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The Italian Experience
in Social Reporting

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The Italian Experience in Social Reporting^{*}

Davide Secchi^α

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Abstract

Recent trends in Europe have given rise to some ethical concerns. Publishing a social report is a way to show organizational ethical commitment. The analysis tries to find out empirical validation of the hypothesis that this phenomenon is growing in importance. Moreover, ethical commitment is not limited to private corporations, but its diffusion is also emerging in public-owned enterprises and in third sector or “non profit” organizations. Italy does not represent an exception. In particular, the Italian case offers interesting examples of the beginning transfer of knowledge and of practices between industrial and non-profit organizations. The paper constitutes one of the first attempts to analyse the “state of the art” of social reporting in Italy. The first aim is to test if common models of social reporting emerge. The second is to find empirical evidence in social reporting processes and practices. Collected data, united with some considerations on the very nature of the phenomenon, suggest that there is a common ground, but also that this common ground is adapted to the need of every single organization.

Key words: social reporting, corporate social responsibility, Italian enterprises, stakeholder analysis

1. Introduction

The great number of scholars that, since the Seventies (Bauer and Fenn, 1973; Ackerman, 1973), analysed the complex matter of corporate social audit¹, tried to show the advantages of making a social report and, on a wider approach, of an evaluation of social performance (Kreps, 1962; Carroll, 1979; Wood, 1991). The adoption of this perspective brought many Authors, in the following years, to propose specific models of social report. Moreover, models were developed for private corporations, with no reference to any other kind of organizations (Bauer and Fenn, 1973).

The theme of social reporting has grown up together with the evolution of the concept of corporate social responsibility (Frederick, 1978), so that a common ground in ethics can be clearly underlined. The first wave in corporate social audit matches the definition that Frederick gave for CSR₂ and that it is known as “corporate social responsiveness” (Frederick, 1978). CSR₂ tries to anchor the abstract contents of CSR₁ to the concrete corporate management, promoting schemes and tools for evaluating the socio-economic performance. This first wave, if Frederick’s view is accepted, tried to focus the analysis on the enterprise and its management, so that it can be conceived as a firm-centred approach.

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The approach to social reporting which scholars follow nowadays is significantly different from that of the past decades (Zadek, Pruzan and Evans, 1997). One of the great differences is connected to the growing number of organizations that, in the last ten years², have published a social report (Dunfee and Werhane, 1997; Weaver, Treviño and Cochran, 1999; Nitkin and Brooks, 1998). However, the number is not consistent if compared with the total number of enterprises, on a national basis (Hutton, MacDougall and Zadek, 2001). This increase in number has to be connected to a more general social phenomenon, that have brought institutions and citizens to ask for a new and stronger ethical commitment of corporations. The emerging approach to social reporting is defined by the attempt to open the corporations borders to stakeholder management. In this sense, it stresses the analysis of the interrelations between the enterprise and the environment.

The diffusion of social reporting activities, together with the advancements in the field of social responsibility (Bowie, 1991; Waddock and Smith, 2000; for a review of the literature, see Klonoski, 1991) – linked to the more general progress in business ethics (Donaldson and Dunfee, 1999; De George, 1999) – and the growing importance of the stakeholder approach (Freeman and Liedtka, 1991; Mitchell, Agle, and Wood, 1997; Kaler, 2002; Weiss, 2003), have increased the interest in studying the causes and the real meaning of the phenomenon.

The Italian debate on corporate social responsibility and social reporting followed, and still follows, the international one (Vermiglio, 2000; Hinna, 2002). In the two decades between the Seventies and the Eighties, some scholars (Superti Furga, 1977; Salvemini, 1978) introduced the concept of “social balance” (or *bilancio sociale* in Italian) as a toll for the evaluation of social performance. It was conceived as an appendix-evolution of standard economic accountancy, but focused on social issues. The analysis of the employees was the main centre of interest for the emerging practice of social accountability and reporting. In line with the general European trend (see, for example, the French law on the *balance social*; Pulejo, 1996), Italian debate ended in a draft law project, discussed but never approved, in the Italian Parliament (Pasini, 1988).

The present approach to social reporting activity can be divided into two main categories: (a) those who still follows the “responsiveness” approach (Matacena, 1984; Rusconi, 1988; Hinna, 2002; Vermiglio, 2000) and (b) those who find that the social report, much more than “communication”, is a tool for strategic management (Velo, 2003; Caselli, 1998).

Moving from these two different approaches, the research attempts to give a contribution to a more detailed understanding of the exact dimension of the phenomenon, i.e. of the number and typology of organizations that adopt a “public” approach to social responsibility. The starting point is the analysis of a specific context, the Italian case (Rusconi, 1988).

The paper tries to answer to three major questions:

- a) who publishes a social report;
- b) which are the main aims and which are the differences between organizations;
- c) are there any leading models of social reporting and is it important to understand to whom the report is directed.

2. The Starting Point

Answers to these questions can be given in various ways. This paper starts from a traditional point in scientific analysis, i.e. through empirical testing. A number of social

reports have been collected and classified, with the aim to give a framework of the Italian trend. Social reports have been selected in relation to their diffusion to the general public of stakeholders, so that 62 documents, published by organizations³ of various typologies have been collected.

Research motivations is connected (1) to the lack of empirical evidence⁴ and (2) to the effort of reaching a perception of the variety of the phenomenon.

The leading idea is that some criteria for the identification of a social report can be isolated. Before continuing, it could be useful to make a brief list of these criteria. These ones could be referred as a “minimum content”, through which documents have been included in the analysis:

- a) qualitative and quantitative information concerning the organization’s social impact should be found (Matacena, 1984; p. 99);
- b) information is a function of internal or external communication, thus it has to be easily accessible for stakeholders (Zadek, Pruzan and Evans, 1997).

A cross analysis of different sources, such as the Internet, databases and direct contacts with organisations, gave the possibility to check whether these two conditions were present or not. Then, the number of 62, between firms and non profit organisations, emerges from a selection operated to a larger number (more than double).

A number of foundations and banks have been deleted from the original survey. In fact, some of them have to publish a social report: the banks because of sector guidelines and foundations that belong to banks because of Italian national law. In percentage terms, the number of social reports that can be found considering these two classes of organisations is larger than in the others. Therefore, an answer to question a) – i.e. “who publishes a social report” – can be presented only if a number of organisations that publish a social report in Italy are represented.

The present analysis is referred to those social reports that are diffused in a way that match the needs of the organisation’s stakeholders⁵. For this reason, some of the documents belonging to banks and foundations have been rejected as not consistent with the real aim of a social report (i.e. the mentioned point b). In this sense, the selection of these 62 social reports is not, of course, a complete one but it seems to be coherent with the objective to find empirical testing of the number and typologies of organisations publishing a social report in Italy.

The method used for values attribution has been that of isolating categories, defined in various ways, so to represent the item. Sometimes it has been useful to create a residual category, such as “others” or a category that occurs when something is “not specified”.

In every case, where a reference to a specified category has been found, the value “1” has been attributed to that category, so that each reference has the value “1”. This method has been reproduced several times, without taking care of the total number of values that has been found in the same social report.

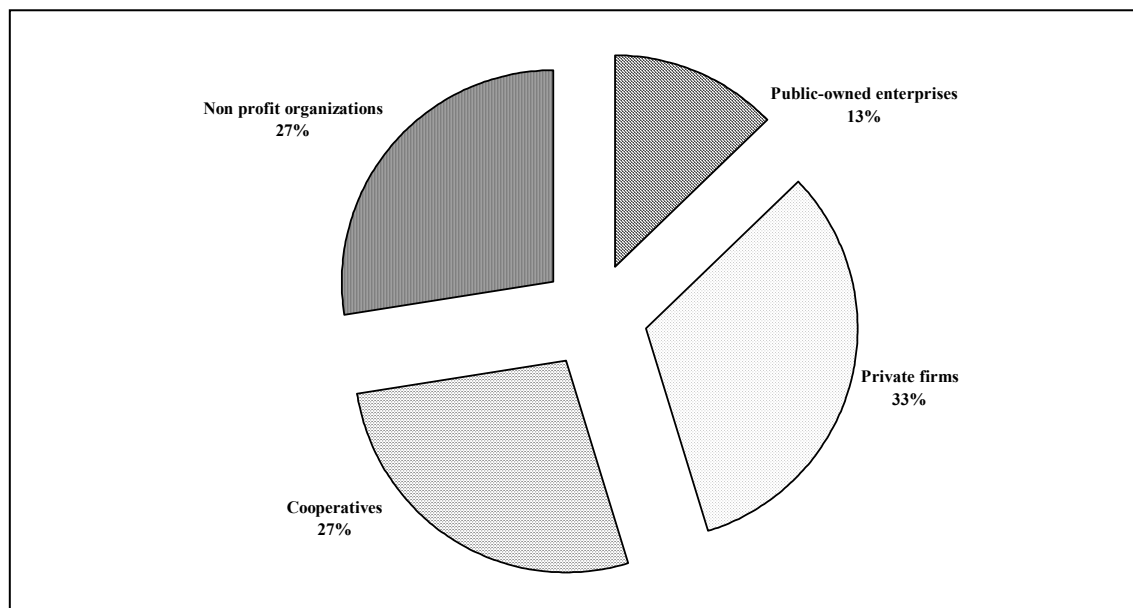
In this way, the value system obtained allows to find the exact number of social reports in which the variable is explicitly taken under consideration.

3. Who publishes a social report: the first answer

These considerations introduce the classification of 62 Italian social reports, selected if published between 1999 and 2001. In these years there was an increase in social reporting activity, monitored by checking the activities of the selected organisations in the previous years.

The various typologies of organization that publish a social report are described in figure 1. Traditional analysis distinguishes the market, the public sector and the third sector into different “spheres of influence”. This approach is not entirely accepted here. In fact, the public sector (the executive branches of local governments, i.e. Provincial, Communal and Regional) has been excluded from the analysis, due to strong differences found in social reports that make it very hard to compare them with the ones from the private sector. Nevertheless, it is possible to notice that analogies can be found between enterprises and non profit organizations, while the public sector remains very far from them in terms of goals, methodology, document structure and contents.

Figure 1 – Sample Composition (organizational typology)



Source: Our data collection.

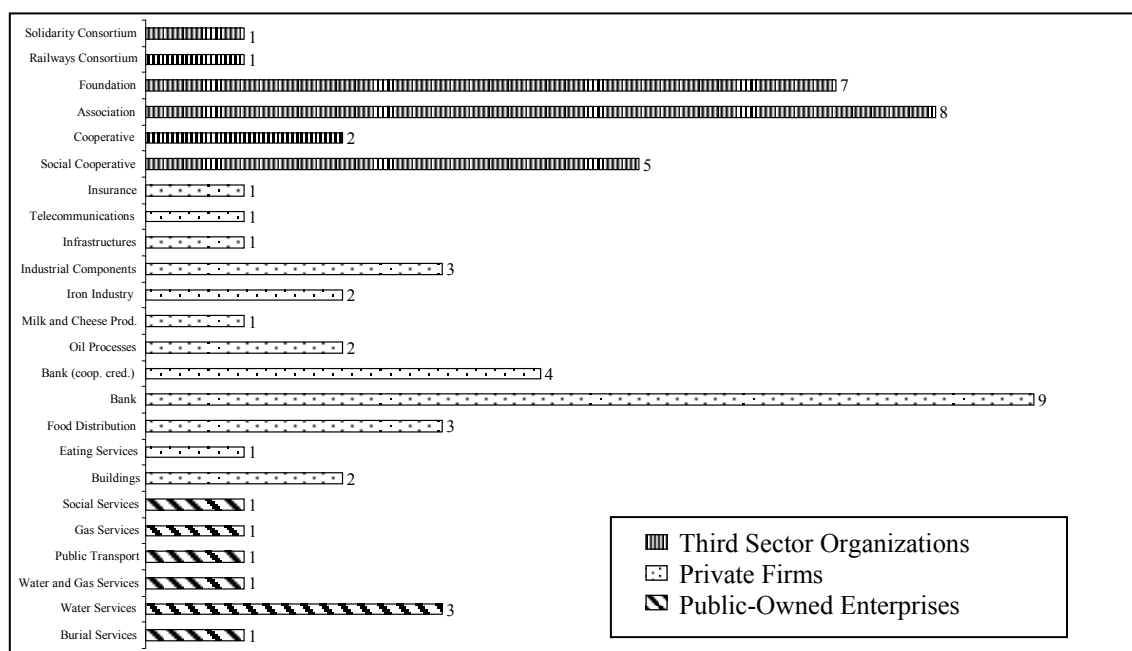
Figure 1 shows the sample’s composition, dividing public- from private-owned corporations. Cooperatives are also grouped together, so that their total incidence on the sample is underlined; third sector organizations are separated. The term “cooperatives” includes all the organizations which have such a formal denomination for the Italian law. As shown in figure 1, cooperatives constitute an important phenomenon in the country, so that they reach one third of the total number of the organizations considered. Thus, in the following pages, cooperatives are divided in two groups, in relation with the main objectives perceived. Cooperatives with social or ethical aim (5) are grouped together with the non-profit organizations, while the others operating in the traditional sector (12), in competition with private corporations, are grouped with these. Sample composition is redefined as follows: 30 private corporations (48%) and 24 non profit organizations (39%). Figure 2 may help to make evidence of what has been exposed.

Organizations that publish a social report in Italy are mainly corporations, of medium and large size. The first major difference from the empirical findings of the Seventies is that social reporting is now implemented also by non profit organizations (Pucci and Vergani, 2002). Italian non profit organizations publish a social report because it constitutes a more efficient mean of communication than the official financial statement. Italian third sector is characterised, on average, by small-sized organizations,

with a local impact. This element had created initial difficulties in the process of reaching information. A second difference can be traced in the emerging of standardized models of social accountability and reporting⁶.

For these and other reasons, the sample is composed by organizations whose size is above the sector's average. Given the general elements, it would be better to consider each organization in relation to the particular typology rather than to the general sector. Thus, some specifications are needed. Almost all of the foundations included here are, by origin, bank-foundations, that is a particular kind of corporate foundation that receive particular normative attention. In particular, every year they have to publish a “mission statement”, that could be assimilated to the social report. Selected associations are well-known and widely-diffused organizations, or professional, corporate, sector ones. Social cooperatives are very small-sized and operate in restricted areas.

Figure 2 – Classification for Activity



Source: Our data collection.

Different reasons lead the public-owned enterprises⁷ to publish a social report. It seems that they look for legitimacy of their own existence. The welfare state's reorganization (Velo, 1998; 1999) and the changing role of the public sector in the economy are the main elements that guide to a demand for legitimacy.

Collected data helps to give a first and approximate answer to the question posed at the beginning of this paper (which organizations actually publish a social report).

Private corporations come first, mainly banks (21% of the total number), including those of the credit cooperatives. Other cooperatives that have an economic (profit) activity do not reach a significant percentage.

In the third sector, the phenomenon is mainly pushed up by two types of organizations. The number of foundations is particularly important (11%). Some of these organizations – especially the ones that belong to Italian banks⁸ – publish a so called “Mission statement”, required by law, that could be approximately assimilated to a social report. Also associations are likely to publish a social report, and they reach 13% of the total

number.

4. *The Objectives of the Social Report*

The first part has been dealing with to elements that can be deduced without reading the report. But this is a contents analysis, while the objectives that undergo the report need a different approach.

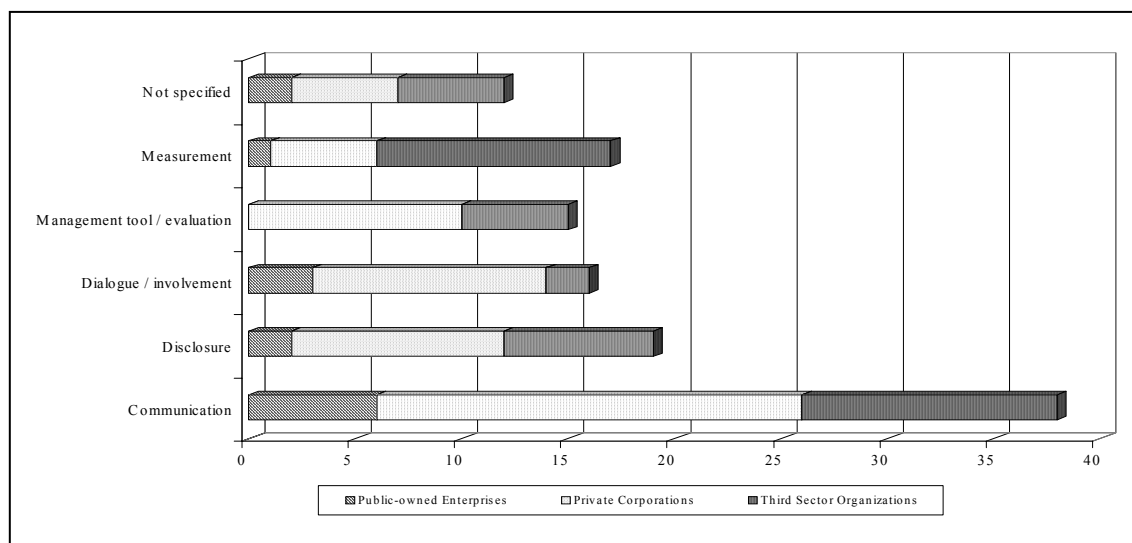
The analysis has been carried on elements that were explicitly stated on the reports. Assertions written in the document may diverge, maybe significantly, from the real organizational behaviour. The gap between what is (reality) and what ought to be (stated in the report) needs to be carefully considered. This is one of the main items of business ethics and, for this reason, it can conduct too far from the goals of the present paper.

A relevant percentage of the selected documents, around 90%, dedicate a specific section to expose which are the main reasons that made them decide to publish a social report. Very often, these arguments are expressed in the pages in which the CEO, the owner or the manager show their idea about social responsible behaviour.

Each value matches to one variable, isolated in the report (see figure n. 3). It can be noted that 12 organizations do not motivate in any way the report publication. This information restricts the observation field to 50 social reports. Among these, 38 organizations (12 of the third sector, 20 private corporations and 6 public-owned enterprises) show a communication need, by noting that the social report can significantly contribute to the improvement or fulfilment of this element.

Public-owned enterprises indicate that the two most frequent goals are: (1) improving external communication and (2) obtaining more information about the activities (in the figure exemplified with the word “dialogue”). The acquisition of innovative public management methodologies, including the social report’s making process (Zadek, Pruzan and Evans, 1997), is not considered as a crucial aspect. This element suggests that public-owned enterprises face difficulties in implementing new managerial practices or they do not believe in the social report as an instrument for their implementation. This is probably due to exogenous managerial bounds, related to the governance structure.

Figure 3 – Social Reports’ Main Goals (abs. values)



Source: Our data collection.

On the contrary, third sector organizations show a significant interest in “communication”, “measurement” and “disclosure”. The first, “communication”, is a common need, expressed by all the organizations of the sample. The other element is “measurement”. These organizations look for a qualitative-quantitative evaluation of their activities that could be nearer to the real operativity. The social report is explicitly identified as the instrument that should contribute to put the evaluation on a correct basis (Fazzi, 1998; 44, 52-58).

Organizations that are characterised by a predominance of qualitative elements in the exploitation of their activities, show the need to obtain rigorous measurements of these qualitative aspects. Then, the social report may be observed as an alternate answer to the traditional accountability systems, where these are not able to represent a fair value of qualitative elements. This element is particularly clear when intangible assets rise significantly up to traditional industrial factors.

Private firms are involved in the social reporting activity (1) for communication needs, (2) to have a better stakeholder involvement and (3) to management and disclosure concern. Social elements are defined by exclusion, through the identification of complex human behaviour that cannot be measured or systematised by a standard accountability system. In this perspective, an analysis of the corporation’s environmental impact needs ratios reflecting “subjective” factors, typical of the activity each firm develops. The customer, the supplier, the banker, the shareholder, the employee, etc., have to be integrated into a performance’s evaluation system related to wishes, expectations, perceptions, as well as frustrations and perturbations. Some firms (11), in order to proceed with this integration, put stakeholder involvement at the top of the priorities linked to the social reporting activity.

5. The Internal Structure of the Document. Models of Social Report

A first evaluation in terms of coherence between expressed goals and effective findings in the social report may emerge through the analysis of the different ways to articulate the document.

Reports are ranked in six classes that identify the most common models. It has been added a residual category, collecting peculiar models or mixed ones⁹. The Models may be described through a list of their parts:

- A) *I. Mission; II. Mission analysis and coherence.* The mission of an organization constitutes the main element on which the report is structured. Once defined the mission, the report analyses the matching or mismatching between the actual activities and the elements specified in the mission statement.
- B) *I. Background values; II. Socio-economic statement; III. Social statement.* This category have the greatest articulation of contents. The first part shows organization values, mission, objectives, strategy, or something else that constitutes the implicit (informal) basis for the development of the activities. The socio-economic statement has a quantitative content and it often exposes the value-added analysis and distribution (calculated on the financial account of the official profit and loss account). Qualitative elements are left in the third part where conditions of the social impact are related to different stakeholders. From a methodological point of view, the stakeholder approach is the most used.
- C) *I. Background values; II. Social statement.*
- D) *I. Background values; II. Socio-economic statement*¹⁰.

- E) *Detailed social essay*. Each activity that has an origin in the time period to which the report refers, is specified in detail and classified following a chronological, quantitative or direct pertinence criterion. This is a report that presents a high degree of liberty, in relation to the internal structure, but it is not particularly effective in describing qualitative matters.
- F) *Social essay*. This is a very flexible class that cannot be easily represented by a general model of social report. The document's style may be very rigorous and defined, or synthetic and not so clear. Overall, the common element of the reports classified herein is the lack of a defined structure content.

The "B Model" is the most widely diffused. Despite its diffusion, social reports of third sector organizations are mainly structured following the "C Model". C-structured reports don't have a specific part dedicated to a quantitative analysis, suggesting that there are problems with data-treatment or preferences to qualitative aspects of the social impact. The choosing of an "F Model", called "social statement", is absolutely in line with the considerations reported before.

Table 1 – Different Models of Social Report (n. of social reports)

	Models	Private enterprises		Public-owned enterprises		Third Sector		TOTAL	
		N.	%	N.	%	N.	%	N.	%
A	I. Mission; II. Mission analysis and coherence.	1	3,3	2	25	1	4	4	6,5
B	I. Background values; II. Socio-economic statement; III. Social statement.	15	50	5	63	5	22	25	40,3
C	I. Background values; II. Social statement.	6	20	-	-	6	26	12	19,4
D	I. Background values; II. Socio-economic statement.	3	10	-	-	4	17	7	11,3
E	Detailed social essay	-	0	1	13	2	9	3	4,8
F	Social essay	3	10	-	-	5	22	8	12,9
G	Other	2	6,7	-	-	1	4	3	4,8
	TOTAL	30	100	8	100	24	100	62	100

Source: Our data collection.

While for public-owned enterprises data leave no doubt on what is the preferred model (63% uses the B Model), for private-owned firms there are some significant elements. The second more used model is the one labelled with the consonant C. Therefore, there are some firms that make use of the social report to describe their performance in qualitative terms, and that give reference to the official financial statement for information of a quantitative nature.

Models' analysis suggest some considerations of a general kind. The first refers to the elements by which is composed each category (or model). These, however, maintain a certain degree of heterogeneity, because the structure reveals nothing on each document's specific content and effectiveness. There is not a "single model", to which

every class of organization refers to; the B Model, that is widely used, is not the best or the only one that is effective. The meaning of the great diffusion of that model can be found in its great flexibility, as it adapts to different kind of organizations.

The second element, very close to the first, is related to the fact that there is no need for a “single model” to be created. The great variety of the reports analysed derives, in its majority, to the voluntarily-based praxis. In this direction, the cases of excellence identify approaches and practices that may disappear with a homogenizing legislation.

6. Using a Stakeholder Approach

The great majority of the reports structures the information by following a “stakeholder approach”. A very effective definition suggests that “a stakeholder in an organization is (by definition) any group or individual who can affect or is affected by the achievement of the organization’s objectives” (Freeman, 1984: 46). In other words, relationships between the environment and the organization are classified as a function of isolated classes of stakeholder.

It is not clear which are the exact meanings which the stakeholder approach conveys and, to be precise, it can be sometimes ambiguous (Mitchell, Agle and Wood, 1997; Kaler, 2002; Hummels, 1998)¹¹. However, this research is limited to the use of the approach in the practice of social reporting.

As noted before, the major part of the organizations use a stakeholder approach as a basis for data presentation. A methodological difficulty arises when putting in the same classification scheme firms’ and other organizations’ stakeholders. This problem has been solved by attributing a double-denomination to those categories usually used for firm’s stakeholder but not useful if used for other organizations. Notwithstanding this method, it appears very clearly that the same category, for example “local community”, has a different meaning if related to a social cooperative or to a telecommunication firm. When the classification refers to the class “shareholders/members”, it is clear that the first term refers to firms, while the second to “non profit” organizations.

The stakeholder categories have been isolated in relation to elements emerged through the analysis of the social reports:

- a) customers;
- b) suppliers;
- c) shareholders/members;
- d) financial institutions;
- e) local community¹²;
- f) employees;
- g) associations or lobbies;
- h) future generations/environment;
- i) other.

The methodology used for data elaboration is very similar to the one described before. If there is, for example, the number “1” written in the histogram that indicates the value for the category “customers”, it signifies that there is, in the sample, a single document that contains communications directed to “customers”. The same report may include references to various stakeholder categories, that can vary from one another. This is the reason why the sum of the values for each category is not equally likely to 62.

“Local community”, “shareholders/members”, “employees” and “customers” are the most important stakeholders for the greatest number of organizations. Classes are different in relation to the emphasis the report gives to some specific stakeholder

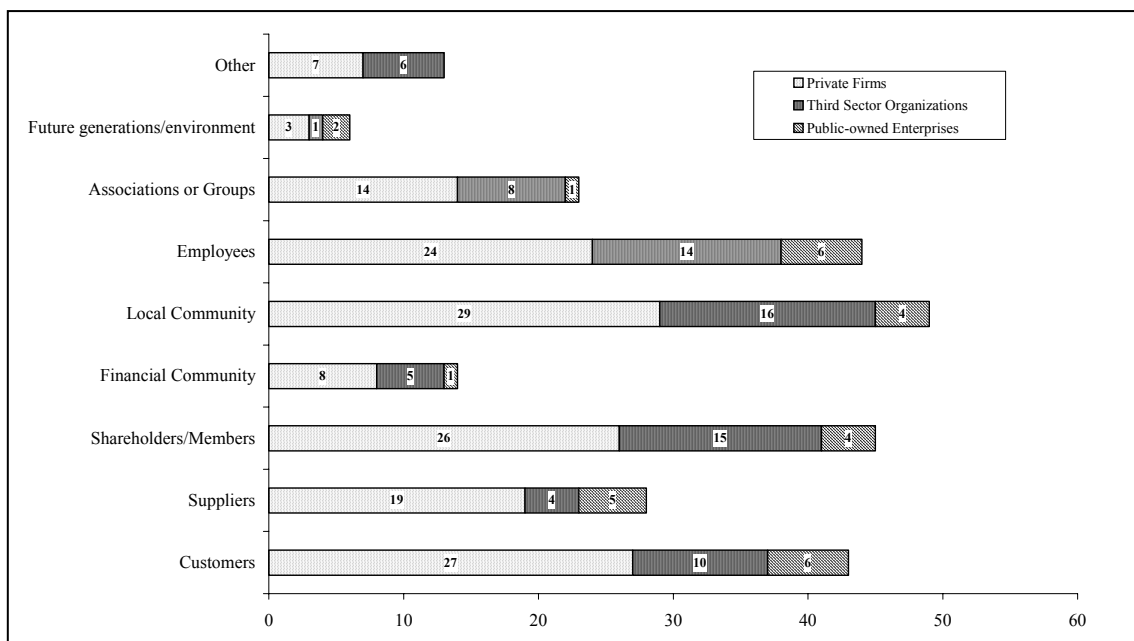
category.

In this perspective, it is very interesting to note that public-owned enterprises focus their attention, in approximately 75% of the cases, on “employees” and “customers/consumers”, and only on a second attempt on “suppliers”, “shareholders” and “local community”.

“Local community” seems to influence, indirectly, the other categories. Some documents insert notes on other categories in the part in which the focus is on of the local community. Some others, instead, make reference to it while describing the different stakeholder relationships. This ambiguity may be only solved through a deeper analysis of the elements taken into account when considering each stakeholder category. This is a very interesting point, that needs much more than a paper to be explained.

The emerging trend is coherent with some of the arguments exposed above, but it is enriched with new significant elements. The category “employees”, from this point of view, constitutes a privileged referee for public-owned enterprises. There is an attempt to establish a communication outflow with the employees, analysing in detail what is their contribution to the enterprise and which are the social advantages they reach by working in it. Moreover, the specific (i.e. different from those of the other firms) reasons why public-owned enterprises explicitly refer to employees are very difficult to understand. Maybe, it is because the traditional structure of the social report as it has been developed in Italy, and in some other European countries, is based on the employees’ analysis (Pasini, 1988).

Figure 4 – Stakeholder Identification (number of social reports)



Source: Our data collection.

All the enterprises, except one, consider the local community as the most important stakeholder. “Customers”, “shareholders” and “employees” represent the other categories most frequently cited, with which the nexus is clearer¹³. “Local community”, beyond its identification as a box-category, puts a focus on an emerging trend: the firm tends to give an image of itself as a “part in relation” with the other parts of the society (Velo, 2002). Social relationships are actually much more intense in the local area.

Normative bounds, cultural, political, institutional and social conditions, environmental sustainability, and the various opportunities offered, represent a significant part of these events, which are not classifiable in the traditional accountability system. The communication need has to be put in relation with the attempt to integrate the concern of the local community or of the society, widely defined, in the decision-making practices.

Concerning third sector organizations, there is a major dispersion of data. The most cited categories are, on one side, “local community” – element that is very common with other organizations – and, on the other side, “members”, “employees” and “customers”. The last ones have to be considered all together because, in some cases, a clear distinction between the three categories may not be possible nor useful. In this case, the legitimacy that the third sector seems to look for, leads the “local community” to be the privileged point of a social impact evaluation.

In general terms, the greatest number of social reports prove that there is a common trend towards communication with the local community. This may be defined as a sort of “first environment” (Usai, 2002: 101-103; different from the *general* and *task environment* of Dill, 1958), in which an organization’s activity expresses its first and major impact. This stakeholder category is extremely heterogeneous, so that it encloses individuals, institutions and other organizations of a very wide variety (e.g. from the European Union to the families of a determined part of the city, from the city authorities to cultural initiatives, from firms to children, and so on). So, organizational environment is very important, in abstract terms, to define strategy, marketing actions, customer relationship and other elements, but it also has a significant impact on the process of understanding social relationships, partly connected to ordinary activities.

Moreover, relationship is the main element, and also the most controversial, of social reports analysis.

7. Some conclusions

Data described here allows to try to give an answer, not the only ones nor the definitive ones, to the questions posed at the beginning of this writing:

- a) private-owned firms are, in Italy, the main organizations that publish a social report, with a percentage of 45, followed by cooperatives that conduct (profit-ended) commercial and economic activities (16%). Third sector organizations show a trend towards practices of social reporting. In detail, banks, associations, foundations, social cooperatives, industrial firms and enterprises that produce public local services use more extensively the social report;
- b) communicative needs seem to be the main objective organizations want to reach with the document. Organizations try to channel information flows concerning the social impact towards internal and external ends. Measurement, disclosure, and management practices integration are some of the other main goals followed through the report;
- c) the identification of the Italian models of social reporting completes a framework of differences between organizations. A strict connection could be identified between the model used, and the various stakeholders categories to which it is addressed. It can be noted that a more complex system of stakeholders corresponds to a more defined structure. As showed, firms prefer model B (*I. Background values; II. Socio-economic statement; III. Social statement*) and present a significant stakeholder differentiation (local community, employees, customers, suppliers,

shareholders).

Despite the experiences of the Seventies and the Eighties, Social Report practices begin to have a diffusion as an alternative instrument for communication, different from traditional ones. Objectives differentiation, alternative models and divergence of stakeholders maps between different organizations seem to have a significant impact on the evolving trend. The phenomenon, and this has not been a very common field of analysis in the past years, shows its importance also for the third sector.

The present research leaves, in the opinion of the author, wide margins for a deeper analysis, much more than what it has been presented here. An empirical approach to the understanding of the wide phenomenon of the corporate social responsibility has been adopted. The social report represents, in order to the corporate social responsibility field of studies, only a specific application, probably the one with a major and direct impact, related to the item of external communication.

Notes

¹ The meaning of “social audit” is that of “a commitment to systematic assessment of and reporting on some meaningful, definable domain of a company’s activities that have social impact”; Bauer R.A., Fenn D.H. Jr.: 1973, “What is a corporate social audit?”, *Harvard Business Review*, January-February, p. 38.

² An exception has to be made about large-sized French enterprises, which have a normative obligation to publish a so called *bilan social*, where employee-firm relationships are analysed. See Law n. 77-769, 12 July 1977, published in the *Journal Officiel*, 13 July 1977; decree n. 77-1354, 8 December 1977, published in the *Journal Officiel* of 10 December 1977. For major details, see L. PULEJO, *Esperienze in tema di bilancio sociale. “Il modello francese”*, Giappichelli, Torino, 1996.

³ The Italian translation for “social report” is “rapporto sociale”, but traditional writings (Salvemini, 1978; Superti Furga, 1977) on the field of social reporting refer to it by using the terms “bilancio sociale”. The 75% of the selected reports are titled “bilancio sociale”. Then, it will be used as synonym of social report.

⁴ Very few analysis have been published in Italy. One is that of the ENI Foundation, D. Bianchi, D. Mauri, G. Sammarco, *Dal Bilancio sociale al Bilancio di sostenibilità: metodologie ed esperienze a confronto*, Fondazione ENI Enrico Mattei, 2001. They put a strong emphasis on sustainable development, without considering the general trend analysis as important. Another analysis is that of ISVI (Istituto per i Valori d’Impresa), focused on the concept of social responsibility in Italy.

⁵ For example, the ISVI analysis follows another criterion, that of the inclusion of the overall reports, without considering their effectiveness in terms of stakeholders communication.

⁶ National- or international-based organisations promoting social accountability and reporting are rising in importance. Among the others, the most diffused standards in Italy are AA1000, SA8000, Global Reporting Initiative, London Benchmarking Group, for the organisations belonging to the worldwide environment and GBS, Gruppo di Studio per il Bilancio Sociale for the Italian ones.

⁷ Public enterprises considered here are mainly owned by the city municipalities and they provide their services in this little area.

⁸ Currently, Italian banking foundations are not linked to the original banks from where they belonged. The Decreto Legislativo n. 153 of the 17th May 1999, states that “[f]oundations are not allowed to operate credit functions; although, it is forbidden to finance, by whatever mean, [...] profit-ended organisations or enterprises”; article 3.2. of the Law n. 153, 17 May 1999, published in the Official Gazette n. 125, 31 May 1999. For major information, see E. Cotta Ramusino et al., *La gestione finanziaria delle fondazioni di origine bancaria*, Osservatorio sulle Fondazioni, Pavia, 2003.

⁹ The extreme heterogeneity of contents has brought to a little attenuation of divergences, with the aim not to multiply the number of categories with little differences between them.

¹⁰ Categories c), and d), are created by a redefinition of category b), without one of the three parts.

¹¹ It is worth noting that Mitchell, Agle and Wood identify 28 different definitions of the term “stakeholder” and of its identification procedures. Nevertheless, notwithstanding the approach used, it could be said that a rigid interpretation and application of the stakeholder segmentation method may bring to a loss of specific relational elements between each stakeholder group. And this “specific relational capacity” changes from individual to individual, even if the two individuals considered are classified in

the same stakeholder category. A firm's business policy, for example, which is differentiated by categories but not inside each category, may result ineffective. Finally, it seems important to notice that the analysis of relations between elements (stakeholder, firms, intra-stakeholder, ...), much more than the analysis of each single categories, have a significant relevance. In other words, in most cases organizational problems are not limited to specific stakeholder categories, but are often related to more than one.

¹² This category includes family, society, and public administration relationships (from the city hall to international organizations, such as the European Union).

¹³ To be more focused on the analysis, it should be better to distinguish between cooperatives and enterprises. The first ones are influenced by the members, very different from the firm's shareholder. Moreover, members usually offer different contributions to the cooperative, by working in it or simply by buying services and products offered. In this case too, the analysis needs a deeper explanation, which seems to be too much beyond the limited goals of this paper.

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