45 in 2007 to 17 in 2011. This process led to the participation of private capital and the creation of publicly traded commercial banks, as in the case organization. Consequent to this merging process, Sparkasse's SR was discontinued in 2010.

3.2. Engagement research

We employed an engagement research strategy to investigate SR in Sparkasse (Adams and Larrinaga, 2007; Correa *et al.*, 2023). This interpretative and participatory research approach involves the interaction between researchers and organizational members to, in this case, study SR practices in the context of their development. Our research strategy shared some characteristics with interpretive (Ahrens and Chapman, 2006) and case study research (Yin, 2003), for it thoroughly studied one empirical setting through the analysis of multiple sources of evidence. At the same time, the approach could also be described as action research (Greenwood and Levin, 2007). Adams and McNicholas (2007) describe action research as the direct collaboration between researchers and organizations to apply knowledge in the social construction of the object under study.

We engaged with the case organization from 2007 to 2010. The scope of our engagement enlarged during this period (see Figure 1). It started by interviewing different organizational members in 2007 and continued with consulting work on the content of the 2007 and 2008 sustainability reports by two authors. Eventually, one of the authors took on the role (still as an external consultant) of the corporate social responsibility (CSR hereafter) manager during her maternity leave and organized the social and environmental elements of the 2009 corporate report.

[Insert Figure 1]

According to the research strategy, the active participation in (and direct observation of) the production of Sparkasse's sustainability reports was the most important source of information. We worked together with Sparkasse's employees, participated in and observed meetings, engaged in informal conversations (talking around the coffee machine proved particularly productive), exchanged multiple emails with different individuals and designed proposals to support report production. This participation gave us a rich understanding of how organizational members interacted with each other in the elaboration of sustainability reports and how SR mediated between the different interpretations of the organization.

In addition to action research, we conducted a total of 21 semi-structured interviews (Cassell, 2015; O'Dwyer, 2004) in two rounds (in 2007 and 2009) with individuals responsible for different areas and/or participating in the workgroup that was created to produce sustainability reports (see f I). Two protocols were developed for interviewing the CSR manager and other organizational members (see Appendix 1). We made this distinction because the CSR manager was the SR champion in the case organization, and had a more in-depth understanding of the process and a more substantive role in SR production. The protocol for the other interviewees was adjusted according to their role (e.g., managers participating in the workgroup vs. other employees). All interviews were recorded and transcribed (Berg and Lune, 2012). We also took notes during and after each interview to register other relevant aspects that cannot be captured in the recordings (Bédard and Gendron, 2004) (e.g., perceptions about the interviewees' non-verbal

language). Confidentiality has been secured by anonymizing the organization as well as the interviewees. Finally, we also retrieved information from multiple documents, including the draft and final corporate reports.

[Insert Table I]

All the material gathered during the engagement was interpretatively analyzed to identify the main categories emerging from the data that relate to the theoretical framework. This process consisted of an iterative *analytical move* that required us to constantly revisit, adjust and develop the theoretical notions we rely on and then return to the empirics (Grodal *et al.*, 2021). The interviews were analyzed and codified independently by two of the authors, one of whom directly engaged with the organization. Each researcher created a specific file in which they recorded the emergence of the theoretical categories. Both analyses showed a high level of agreement and were used to underwrite the robustness of the interpretations. As for the analysis of the participant observation and the documents, the two authors who engaged with the case study wrote thick descriptions, in which they, iteratively, provided a narrative of the engagement that was discussed between the authors. Additionally, we presented the case numerous times to colleagues, some of which were knowledgeable of the empirical setting. In sum, the different strategies allowed us to triangulate the different sources of information to test for alternative interpretations and enhance the *authenticity* of the case study (Parker and Northcott, 2016; Steccolini, 2023). We performed multiple theoretical development-data analysis iterations until our interpretation of Sparkasse in the light of the theoretical bricolage (Gendron, 2018) provided enough insights to understand the functioning of SR in the case. All the documents, interviews and engagement were in Spanish: the information reported in the article is our own translation.

A fundamental issue when performing engagement research is that researchers must keep a certain distance from the application of knowledge to have a critical distance from the phenomenon (Adams and Larrinaga, 2007). This condition requires substantive reflexivity (Alvesson and Sköldberg, 2000; Ellingson, 2009) and was necessary to narrate and interpret our participation. In this regard, there are elements that could compromise, while others could increase our autonomy. As for the former, the consultancy work performed by two of the authors positively affected the engagement, as Sparkasse became more attentive to our views and receptive to our participation. This was particularly true for the coordination work on part of the corporate report. It could be argued, however, that the associated fees (€16,500 in total for three years) and the role of experts could have compromised our independence in the sense expressed by Brown and Dillard (2013). We were aware of this risk and, consistently with the standards followed in other qualitative studies, developed different strategies to maintain our autonomy (Correa *et al.*, 2023). First, the two authors that engaged always maintained their researcher identities, making clear from the outset that this research would inform the empirical study for the doctoral dissertation of one of them. This involved critical appraisals of Sparkasse's sustainability reports that were beyond suggestions about marginal improvements (Correa *et al.*, 2023; cf. Brown and Dillard, 2013), as in the case of the sustainability of the financial products (see section 6.2). Second, following Spanish public university regulation, consultation fees were managed by Universidad de Burgos' research administration department and channeled to support research activities, minimizing thus potential conflicts of interest. Third, although not planned initially, the fact that not all the authors played a consultant role in Sparkasse confers the whole research team with further critical edge. Finally, the time elapsed between the engagement

and the submission of the paper also contributes to our independence: indeed, Sparkasse does not exist anymore.

4. Sparkasse's sustainability reporting

This section depicts Sparkasse's SR practices during the investigation and describes our engagement in creating its 2007 CSR Report and subsequent 2008 and 2009 Economic, Social and Environmental Annual Reports (Figure 1 provides a timeline).

In 2004 the industry association (CECA) issued a directive urging their members to exploit their "competitive advantage" in the CSR domain: their OS activities. CECA's view was widely shared in Sparkasse, where a narrative emerged that a CSR framing enhanced the value of what the organization was already doing (i.e., the OS). CECA also suggested the Global Compact Principles and the GRI Guidelines could be used to articulate CSR, thereby supporting the institutionalization of SR for savings banks by the mid 2000s. A third of the 45 Spanish savings banks participated in the Global Compact by 2005 (Sparkasse did so in 2006) and produced sustainability reports in 2006. Although savings banks had a history of philanthropy and stakeholder governance and had grown to a size comparable to commercial banks, their SR was not seen as exemplary: Spanish banks (all of them commercial banks) received three SR awards in 2006, something that distressed the savings banks.

In 2006, Sparkasse appointed a full-time CSR manager, initially attached to the OS department, who obtained approval (from the board of directors) to form a CSR workgroup to produce its first sustainability report for the 2006 fiscal year. The 2006 CSR report was published in late 2007, some months after the statutory reports (i.e., financial statements, corporate governance, and OS reports). The SR structure mimicked practice in the sector and followed the GRI standards: indicators were listed together and described as in the GRI guidelines, complemented by information that Sparkasse deemed relevant. Our engagement started after the 2006 CSR report was produced and was initially framed as a case study.

Our participation changed substantially by the end of 2007 when the CSR manager asked us to criticize the 2006 CSR report and provide suggestions for improvement. This assignment allowed us to influence the empirical setting, transforming our role from observers to participants. Our recommendations included technical aspects, such as broadening the report boundaries to subsidiaries, suggesting alternative data for indicators, and applying the (then) GRI financial sector supplement draft. We also advised structuring the report more meaningfully for the organization instead of following a GRI-checklist style. Consistent with previous research findings (e.g., Gray, 2006), we found that the 2006 CSR report's focus was on activities that were not material for the organization nor from a sustainability perspective. For example, the report covered the procurement of fair-trade products or employee volunteering programs, which were positive from a sustainability viewpoint but marginal to assess the banking business' contribution to sustainable development. The CSR manager was not unaware of the lack of materiality of the reported information as she explained that "*the hardest is to get into the business DNA*". We suggested the CSR manager that the report should focus on understanding sustainability as integral to all the entity's activities, stressing the sustainability of financial products and the integration of indicators in the organization's management systems. At the same time, although Sparkasse provided customers of unprofitable rural branches with access to financial services, these activities were not initially interpreted as related to CSR.

Some of our proposals fitted well with Sparkasse's strategic planning. In 2008, the organization approved the inclusion of CSR in its mission and vision and moved the CSR manager from the OS to the (more influential) human resources (HR) department, which despite its name, was a corporate services department. The new strategic focus also transformed our engagement. In January 2008, Sparkasse invited us to consult on producing the 2007 CSR report. Two researchers worked with the CSR manager to design a new report structure, evaluate the materiality of social and environmental topics, assess the data availability, and write some parts of the report. Compared to the previous GRI-checklist structure, the organization of the 2007 CSR report, published in June 2008, reflected Sparkasse's assessment of its most important stakeholders and provided new technical information (e.g., reporting principles). The 2007 CSR report also included a more complete assurance statement. In 2009, the HR training manager valued our contribution:

> *"(…) [A]lthough it made us work harder,* [your suggestions] *helped us to construct the CSR process better."* (HR training manager, 2009)

Integrating CSR into Sparkasse's mission and the new position of the CSR manager in the organization fostered experimentation. The CSR manager promoted the production of an integrated report that would combine the different Sparkasse's annual reports (financial statements, corporate governance, OS, and CSR). The elaboration of the integrated report (entitled Economic, Social and Environmental Report; ESE report hereafter) was approved in August 2008. We were asked to assist in producing the ESE report and agreed on a draft structure with the CSR manager, who then negotiated it with the planning and management control (PMC hereafter) department that was responsible for financial reporting.

The 2008 ESE report was released in May 2009. Its structure followed the triple bottom line logic, with the financial statements included in the economic pillar and the OS report in the social pillar. However, integrating the reports into a single voluntary document was arduous due to the regulated structure and content of the statutory reports and the tight grip of specific departments on some sections of the *integrated* report. Both issues restricted innovation to some voluntary sections and left little room for intervention by the CSR manager or us (e.g., to avoid repetitions in different sections). In the resulting 459-page report, it was apparent that the financial statements and the corporate governance and OS reports were forced into the *integrated* structure, with marginal changes from previous years. Nonetheless, the ESE report was understood internally as a substantial step forward. In 2009, the HR training manager told us that the ESE report was *"an amazing calling card"*. In this respect, the mythical nature of integrated reporting allowed the organization to redefine what such reporting meant for its specific case (Gibassier *et al.*, 2018).

There was a certain degree of innovation in the report's overall design and appearance (e.g., introducing a highlights section), and in constructing a narrative that clearly signaled the intent (as an interviewee said) to *"enhance the value of what Sparkasse was already doing"*. At a more specific level, some indicators were to some extent integrated. For example, the PMC department agreed with the CSR manager to produce G3 GRI indicator EC1 (direct economic value generated and distributed).

By September 2009, the financial crisis led the Spanish Central Bank to restructure the savings banks sector and reduce the number of entities, making the future of Sparkasse's independent report uncertain. However, Sparkasse upheld the integrated design for its 2009 ESE report. In this context, the scope of our participation increased: we took over the coordination of the social and environmental parts of the ESE report as the CSR manager went on maternity leave. In this new capacity, one of the researchers

gathered and edited the data provided by different departments and organized the annual report in coordination with the PMC department (itself responsible for the governance and financial reporting sections). The OS department prepared its own report, introducing considerable duplications in the social pillar of the report. As the 2009 ESE report was released in March 2010, a merger was underway, meaning that independent reporting was discontinued at Sparkasse thereafter.

5. A loosely coupled world

The existence of loose couplings became apparent early in the research engagement. Specifically, we identified loose couplings at two levels: internally, between different areas at Sparkasse; and externally, between Sparkasse and its environment.

Internally, the banking business, increasingly operating as a commercial bank, was disconnected from the OS. As one interviewee from the marketing department observed, *"the OS has a life of its own"* (2009). The OS was an independent department with its staff and premises (banking employees referred to the OS as *"the people in the other building"*). As mentioned earlier, the separation was also observable in Sparkasse's reporting practices: OS and financial reporting were independent, with no cross-references between the two. Furthermore, the OS logic was at odds with that of the banking business. For example, there were no marketing actions to publicize OS investments, and commercial considerations were not part of philanthropic decisions. Likewise, the volatility of financial profits (30% relative standard deviation between 2005 and 2010) did not translate automatically into the OS budget (22% relative standard deviation for the same period), which relied on a modest profit distribution and reserves. This configuration enabled the existence of two independent worlds with different and unique rationales that were protected from mutual interferences (Weick, 1976): while the OS social and cultural rationale was preserved from the economic logic and the financial volatility of the banking business by the OS budget, the profit-seeking rationale of the latter was also protected from the OS philanthropic concerns.

Regardless of their decoupling, both the banking business and the OS were essential to Sparkasse's identity: the public perceived Sparkasse performing both activities:

> *"Sparkasse has always been there. By its nature, it has had a social purpose, not only because of the OS, but through its financial activity"* (CSR manager, 2007).

Bank employees also shared the perception of the OS as an intrinsic element of Sparkasse as, for example, one branch salesperson told us:

> *"I was born in* [the city where Sparkasse was founded]*, and the savings bank has always been* [Sparkasse]*, maybe other generations felt* [Sparkasse] *more than* [people from other cities] (…) *they need to learn what* [Sparkasse] *is in itself, and what working here may mean, because I remember going to camps* [organized by the OS] *as a child."* (Branch salesperson, 2007)

Despite being deep-rooted elements of the organization, the banking business and the OS were internally disconnected to preserve their different logics and activities, contributing jointly to Sparkasse's stability as a whole. However, sustaining the public perception of Sparkasse as a common provider of financial and social activities demanded employees to make sense of the disconnect.

Turning to the external context, the loose coupling between Sparkasse and its environment is something that had devastating consequences after the Spanish real estate bubble burst. The Spanish house price index increased by 221% in real terms between 1998 and 2008 (Garriga, 2010) and estimates suggest that Spanish property assets were

overvalued by 20-50% as of 2005. Savings banks fueled this bubble, granting builders credit that reached 50% of the Spanish GDP in 2008 (Cuñat and Garicano, 2010) and led to the subsequent Spanish debt crisis. The real estate bubble had financial, social and environmental consequences, including household leverage and foreclosures, corruption in licensing processes, and the waste of resources and pollution caused by unsound real estate developments.

Not the entire financial sector was hit by the burst of the bubble. In June 2007, the largest Spanish bank (Banco de Santander) was selling all its property assets in Spain, including its headquarters. Meanwhile, Sparkasse's strategic focus was on growth, the motto of the 2008-2010 strategic plan being "A larger savings bank, a better savings bank". Like other saving banks, the organization still aimed to exploit real estate growth by establishing new branches associated to new property developments. Sparkasse's loans to builders and developers relative to its total volume of credits reached 45% in 2007, and the number of branches increased by 29% between 2005 and 2008. Even in 2009, when the financial crisis was peaking in Spain, Sparkasse seemed to dismiss the impact of the crisis:

> "The crisis does not affect [Sparkasse] but the financial sector as a whole
> (…). Our policy is going well; the economic situation is what is going badly."
> (PMC department, 2009)

By disconnecting from the new reality of the financial crisis, Sparkasse failed to recognize some early warnings and misinterpreted information about the real estate market, proceeding with rather than reassessing its growth strategy. This loose coupling, therefore, preserved elements of the system, but also obstructed the flow of information (Weick, 1976) about the real estate bubble and thereby jeopardized the entity's future. As the CSR manager told us:

> "[I]t was difficult not to get involved because it meant rapid growth (…)
> maybe we should have considered… there was a bubble … but we jumped on
> the bandwagon, and we have to face it…" (CSR manager, 2009)

Like other Spanish savings banks, concerns about the value of its assets finally hindered the refinancing of Sparkasse's debt and publicly exposed its governance, which attracted the critique of neoliberal media that attributed the poor management to the lack of property rights (Fernández, 2011), despite empirical evidence refuting such an association (Crespí et al., 2004). Sparkasse never went into the red, but under the new regulation it was forced to transfer its banking business to a newly created joint-stock bank, merging with other savings banks and ceasing to exist. What is left today of Sparkasse is the OS that has mutated into a charitable foundation that owns a small percentage of a large listed bank.

6. **Sustainability reporting as a boundary object: producing stability**

Sparkasse decided to launch its CSR activities in 2006 by elaborating a sustainability report in response to a directive issued by the industry association. Although sustainability reports are intended to discharge accountability and externally communicate information to stakeholders, in the case organization they were also, and perhaps more importantly, conceived of as an internal communication tool. Sparkasse publicly disclosed its sustainability reports, but the empirical evidence shows that these documents were created *by* and *for* an internal audience to construct and spread a common narrative about the organization among its members. As several interviewees noted:

> "*Because* [the report] *is very much addressed to employees, and maybe it was
> one of the objectives, first the employees need to know about* [CSR], *and when*

we feel it, then we can pass it on to the public; the steps taken are addressed to employees, and if you feel good, then you cause a good impression… as when you are in love." (Branch salesperson, 2009)

Further analysis of the interviews [5] revealed that reporting, communication, and CSR were linked to employee concerns three times as often as to customers and twice as much as to society. Other evidence corroborates that the sustainability report was intended for an internal audience. For instance, snapshots of the information included in the reports were disclosed to employees periodically through the intranet; additionally, a brochure summarizing the key objectives and achievements for the period was distributed to them and made available in the branches every year.

We interpret that SR was intended for an internal audience because it operated as a sensemaking technology that allowed Sparkasse's members to cope with an organizational world characterized by loose couplings between the banking business, the OS, and the economic environment (see previous section) while simultaneously reproducing and maintaining their boundaries and producing stability. In the following subsections, we develop this interpretation by describing how this process was articulated through a linguistic work involving the translation, editing, and inscription of narratives within the reports. Although the role of each characteristic determining boundary objects` architecture in supporting the linguistic work activities is hard to circumscribe, we highlight those more observable characteristics for each activity.

6.1. Sustainability reporting as translation

The use of the sustainability report for internal communication prompted us to investigate how the narratives it conveys are constructed *by* and *for* organizational members. The report was not devised by the public relations or CSR department to manipulate external groups by presenting a distorted image of the organization, as a critical SEA study would predict. Rather, the report was assembled by a workgroup of representatives from different departments, who had links to the topics covered in the document (e.g., OS, Corporate Governance, Human Resources, Marketing, Subsidiaries, and Quality and Environment) and were coordinated by the CSR manager. As she explained to us:

"[O]*ne person per department was selected, all of them with a very similar profile, (…) same age, recently joined* [Sparkasse]*, very committed (…) my job has been the coordination, but they've done all the work, their job was to gather all the data, and they did it very well, because this is the first year that we do a sustainability report.*" (CSR manager, 2007)

The workgroup provided the initial organic infrastructure (Star, 2010) to design the report and organize its production. This infrastructure created a collaborative space between different areas to figure out what CSR meant for the organization, as well as for each department. It was also a space for interaction to decode and translate the different CSR narratives circulating in the organization.

"*You think as an entity, contributing with your individual viewpoint* […] *that is what this is about: the different parties analyzing our* [departmental] *field. But, of course, then you must assess it globally.*" (OS department, 2007)

"[The CSR manager] *told us a little bit about what a sustainability report is and what* [Sparkasse] *aimed to achieve with it. (…) I have focused more on a specific area; some meetings were just with her* [the CSR manager]*, but most of them were with the group members that provided data.*" (Quality and Environment department, 2007)

Two years after the publication of the first sustainability report, the process remained fragile from a technical perspective, involving *creative* data gathering as the different GRI indicators needed to be tailored to fit organization realities and not all the relevant management systems were in place:

> *"Although we have now procedures to capture the data, they still are a bit weak and we still find mistakes (…) For example, we still have the same problem with water (…) we can only provide water data for certified centers and for the rest it is just an estimate."* (Quality and Environment department, 2009)

One of the authors organized the social and environmental reporting elements, the PMC department was responsible for the financial and corporate governance elements, and the OS department prepared its own report, which was inserted into the social section of the report. This loose coupling in reporting also pointed to the organizational members' need to make sense of how their own world related to the reality of other departments. Notably, as we mentioned in section 5, there was a perception elsewhere that the OS had "*a life of its own*". This situation required substantial work to translate how the OS worldview fitted into the organization as a *whole*:

> "*Well, my role has been to provide* [the CSR manager] *with data and try to explain to the other two or three people I've been more related to what our work was about and for what.*" (OS department, 2007)

Boundary objects allow cooperation without consensus (Star, 2010) as they retain interpretive flexibility. They enable the translation of the alternative understandings of the groups that interact with them to the shared space regardless of the precise interpretation and use of the objects (Carlile, 2002; Star, 2010). This ductility of boundary objects makes the circulation of narratives between different worlds possible (Czarniawska and Sevón, 1996). In the case of Sparkasse, CSR was translated into different languages: competitive advantage (marketing department), going beyond the banking business (OS), measurement of impact (environmental department), diversification (subsidiaries department), transparency (PMC), talent attraction (HR department), or job protection (most employees). Those translations that interpretive flexibility enabled circulated without consensus while individuals from different groups in the organization interacted with the sustainability report in their own ways. However, those differing explanations could eventually be integrated into a common narrative thanks to the ill-structured nature of SR. Evidence of the later is the resulting 459-page *Frankenstein* document that conveyed all those different interpretations.

The boundary between the OS and CSR provides a crucial illustration of how the interpretive flexibility of SR allowed the coexistence of different CSR interpretations within Sparkasse. Conflicting views existed in the workgroup, with some members thinking that CSR was what the OS did, while the dominant perspective was that CSR and the OS were different. However, both views coexisted with the narrative, advocated by the industry association, according to which Sparkasse was *already* responsible thanks to the OS. The last narrative gained traction as the workgroup was preparing the report, allowing the interpretation of CSR not as something new to the organization, but as a new "*label*" for activities the organization was already doing, as a member of the corporate governance department noted. CSR was understood as something highlighting *"the value of the things that* [Sparkasse] *was already doing"* (HR training manager, 2009). A member of the marketing department told us:

> "(…) [T]*here are certain things that I considered back then that did not have to do much with CSR… and I did not suspect that those actions would be*

considered as CSR, this is why I told you that all and every action that is developed here have to do with CSR." (Marketing department, 2007)

The translation of philanthropic activities and stakeholder governance (characteristic of this organization) into CSR needs to be understood in a context of neoliberalism fostering the idea that the only orthodoxy in corporate governance derives from the joint-stock company (see Rhodes and Apeldoorn, 1998). SR is implicated in the reproduction of the organization by reframing Sparkasse in a CSR narrative that fits better with the neoliberal discourse. Furthermore, while the rationale of the OS needed to be translated into a CSR narrative, there was also a need to show how the banking operations were responsible. In this regard, the existence of unprofitable branches in rural communities, conforming to the 19th-century liberal ideal of granting access and education to the population about the goods of finance, was translated into a CSR logic in the 21st century (Schultz and Wehmeier, 2010).

These translations successfully assembled the "*already responsible*" narrative that made sense of the internal loosely coupled world. Externally, similar translations would have allowed the flow of information across the boundaries of the organization, made sense of the real estate bubble and decoded the looming crisis into specific strategies and credit practices to cope with the consequences. This was not the case and, rather than on translation, energies focused on editing to deal with the external coupling.

6.2. Sustainability reporting as editing

The focus of previous SEA research on the "clean" published SR eclipses our understanding of how and why alternative CSR articulations and interpretations are authorized or discarded in a report's narrative. In other words, the SEA literature typically investigates SR disclosure (e.g., Bebbington *et al.*, 2008), but there is a dearth of knowledge about the process that leads to keeping or discarding social and environmental information when elaborating a sustainability report.

Llewellyn (1994) explained that accounting is involved in boundary maintenance and sensemaking by shaping expectations and illuminating some activities while obscuring others. SR represents a boundary object, a written object in the making situated in a shared space and toward which people act. Conceived in this way, the report (literally) consists of, as we observed in Sparkasse, the editing of a text to construct what will be seen as CSR.

"[The way I prepare the reports is] *I ask somebody, tell me something about these issues and so on; but when that information comes to you, you treat it, you write it, you filter it, and then you show a global view, what you want to show, so that everybody understands it."* (PMC department, 2007)

Editing a text is not a mere technical action but a political one (Czarniawska, 2008). Star (2010) uses a metaphor to explain how some authority is essential in the process of approving certain narratives: a curator at a museum of natural history told her that "without a label, a specimen is just dead meat" (Star, 2010, p. 609). Using her argument in the context of organizing, conceiving SR as a boundary object (the production of a written object that people act toward and with, in a shared space) provides organizational members, particularly those involved in the organic infrastructures that produce the report, with some agency to authorize or discard alternative articulations and interpretations, and to ignore or marginalize aspects that are not considered as fitting into the organizational narrative. In that regard, the interpretive flexibility dial of boundary objects is turned down in editing. At some point, organizing requires the editing out of the explanations that do not fit in the common narrative. In Sparkasse, the establishment

of the workgroup offered a sort of structured work arrangement within that space that conferred authority to some groups and individuals in selecting the report content. Notably, most interviewees pointed to the CSR manager as the leader of the SR workgroup, a role that was supported by the approval she obtained from Sparkasse's top management:

> "(…) [the CSR manager] *has spoken with the top management.* [Someone who] *has much power in the organization and has sponsored* [SR]*."* (OS department, 2007)

In contrast, the PMC department, which had a crucial stake in elaborating the ESE report, did not participate in the workgroup, leading to long negotiations with the CSR manager to transition to *integrated* reporting.

> "Credit goes to [CSR manager]*, who has been fighting all year with the* [PMC] *people."* (HR training manager, 2009)

The editing of the report was characterized by mediation and compromise, but also friction, as members of the workgroup found their narratives substantially edited in the report.

> "I think I went too far, then I burnt out, because I spent too much time to polish the 'people' management approach for CSR, and then it was condensed a lot, so I was sensitive at the time." (HR training manager, 2009)

Interestingly, not only individuals from other departments had their narratives edited, but also the CSR manager and the PMC department edited each other:

> "[…] *We provided* [the CSR manager] *with a small report with the information that we consider* […]*, and instead of something extensive as at the beginning, she only asked us for this specific piece of information and here she shut us down a little.*" (PMC department, 2007).

> "I gave the planning people the last proposal with your suggestions [the researcher's]*, and although they told me it is fine, I'm still waiting for the next meeting."* (CSR manager, 2009)

However, the agency of specific actors in editing the report should not be overestimated (Larrinaga and Bebbington, 2021). Cognition (Robson and Ezzamel, 2022) and the institutionalized taken-for-granted beliefs (O'Neill *et al.*, 2015) constrained their agency, with the effect that narratives that could have threatened the loosely coupled systems were unwittingly discarded from the sustainability report. Institutionalized beliefs shaped the editing of the SR narratives, both internally and externally.

Internally, although CSR was initially introduced with the "*already responsible*" narrative (a narrative that risked cannibalizing the OS), the institutionalization of the OS, its independence and essential status for the identity of Sparkasse made it impossible for it to be totally subsumed into the CSR narrative. Indeed, for Sparkasse's stability, it was important to make sense of CSR while preserving the OS's rationale and focus and it was through its lack of structure, incompleteness (Busco and Quattrone, 2018), and lack of clear definition (Star, 2010) that SR could mediate between those worlds and those narratives. The ill-definition of what comes to be seen as CSR in the report was dramatically enacted when the OS and bank's reports were presented independently within the same document without cross-references, generating reiteration and overlap.

Externally, the disconnect from the property market had dramatic consequences, as explained before. In this respect, our participation gave us a clear sense of the politics of editing and the reorganization and exclusion of those social and environmental issues and narratives that could call into question Sparkasse's loose couplings. In the interviews and in conversations, we brought up the lack of congruence of Sparkasse's strategic plan with signals of a property bubble forming. Formally, we insisted on a more profound

consideration of the sustainability of financial products and recommended explaining the correlation between sustainability indicators and the organization's management systems. However, the attempt to introduce these topics in Sparkasse's CSR narrative was deemed inappropriate and edited out as "*dead meat*", as Star's curator would have said. As mentioned above, this type of editing was not necessarily imposed by specific individuals but by the dominant narrative imbricated in the organization that made any attempt to introduce challenging topics absurd. As explained above, the dominant narrative was built around the *"a bigger savings bank, a better savings bank"* motto*,* which precluded the discussion of topics that could jeopardize Sparkasse's growth ambitions. As the CSR manager emphasized, the most challenging endeavor for her was to get into the business DNA, that is, finance. The CSR manager repeatedly communicated this message:

> *"You focus on areas where you have more influence, like work-life balance or volunteer programs. Much has been achieved in the last year, why?... because here you have it all much easier, and if you were in finance, you would probably have a longer leash. But* [Sparkasse]*'s vision remains anyway the same... "a bigger savings bank, a better savings bank... well, bigger was before the crisis."* (CSR manager, 2007)

> *"It is also true that often we are around ideas that ultimately do not go because they are not compatible with* [Sparkasse]*'s strategy and priorities... they're nice and innovative ideas but..."* (CSR manager, 2009)

While the sustainability of financial products was edited out of the SR, other topics, such as unprofitable branches in rural communities, were included and translated into the CSR narrative. Likewise, immaterial items (from both a sustainability and a financial standpoint), such as two ethical funds that raised half million euros (a financially immaterial amount for the entity), were introduced in the product portfolio to provide evidence of something they thought a responsible financial institution should cover. As a member of the marketing department told us, these funds *"were very focused, very specific to appear in the report"*.

As we have outlined, the SR is both an external and internal object. While some organizational members and Sparkasse's structure influenced the production of the CSR narrative, there was a diversity of norms emanating from external sources that also had internal relevance, potentially providing some of the internal factions with more authority and shaping the work processes that supported report creation. Specifically, CECA's initial impetus, GRI guidelines, SR awards, and the convergence of the organizational field, supported specific editions that were implemented in the infrastructure that produced the SR. CECA challenged saving banks to initiate SR, the GRI guidelines provided the template for the structure and content of the 2006 report (see section 4) and the GRI also authorized the content of CSR. For example, the GRI positioned unprofitable branches under a new light, transmuting them from the mission of a saving bank or maybe just wasteful business into a CSR action intended to provide access to financial services in rural communities (indicator FS13: GRI Financial Services Sector Supplement).

As one member of the Corporate Governance department recalled, the process of elaborating the first SR revolved around GRI:

> *"I checked all the indicators with* [the CSR manager] *(...), because the norm* [GRI] *does not let us make changes."* (Corporate governance department, 2007)

However, the understanding that Sparkasse was following the norms to communicate its CSR to external audiences would be misleading. Instead, it could be more accurate to say that the CSR manager and the workgroup used GRI to translate established organizational discourses and actions into a CSR narrative that was

communicated to the members of the organization. External norms were used to demonstrate internally the plausibility of Sparkasse's CSR narrative. This use was possible due to the ill-defined CSR narrative that resulted from the interaction of the different departments.

6.3. Sustainability reporting as inscribing: reproducing the organization

Inscription is the proof that organizing, translating, and editing are successful (Czarniawska, 2008). The sustainability report translated different views making sense of a loosely coupled world; it also edited a narrative (excluding accounts that may have challenged established categories and standards; Quattrone, 2009) that is inscribed and reproduced the organization, thereby maintaining its stability.

Inscription was possible due to the ill-definition and vagueness of the narrative resulting from the SR process. On the one hand, the reports inscribed an *"already-responsible"* discourse, according to which any further deliberation about the meaning of sustainability was superfluous. The portrayal of the organization as *"already responsible"* allowed the personnel to endure in their *"daily battle"*, as one branch salesperson told us, without much concern for the implications of their actions. That means that, although employees were compassionate, proud of the OS, and participated in Sparkasse's volunteering programs, the inscription of boundaries between their daily activities and the OS prevented the spread of socially responsible rationales to the banking business and relieved them from the necessity to consider social values in their decision-making.

On the other hand, the reports also made the property bubble invisible to organizational members, strengthening the loose coupling between the bank and the market. Although timidly introduced in backstage conversations (e.g., around the coffee machine), the sustainability of financial products was completely absent from the reports and, therefore, from broader discussions in the organization. By avoiding this dialogue, the sustainability reports inscribed the *"bigger savings bank"* strategic motto and engaged actors in a strategy that was losing touch with a changing economy, paving the way to a growing number of branches and steep financial leverage. Quattrone (2022) says that every way of seeing is a way of not seeing. By supporting this interpretation and being blind to specific information from the environment, the inscription of those boundaries came with its costs (Santos and Eisenhardt, 2005): it finally prevented the organization from adapting to the bursting of the property bubble, and Sparkasse had to face the financial consequences.

The change from CSR to *integrated* reporting also failed to connect Sparkasse's loosely coupled structure. As we explained above, the SR infrastructure reproduced fragmented reports, under the control of specific departments, and through them a CSR narrative vague enough to explain this loosely coupled world within Sparkasse. Indeed, although the organization started to publish the ESE reports in 2008, the reporting practices did not significantly change, as the documents were a combination of previously published reports into a single document. Interestingly, the idea of issuing the ESE report was initially resisted in different parts of the organization, including the PMC department. However, after the first ESE report was published, *integrated* reporting was positively perceived within the organization. Retrospectively, one member of the PMC department said:

> *"I told you I could not see it because it was the first year that we did that* [ESE report]*, it was something new, and I did not know what kind of information I would need, and then I saw that the same information, well, not the same information really but the bulk of the information was already in the*

annual report (…) *then you say, well, look, I'm wasting my time."* (PMC department, 2009)

As an internal means of communication, SR provided a narrative by and for the organization, which explained Sparkasse to employees. The organization became materialized in the reports (see Joerges and Czamiawska, 1998; Lowe and Koh, 2007; Quattrone, 2009), making some managerial discourses and practices immutable through their displacements (Qu and Cooper, 2011). As an interviewee told us:

"I tell you that what is in the report (…) *is a result of what the organization is* (…) *our own structure."* (Corporate governance department, 2007)

Inscriptions have the potential to engage and mobilize actors to make ideas and actions happen (Qu and Cooper, 2011; Quattrone, 2009). In Sparkasse, the SR was considered its roadmap, a blueprint for the future, and the commitments required by the different parts of the organization. Indeed, one of the main functionalities of the reports was to transfer the organization's discourse to employees, especially those coming from beyond Sparkasse's traditional geographical domain. A more limited appreciation of Sparkasse's narratives existed beyond its conventional geography because employees did not have the memories of attending the camps organized by Sparkasse as a child, as one branch salesperson told us. SR, therefore, abstracts and materializes organizational actions into ill-defined narratives that are latterly reproduced in the organization. As Joerges and Czamiawska (1998) argue, "all organizing, in its symbolical, political and practical aspects, needs to be inscribed into the matter in order to make organizations durable (indeed, possible)" (p. 371). By inscribing a self-constructed narrative that reproduced and reinforced Sparkasse's loosely couplings without creating challenging visibilities, SR contributed to maintaining the inertia of the organization rather than to mobilizing change. Interviewees could not see any real change because of CSR. Even the CSR manager, when asked about the potential changes in Sparkasse due to the reporting activity, replied:

"Regarding CSR, it has not changed (…). [and Sparkasse]*'s vision remains anyway the same."* (CSR manager, 2009)

7. Concluding remarks

Through the study of a Spanish savings bank, this article theorizes the production of sustainability reports as a source of stability and inertia. Previous authors have explored the role of accounting in the maintenance and reproduction of organizational boundaries (Kartalis *et al.*, 2016; Lewellyn, 1994, 1998), including conceptualizing accounting tools as boundary objects (Busco *et al.*, 2017). Building on their focus on accounting ideas and artifacts, this article explores how the process of producing accounts within the organization also constitutes a boundary object that allows negotiating the tensions arising at the internal and external boundaries of the organization. This article shows how the SR process created a narrative that selectively reproduced and reinforced the boundaries of the loosely coupled structure of the case organization.

Theorizing SR as a boundary object brought to light novel insights into how reporting processes trigger sensemaking activities (see also Bebbington *et al.*, 2009) through which organizational members construct a representation of a reality they can live with and which subsequently inhibit the introduction of significant modifications in the organization, thus maintaining stability. The three characteristics defining the architecture of boundary objects enabled the translation and editing of the different organizational worldviews to produce and inscribe a narrative that allowed organizational

members to make sense of their reality. Instead of problematizing bounded rationalities, SR, in this instance, provided an infrastructure that facilitated collaboration and interaction between different Sparkasse's departments and allowed diverse views to jointly contribute to the narrative that was being produced (Star, 2010). This work arrangement was constrained by the contours of Sparkasse's broader narratives around the "*a bigger savings bank, a better savings bank"* motto, while simultaneously shaped by external SR norms. This configuration allowed the production of reports through a set of material practices (Quattrone, 2009) that were flexible enough to let organizational members translate their logics back and forth from the common narrative while preserving the bounded rationalities unchallenged. At the same time, this work was political, as not every translation was approved and integrated into the overall CSR narrative. Instead, SR was characterized by substantial editing of narratives that were subsequently ignored and marginalized.

Along with the structure of work processes and arrangements needed for their production, the interpretive flexibility of SR facilitated continued cooperation between loosely coupled parts of Sparkasse. As Star (2010) put it, a boundary object does "not *need* to be accurate to be useful. It could serve as the basis for conversations, for sharing data, for pointing to things" (p. 608, emphasis in the original). In this respect, SR allowed the ongoing translation between the general (the common space), where the object (the report) is open and ambiguous, and the specific, where the local groups worked on the object. CSR narratives traveled within Sparkasse without consensus on their exact meaning, and the different groups of the organization acted towards the report according to their needs and interpretations, producing tailored interpretations that could fit their own realities (Czarniawska, 2008). In so doing, the vague identity of the boundary object at the general level avoided potential conflicts that would arise between knowledges that were localized and embedded in practice (Carlile, 2002). For instance, in the case organization, SR was initially intended to narrate Sparkasse as already responsible due to the OS, but, at the same time, the disconnection between CSR and OS was evident. The flexibility of the SR did not endanger either of those explanations. Further, despite the importance of the emerging property bubble, this issue was not mentioned in the reports, reflecting the decoupling between the strategic process of the organization and the changing environmental conditions. Our exploration of how such editing happened in Sparkasse illuminates why and how some relevant sustainability issues are labeled "dead meat", as in Star's terms, and omitted in reports, and consequently disregarded by managerial attention (Hopwood, 2009) because they may raise concerns about how business is usually conducted.

Considering the scope of the socioecological crises that the current systems is facing (Bebbington et al., 2020), the selective nature of the visibilities that SR seems to produce is at odds with the alleged functionality of SEA in helping address sustainability challenges by illuminating them (Bebbington and Larrinaga, 2014; Gray, 2002). This might explain why sustainability continues to be outside the scope of managerial attention. It is true that our findings are based on one single case and that the attention to sustainability issues grew since our engagement. However, our interpretation is likely to explain a great deal of the findings about the lack of relevance of sustainability information currently disclosed by companies (e.g., Lamont *et al.*, 2023). These findings offer theoretical implications for SR in its interplay with organizing, organizational change and organizational resilience.

The article demonstrates the interest in studying not only the *clean* published sustainability report but also the backstage of the SR process. By focusing on the restoration or preservation of legitimacy (O'Dwyer, 2002) or reputation (Bebbington *et*

al., 2008), previous research has theorized SR as incidental to organizing. Our engagement allowed us to observe reports as instruments with many functionalities, including the support of organizational stability. The first theoretical implication of this study is, therefore, that the understanding of SR requires an observation of this activity (and arguably other reporting activities) from a different light, as it not only performs a function of external communication but is also constitutive of the organization itself (Laine *et al.*, 2017). The understanding of the discourses conveyed in the reports requires conceiving them as not only addressed to external stakeholders but also addressed to "the self", not in the narcissistic sense of desiring to be perceived as good (see Bebbington *et al.,* 2008) but literally addressed to the construction of narratives of the own organization that help to sustain a loosely coupled world (Laine *et al*., 2017). From a sustainability standpoint, this confers SR with some potential for changing organizations according to sustainable business models.

However, and this is the second theoretical implication of this study, the process of SR could produce organizational stability rather than change (Garcia-Torea *et al.*, 2023; Larrinaga and Bebbington, 2001). In providing an understanding of how SR produces organizational stability we highlight the importance of changing the lenses through which we study the connection between sustainability accounting (including reporting) and organizational change (O'Dwyer, 2021). SEA scholarship has been concerned with exploring (e.g., Adams and McNicholas, 2007; Contrafatto and Burns, 2013; Larrinaga *et al.*, 2001) or criticizing (e.g., Spence, 2009; Tregidga *et al.*, 2014) the potential of SR to generate organizational change. However, considering that stability is inherent in organizing and the role of narratives in supporting this process (Czarniawska, 2008), SR could be theorized as contributing to organizational inertia rather than change. This theorization should focus on the process by which the translation, editing and inscription of SR narratives make sense and protect the organization, rather than challenge the dominant discourses by bringing sustainability to the attention of managers and the public.

Obscuring sustainability issues and moving them outside the attention of managers and the public is likely to have negative effects in broader sustainability. However, and this is the third theoretical implication, SR might also be implicated in making organizations less resilient. Through translating and editing, Sparkasse produced reports that provided a ductile and ill-defined representation that all its members could agree on and that was flexible enough to be adapted to fit their own specific realities. As a result, the message conveyed in the reports inscribed the boundaries between the different parts of the organization, providing comfort to organizational members who did not need to explore beyond the boundaries and could continue their usual operations. Boundaries are dangerous places where local explanations are questioned (Hernes, 2004). However, the comfort of boundaries erected by reports comes also with its costs. As students of socioecological systems suggest, systems resilience is better served by permeable boundaries that allow the flow of disturbances at small scales rather than blocking the disturbance and letting it build up to produce a large-scale collapse (Folke *et al.*, 2005). As change will naturally occur, SR should be better designed for making boundaries permeable and organizations resilient, rather than for making organizations stable, protecting organizations now and making them vulnerable in the long term (Bebbington *et al.*, 2024).

Finally, the results of this study offer implications for companies, the public and policymakers. Considering the need for more sustainable business models, our findings call the attention to the role that institutionalized beliefs and orthodoxy may have in curbing the reflexivity, creativity and attention to the evolution of the context that SR

requires to make a positive contribution to sustainability, within and beyond the organization. Likewise, regulators worldwide have great expectations about the transformative potential of SR, which should lead investors, customers and the public in general to make more informed decisions and, ultimately, make business models more sustainable. Our study warns that in specific circumstances, the opposite may actually be true. Therefore, regulators should put in place additional mechanisms that support the role of SR as a catalyst of sustainable organizational change, something that the EU is currently attempting with different informational strategies around the Green Deal.

Notes

[1] The term 'sustainability reporting' is used broadly to refer to the process of elaborating and issuing sustainability reports and not solely to the public disclosure of these documents.

[2] Reports published by firms to provide information on their social, environmental, and economic impacts receive different names, such as triple bottom line report, sustainability report, CSR report, non-financial report, and social and environmental reports. Integrated reports are also used to make similar disclosures, along with financial information. For the sake of simplicity, this article uses 'sustainability report' as a generic term for all those disclosures, but the actual denominations of the specific reports published by the case organization will also be used.

[3] Although "stability" can denote a state where something persists consistently and successfully without unforeseen changes, this paper uses the term in the sense of a situation in which the organization is not likely to change (i.e., as the opposite of change). As it will be apparent when analyzing the case study, the feature of "success" inherent to the first meaning of the term will not be applicable to the case organization as it ceased to exist because of its inability to process the information flowing form the environment and change accordingly (i.e., being inert).

[4] Sparkasse is a fictitious name used to preserve anonymity. Approximate or interval data about the case organizations (e.g., financial figures) are provided for the same reason.

[5] A proximity analysis of relevant codes was performed using ATLAS.ti.

References

Adams, C.A. and Larrinaga, C. (2007), "Engaging with organisations in pursuit of improved sustainability accounting and performance", *Accounting, Auditing & Accountability Journal*, Vol. 20 No. 3, pp. 333-355. https://doi.org/10.1108/09513570710748535

Adams, C.A. and McNicholas, P. (2007), "Making a difference: sustainability reporting, accountability and organisational change", *Accounting, Auditing & Accountability Journal,* Vol. 20 No. 3, pp. 382-402. https://doi.org/10.1108/09513570710748553

Ahrens, T. and Chapman, C.S. (2006), "Doing qualitative field research in management accounting: Positioning data to contribute to theory", *Handbooks of Management Accounting Research*, Vol. 1, pp. 819-841. https://doi.org/10.1016/S1751-3243(06)01011-X

Alvesson, M. and Sköldberg, K. (2000), *Reflexive Methodology: New Vistas for Qualitative Research,* Sage Publications, London.

Antonini, C., Beck, C. and Larrinaga, C. (2020), "Subpolitics and sustainability reporting boundaries. The case of working conditions in global supply chains", *Accounting, Auditing & Accountability Journal*, Vol. 33 No. 7, pp. 1535-1567. https://doi.org/10.1108/AAAJ-09-2019-4167

Bebbington, J., Higgins, C. and Frame, B. (2009), "Initiating sustainable development reporting: Evidence from New Zealand", *Accounting, Auditing & Accountability Journal,* Vol. 22 No. 4, pp. 588-625. https://doi.org/10.1108/09513570910955452

Bebbington, J., Laine, M., Larrinaga, C., and Michelon, G. (2023), "Environmental Accounting in the European Accounting Review: A Reflection", *European Accounting Review*, 1-22. doi: 10.1080/09638180.2023.2254351

Bebbington, J. and Larrinaga, C. (2014), "Accounting and sustainable development: An exploration", *Accounting, Organizations and Society*, Vol. 39 No. 6, pp. 395-413. https://doi.org/10.1016/j.aos.2014.01.003

Bebbington, J., Larrinaga, C., and Michelon, G. (2024), "A socio-ecological approach to corporate governance", in M. Magnan and G. Michelon (Eds.), *Handbook on Corporate Governance and Corporate Social Responsibility*: Edward Elgar Publishing.

Bebbington, J., Larrinaga, C. and Moneva, J.M. (2008), "Corporate social reporting and reputation risk management", *Accounting, Auditing & Accountability Journal,* Vol. 21 No. 3, pp. 337-361. https://doi.org/10.1108/09513570810863932

Bebbington, J., Österblom, H., Crona, B., Jouffray, J.-B., Larrinaga, C., Russell, S., & Scholtens, B. (2020). Accounting and accountability in the Anthropocene. Accounting, Auditing & Accountability Journal, Vol. 33, No. 1, pp. 152-177. doi: 10.1108/AAAJ-11-2018-3745

Bédard, J. and Gendron, Y. (2004), "Qualitative research on accounting: Some thoughts on what occurs behind the scenes", Humphrey C. and Lee, W. (Eds.), *The real life guide to accounting research. A behind-the-scenes view of using qualitative research methods*, Elsevier, Amsterdam, pp. 191-206. https://doi.org/10.1016/B978-008043972-3/50014-1

Berg, B. and Lune, H. (2012), *Qualitative research methods for the social sciences (8th edition.)*, Pearson.

Brown, J. and Dillard, J. (2013), "Agonizing over engagement: SEA and the "death of environmentalism" debates", *Critical Perspectives on Accounting*, Vol. 24 No. 1, pp. 1-18. https://doi.org/10.1016/j.cpa.2012.09.001

Busco, C., Giovannoni, E. and Riccaboni, A. (2017), "Sustaining multiple logics within hybrid organisations", *Accounting, Auditing & Accountability Journal*, Vol. 30 No. 1, pp. 191-216. https://doi.org/10.1108/AAAJ-11-2013-1520

Busco, C. and Quattrone, P. (2018), "Performing business and social innovation through accounting inscriptions: An introduction", *Accounting, Organizations and Society*, Vol. 67, pp. 15-19. https://doi.org/10.1016/j.aos.2018.03.002

Carlile, P.R. (2002), "A Pragmatic View of Knowledge and Boundaries: Boundary Objects in New Product Development", *Organization Science,* Vol. 13 No. 4, pp. 442-455. https://doi.org/10.1287/orsc.13.4.442.2953

Cassell, C. (2015), *Conducting Research Interviews*, Sage, London.

Contrafatto, M. (2014), "The institutionalization of social and environmental reporting: An Italian narrative", *Accounting, Organizations and Society,* Vol. 39 No. 6, pp. 414-432. https://doi.org/10.1016/j.aos.2014.01.002

Contrafatto, M. and Burns, J. (2013), "Social and environmental accounting, organisational change and management accounting: A processual view", *Management Accounting Research*, Vol. 24 No. 4, pp. 349-365. https://doi.org/10.1016/j.mar.2013.10.004

Correa, C., Laine, M. and Larrinaga, C., (2023), "Taking the world seriously: Autonomy, reflexivity and engagement research in social and environmental accounting", *Critical Perspectives on Accounting*, 102554. https://doi.org/10.1016/j.cpa.2023.102554

Covaleski, M.A. and Dirsmith, M.W. (1983), "Budgeting as a means for control and loose coupling", *Accounting, Organizations and Society,* Vol. 8 No. 4, pp. 323-340. https://doi.org/10.1016/0361-3682(83)90047-8

Covaleski, M.A. and Dirsmith, M.W. (1986), "The budgetary process of power and politics", *Accounting, Organizations and Society,* Vol. 11 No. 3, pp. 193-214. https://doi.org/10.1016/0361-3682(86)90021-8

Crespí, R., García-Cestona, M.A. and Salas, V. (2004), "Governance mechanisms in Spanish banks. Does ownership matter?", *Journal of Banking & Finance,* Vol. 28 No. 10, pp. 2311-2330. https://doi.org/10.1016/j.jbankfin.2003.09.005

Cuñat, V. and Garicano, L. (2010), "¿Concedieron las cajas "buenas" créditos "malos"? Gobierno corporativo, capital humano y carteras de créditos", Bentolila, S., Boldrin, M., Díaz-Giménez, J. and Dolado, J.J. (Eds.), *La crisis de la economía española. Análisis económico de la gran recesión*, Colección Monografías FEDEA, pp. 351-398.

Czarniawska, B. (2008), *A Theory of Organizing*, Edward Elgar, Cheltenham

Czarniawska, B. and Sevón, G. (1996), *Translating organizational change*, De Gruyter, Berlin.

Dacin, M.T., Munir, K. and Tracey, P. (2010), "Formal dining at Cambridge colleges: Linking ritual performance and institutional maintenance", *Academy of Management Journal,* Vol. 53 No. 6, pp. 1393-1418. https://doi.org/10.5465/amj.2010.57318388

Deegan, C. (2002), "The legitimising effect of social and environmental disclosures -- a theoretical foundation", *Accounting, Auditing & Accountability Journal,* Vol. 15 No. 3, pp. 282-311. https://doi.org/10.1108/09513570210435852

Dolfsma, W. and Dannreuther, C. (2003), "Subjects and Boundaries: Contesting Social Capital-Based Policies", *Journal of Economic Issues,* Vol. 37 No. 2, pp. 405-413. https://doi.org/10.1080/00213624.2003.11506588

Ellingson, L.L. (2009), *Engaging crystallization in qualitative research: An introduction*, Sage Publications, London.

Fernández, F. (2011), "Cajas de ahorros. 'Too little, too late'", *Papeles FAES*.

Folke, C., Hahn, T., Olsson, P., & Norberg, J. (2005). Adaptive Governance of Social-Ecological Systems. *Annual Review of Environment and Resources*, 30(1), 441-473. doi: 10.1146/annurev.energy.30.050504.144511

García-Cestona, M. and Surroca, J. (2008), "Multiple goals and ownership structure: Effects on the performance of Spanish savings banks", *European Journal of Operational Research,* Vol. 187 No. 2, pp. 582-599. https://doi.org/10.1016/j.ejor.2007.03.028

Garcia-Torea, N., Larrinaga, C. and Luque-Vílchez, M. (2023), "Bridging the understanding of sustainability accounting and organizational change", *Organization & Environment*, Vol. 36 No. 1, pp. 17-38. https://doi.org/10.1177/10860266221083339

Garriga, C. (2010), "El papel de la construcción en el auge y la caída de los precios de la vivienda en España", Bentolila, S., Boldrin, M., Díaz-Giménez, J. and Dolado, J.J. (Eds.), *La crisis de la economía española. Análisis económico de la gran recesión*: Colección Monografías FEDEA, pp. 247-309.

Gendron, Y. (2018), "Beyond conventional boundaries: Corporate governance as inspiration for critical accounting research", *Critical Perspectives on Accounting,* Vol. 55, pp. 1-11. https://doi.org/10.1016/j.cpa.2017.11.004

Gibassier, D., Rodrigue, M. and Arjaliès, D. L. (2018), "'Integrated reporting is like God: no one has met Him, buteverybody talks about Him' The power of myths in the adoption

of management innovations", *Accounting, Auditing & Accountability Journal*, Vol. 31 No. 5, pp. 1349-1380. https://doi.org/10.1108/AAAJ-07-2016-2631

Gray, R. (2002), "The social accounting project and Accounting Organizations and Society Privileging engagement, imaginings, new accountings and pragmatism over critique?", *Accounting, Organizations and Society,* Vol. 27 No. 7, 687-708. https://doi.org/10.1016/S0361-3682(00)00003-9

Gray, R. (2006), "Social, environmental and sustainability reporting and organisational value creation?: Whose value? Whose creation?", *Accounting, Auditing & Accountability Journal,* Vol. 19 No. 6, pp. 793-819. https://doi.org/10.1108/09513570610709872

Gray, R. (2010), "Is accounting for sustainability actually accounting for sustainability...and how would we know? An exploration of narratives of organisations and the planet". *Accounting, Organizations and Society*, Vol. 35 No. 1, pp. 47-62. https://doi.org/10.1016/j.aos.2009.04.006

Gray, R., Walters, D., Bebbington, J. and Thompson, I. (1995), "The greening of enterprise: An exploration of the (non) role of environmental accounting and environmental accountants in organizational change", *Critical Perspectives on Accounting,* Vol. 6 No. 3, pp. 211-239. https://doi.org/10.1006/cpac.1995.1021

Greenwood, D. and Levin, M. (2007), *Introduction to action research*, Sage Publications.

Greenwood, R. and Hinings, C.R. (1996), "Understanding radical organizational change: Bringing together the old and the new institutionalism", *Academy of Management Review* Vol. 21 No. 4, pp. 1022-1054. https://doi.org/10.5465/amr.1996.9704071862

Grodal, S., Anteby, M. and Holm, A.L. (2021), "Achieving rigor in qualitative analysis: The role of active categorization in theory building", *Academy of Management Review*, Vol. 46 No. 3, pp. 591-612. https://doi.org/10.5465/amr.2018.0482

Hernes, T. (2004), "Studying composite boundaries: A framework of analysis", *Human Relations,* Vol. 57, pp. 9-29. https://doi.org/10.1177/0018726704042712

Higgins, C., Stubbs, W., Tweedie, D. and McCallum, G. (2019), "Journey or toolbox? Integrated reporting and processes of organisational change", *Accounting, Auditing & Accountability Journal*, Vol. 32 No. 6, pp. 1662-1689. https://doi.org/10.1108/AAAJ-10-2018-3696

Hopwood, A.G. (2009), "Accounting and the environment", *Accounting, Organizations and Society,* Vol. 34 No.3-4, pp. 433-439. https://doi.org/10.1016/j.aos.2009.03.002

Humphrey, C., O'Dwyer, B. and Unerman, J., (2017), "Re-theorizing the configuration of organizational fields: the IIRC and the pursuit of 'Enlightened'corporate reporting", *Accounting and Business Research*, Vol. 47 No. 1, pp. 30-63. https://doi-org.ubu-es.idm.oclc.org/10.1080/00014788.2016.1198683

Joerges, B. and Czamiawska, B. (1998), "The Question of Technology, or How Organizations Inscribe the World", *Organization Studies,* Vol. 19, pp. 363-385. https://doi.org/10.1177/017084069801900301

Kartalis, N., Tsamenyi, M. and Jayasinghe, K. (2016), "Accounting in new public management (NPM) and shifting organizational boundaries: Evidence from the Greek Show Caves", *Accounting, Auditing & Accountability Journal*, Vol. 29 No. 2, pp. 248-277. https://doi.org/10.1108/AAAJ-05-2014-1707

KPMG (2022), *Big Shifts, Small Steps: Survey of Sustainability Reporting 2022*, KPMG, available at: https://assets.kpmg.com/content/dam/kpmg/se/pdf/komm/2022/Global-Survey-of-Sustainability-Reporting-2022.pdf

Laine, M. (2009), "Ensuring legitimacy through rhetorical changes?: A longitudinal interpretation of the environmental disclosures of a leading Finnish chemical company", *Accounting, Auditing & Accountability Journal,* Vol. 22 No. 7, pp. 1029-1054. https://doi.org/10.1108/09513570910987367

Laine, M., Järvinen, J.T., Hyvönen, T. and Kantola, H. (2017), "Ambiguity of financial environmental information: A case study of a Finnish energy company", *Accounting, Auditing & Accountability Journal*, Vol. 30 No. 3, pp. 593-619. https://doi.org/10.1108/AAAJ-02-2015-1961

Lamont, T. A. C., Barlow, J., Bebbington, J., Cuckston, T., Djohani, R., Garrett, R., . . . Graham, N. A. J. (2023). Hold big business to task on ecosystem restoration. *Science*, 381(6662), 1053-1055. doi: 10.1126/science.adh2610

Lamont, M. and Molnár, V. (2002), "The Study of Boundaries in the Social Sciences", *Annual Review of Sociology,* Vol. 28, pp. 167-195. https://doi.org/10.1146/annurev.soc.28.110601.141107

Larrinaga, C. and Bebbington, J. (2001), "Accounting change or institutional appropriation? A case study of the implementation of environmental accounting", *Critical Perspectives on Accounting,* Vol. 12 No. 3, pp. 269-292. https://doi.org/10.1006/cpac.2000.0433

Larrinaga, C., & Bebbington, J. (2021). The pre-history of sustainability reporting: a constructivist reading. Accounting, Auditing & Accountability Journal, Vol. 34, No. 9, pp. 131-150. doi: 10.1108/AAAJ-03-2017-2872.

Larrinaga, C., Carrasco, F., Caro, F.J., Correa, C. and Paez, J.M. (2001), "The role of environmental accounting in organizational change: An exploration of Spanish companies", *Accounting, Auditing & Accountability Journal,* Vol. 14 No. 2, pp. 213-239. https://doi.org/10.1108/09513570110389323

Laughlin, R. C. (1991), "Environmental disturbances and organizational transitions and transformations: some alternative models", *Organization Studies*, Vol. 12 No. 2, pp. 209-232. https://doi.org/10.1177/017084069101200203

Llewellyn, S. (1994), "Managing the boundary: How accounting is implicated in maintaining the organization", *Accounting, Auditing & Accountability Journal,* Vol. 7 No. 4, pp. 4-23. https://doi.org/10.1108/09513579410069821

Llewellyn, S. (1998), "Boundary work: Costing and caring in the social services", *Accounting, Organizations and Society,* Vol. 23 No. 1, pp. 23-47. https://doi.org/10.1016/S0361-3682(96)00036-0

Lowe, A. and Koh, B. (2007), "Inscribing the organization: Representations in dispute between accounting and production", *Critical Perspectives on Accounting,* Vol. 18 No. 8, pp. 952-974. https://doi.org/10.1016/j.cpa.2006.05.001

Meyer, J.W. and Rowan, B. (1977), "Institutionalized organizations: formal structure as myth and ceremony", *American Journal of Sociology*, Vol. 83 No. 2, pp. 340-363. https://doi.org/10.1086/226550

Mitchell, M., Curtis, A. and Davidson, P. (2012), "Can triple bottom line reporting become a cycle for "double loop" learning and radical change?", *Accounting, Auditing & Accountability Journal*, Vol. 25 No. 6, pp. 1048-1068. https://doi.org/10.1108/09513571211250242

Moll, J. and Hoque, Z. (2011), "Budgeting for legitimacy: The case of an Australian university", *Accounting, Organizations and Society,* Vol. 36 No. 2, pp. 86-101. https://doi.org/10.1016/j.aos.2011.02.006

Narayanan, V. and Adams, C.A. (2017). "Transformative change towards sustainability: the interaction between organisational discourses and organisational practices". *Accounting and Business Research*, Vol. 47 No. 3, 344-368. https://doi.org/10.1080/00014788.2016.1257930

O'Dwyer, B. (2002), "Managerial perceptions of corporate social disclosure: An Irish story", *Accounting, Auditing & Accountability Journal,* Vol. 15 No. 3, pp. 406-436. https://doi.org/10.1108/09513570210435898

O'Dwyer, B. (2004), "Qualitative data analysis: illuminating a process for transforming a 'messy' but 'attractive' 'nuisance'", Humphrey, C. and Lee, W. (Eds.), *The real life guide to accounting research. A behind-the-scenes view of using qualitative research methods*, Elsevier, Amsterdam, pp. 391–408. https://doi.org/10.1016/B978-008043972-3/50025-6

O'Dwyer, B. (2021), "Theorising environmental accounting and reporting", Bebbington, J., Larrinaga, C., O'Dwyer, B. and Thomson, I. (Eds.), *Routledge Handbook of Environmental Accounting*, Routledge, London, pp. 29-45.

O'Neill, S., McDonald, G. and Deegan, C.M. (2015), "Lost in translation: Institutionalised logic and the problematisation of accounting for injury", *Accounting, Auditing & Accountability Journal*, Vol. 28 No. 2, pp. 180-209. https://doi.org/10.1108/AAAJ-03-2014-1625

Orton, J.D. and Weick, K.E. (1990), "Loosely coupled systems: A reconceptualization", *Academy of Management Review,* Vol. 15 No. 2, pp. 203-223. https://doi.org/10.5465/amr.1990.4308154

Parejo, J.A., Cuervo, A., Calvo, A. and Rodríguez, L. (2004), *Manual de sistema financiero español*, Ariel, Barcelona.

Parker, L.D. and Northcott, D. (2016), "Qualitative generalising in accounting research: concepts and strategies", *Accounting, Auditing & Accountability Journal*, Vol. 29 No. 6, pp. 1100-1131. https://doi.org/10.1108/AAAJ-04-2015-2026

Qu, S.Q. and Cooper, D.J. (2011), "The role of inscriptions in producing a balanced scorecard", *Accounting, Organizations and Society,* Vol. 36 No. 6, pp. 344-362. https://doi.org/10.1016/j.aos.2011.06.002

Quattrone, P. (2009), "Books to be practiced: Memory, the power of the visual, and the success of accounting", *Accounting, Organizations and Society,* Vol. 34 No. 1, pp. 85-118. https://doi.org/10.1016/j.aos.2008.03.001

Quattrone, P., (2022), "Seeking transparency makes one blind: how to rethink disclosure, account for nature and make corporations sustainable", *Accounting, Auditing & Accountability Journal*, Vol. 35 No. 2, pp. 547-566. https://doi.org/10.1108/AAAJ-04-2021-5233

Rhodes, M. and Apeldoorn, B.V. (1998), "Capital unbound? The transformation of European corporate governance", *Journal of European Public Policy,* Vol. 5 No. 3, pp. 406-427. https://doi.org/10.1080/135017698343893

Robson, K. and Ezzamel, M. (2023), "The cultural fields of accounting practices: Institutionalization and accounting changes beyond the organization", *Accounting, Organizations and Society*, 101379. https://doi.org/10.1016/j.aos.2022.101379

Santos, F.M. and Eisenhardt, K.M. (2005), "Organizational Boundaries and Theories of Organization", *Organization Science,* Vol. 16 No. 5, pp. 491-508. https://doi.org/10.1287/orsc.1050.0152

Schultz, F. and Wehmeier, S. (2010), "Institutionalization of corporate social responsibility within corporate communications: Combining institutional, sensemaking and communication perspectives", *Corporate Communications,* Vol. 15 No. 1, pp. 9-29. https://doi.org/10.1108/13563281011016813

Spence, C. (2009), "Social accounting's emancipatory potential: A Gramscian critique", *Critical Perspectives on Accounting,* Vol. 20 No. 2, pp. 205-227. https://doi.org/10.1016/j.cpa.2007.06.003

Star, S.L. (2010), "This is not a boundary object: Reflections on the origin of a concept", *Science Technology and Human Values,* Vol. 35, pp. 601-617. https://doi.org/10.1177/0162243910377624

Steccolini, I. (2023), "What counts as "good" qualitative accounting research? Researchers' perspectives on assessing and proving research quality", *Accounting, Auditing & Accountability Journal*, Vol. 36 No. 3, pp. 1032-1057. https://doi.org/10.1108/AAAJ-05-2022-5808

Stokes, P. and Gabriel, Y. (2010), "Engaging with genocide: the challenge for organization and management studies", *Organization,* Vol. 17, pp. 461-480. https://doi.org/10.1177/1350508409353198

The Economist (2009), *Savings and groans. Misery for the cajas does not mean joy for the banks*, 19 November 2009, available at: https://www.economist.com/finance-and-economics/2009/11/19/savings-and-groans

Tinker, T., Neimark, M. and Lehman, C. (1991), "Falling down the hole in the middle of the road: Political quietism in corporate social reporting", *Accounting, Auditing & Accountability Journal,* Vol. 4 No. 2, pp. 28-54. https://doi.org/10.1108/09513579110000504

Tregidga, H., Milne, M. and Kearins, K. (2014), "(Re) presenting 'sustainable organizations'", *Accounting, Organizations and Society*, Vol. 39 No. 6, pp. 477-494. https://doi.org/10.1016/j.aos.2013.10.006

Usmani, M., Davison, J. and Napier, C.J. (2020), "The production of stand-alone sustainability reports: Visual impression management, legitimacy and 'functional stupidity'", *Accounting Forum*, Vol. 44, No. 4, pp. 315-343. https://doi.org/10.1080/01559982.2020.1782566

Weick, K.E. (1976), "Educational Organizations as Loosely Coupled Systems", *Administrative Science Quarterly,* Vol. 21 No. 1, pp. 1-19. https://doi.org/10.2307/2391875

Weick, K.E., Sutcliffe, K.M. and Obstfeld, D. (2005), "Organizing and the Process of Sensemaking", *Organization Science*, Vol. 16 No. 4, 409-421. https://doi.org/10.1287/orsc.1050.0133

Yin, R.K. (2003), *Case Study Research: Design and Methods, 3rd ed.,* Sage Publications, Thousand Oaks, California.

Zietsma, C. and Lawrence, T.B. (2010), "Institutional work in the transformation of an organizational field: The interplay of boundary work and practice work", *Administrative Science Quarterly,* Vol. 55, pp. 189-221. https://doi.org/10.2189/asqu.2010.55.2.189

Zucker, L.G. (1977), "The role of institutionalization in cultural persistence", *American Sociological Review*, Vol. 42 No. 5, pp. 726-743. https://doi.org/10.2307/2094862

Figure 1. Chronology of the research engagement exercise.
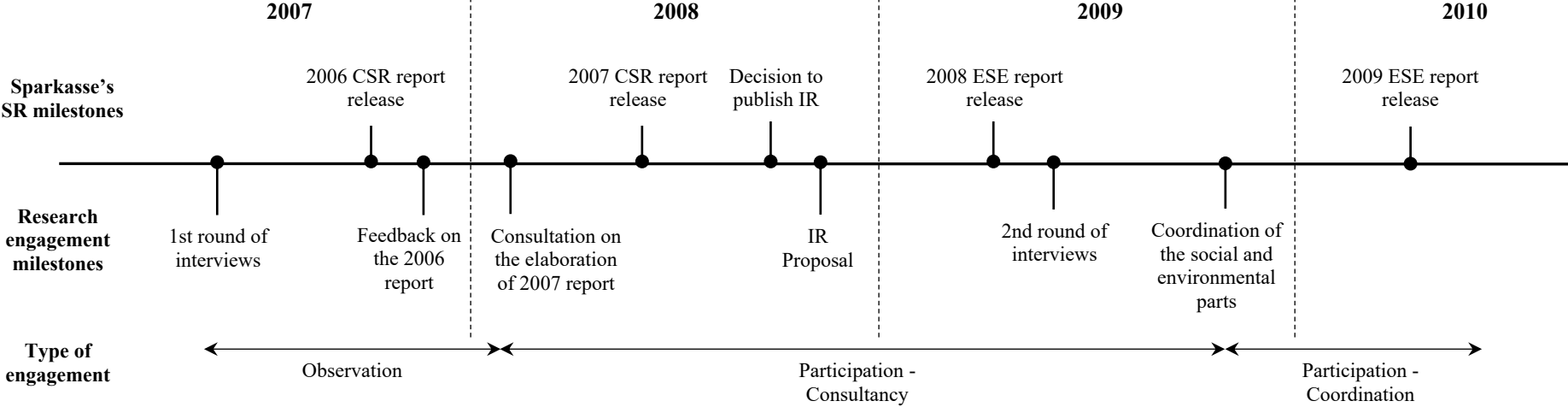
Source: Authors' own work

Table I. List of interviewees.

Interviewee	First round		Second round	
	Date	**Length**	**Date**	**Length**
Chief strategic marketing officer *	May, 2007	19 min		
Member of the OS department *	May, 2007	65 min	July, 2009	25 min
Branch saleswoman	May, 2007	37 min	July, 2009	29 min
Member of the PMC department	June, 2007	36 min	July, 2009	21 min
Member of the subsidiaries department *	June, 2007	61 min	July, 2009	27 min
Member of the corporate governance department *	June, 2007	51 min	July, 2009	35 min
HR training manager *	June, 2007	36 min	July, 2009	42 min
Member of the marketing department *	June, 2007	52 min		
Member of the quality and environmental department *	June, 2007	54 min	July, 2009	41 min
Director of a branch office	June, 2007	23 min		
CSR manager *	June, 2007	42 min	July, 2009	25 min
Member of the product development department			July, 2009	22 min
Branch salesman			July, 2009	18 min

 * Member of the CSR workgroup responsible for elaborating the sustainability reports
Source: Authors' own work

Appendix 1. Interview protocols (source: Authors' own work).

Protocol A: CSR manager

1. What is CSR for you?

2. What does the entity conceive CSR?

3. Who has decided on that vision?

4. Were you involved in the adoption of that vision?

5. How can that vision be communicated to the rest of the entity?

6. What do you think is your role in preparing the report?

7. Who do you consider to be fundamental in preparing the report?

8. How have you organized the CSR management? Why so?

9. What do you consider necessary for this process to continue?

10. Once the CSR management process has started, do you think the organization performs its functions the same way as before?

11. Whom do you think about when you are in a session of the CSR group?

12. Why do you think you were hired?

13. Could anyone in the organization have performed your role?

14. What do you think about the CSR forums, business clubs, and consultants?

15. Do you think CSR and OS are the same?

16. What is the CSR report? Why is it useful?

17. Why was the term CSR chosen and not sustainability?

18. What is sustainable development for you?

19. Who has contributed more within the group?

20. Do you think the employees have read the report?

21. Do you think the process has been well communicated?

22. What actions are needed to reach more employees?

Protocol B: Other organizational members

Common questions:

1. What is CSR for you?

2. What do you think is your role in preparing the report?

3. Who do you consider to be fundamental in preparing the report?

4. If you were the only one responsible, how would you have organized the CSR management?

5. What do you consider necessary for this process to continue?

6. Once the CSR management process has started, do you perform your functions the same way as you did before?

Issues to managers participating in the workgroup

7. Who do you think about when you are in a session of the CSR workgroup?

8. Why do you think you were asked to participate in the workgroup?

9. Could someone else perform your role within the workgroup?

10. What do you think about the CSR forums, business clubs, and consultants?

Issues to employees

7'. Have you received any type of training on CSR?

8'. Do you have a clear idea about whether the company is responsible? How did you come to that idea?

9'. Have you received any kind of indication about any code of conduct related to CSR?