

SUSTAINABILITY OF NASDAQ-LISTED COMPANIES: THE EFFECTS OF PARTICIPATION IN THE UNGC

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Abstract: The concept of corporate sustainability development requires an integrated approach to the environmental, social and economic aspects of enterprise activities, but so far, there has been a lack of research on the situation of enterprises of Baltic countries, listed on the stock exchange. This study aims to identify how integral factors, showing corporate sustainability, are reflected in the reports of Nasdaq-listed enterprises that participate in the UN Global Compact. Employing the content analysis method, the publicly available information of 12 companies, 6 of which are listed on a stock exchange, is compared. The research results show that the reports of enterprises listed on the stock exchange correspond to the principles of UNGC more comprehensively, but, despite the publicly declared social and human rights policy, significant shortcomings in the areas of abolition of forced labour and child labour, the freedom of association and human rights have been identified and compared with unlisted enterprises. It is concluded that stock exchange listing may have a greater impact on corporate transparency, but the UNGC principles are a valuable tool for evaluating the consistency of enterprises in their commitment to sustainable business development.

Key words: corporate sustainability, corporate social responsibility (CSR), UN Global Compact (UNGC) corporate sustainability principles, sustainable business development, Nasdaq-listed company

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Introduction

Over the last five decades, the importance of social issues and environmental circumstances to societies and companies has increased dramatically (de Lange et al., 2012), as evidenced by the upcoming engagement by the Western society. Demonstrating openness and initiative in sustainable development, some companies have joined the United Nations Global Compact (UNGC), which has been functioning for about two decades, declaring their contributions in the form of sustainable business development. Nevertheless, some criticism has been levelled at the efficiency of the compact itself, pointing out quite a few drawbacks. For instance,

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attention is drawn to the fact that membership in the compact is often used simply to trigger the positive side effects of the UN brand, in order to bolster the company's image and pull focus away from the reality of a less responsible company (Voegtlin and Pless, 2014). Sethi and Schepers (2013) expressed doubts about the viability of the UNGC initiative as a whole. According to them, reliable and publicly available data and documents show that the UNGC failed to encourage the companies that joined it to improve their Corporate Social Responsibility (CSR) efforts and complement their policies and operations with all principles that encompass the values of sustainable environment, human rights protection, equal treatment of employees and elimination of bribery and corruption. On the other hand, in response to the criticisms, Rasche and Waddock (2014) admit to some of the drawbacks and say that systemic changes related to social and environmental issues are possible only if more of the participants engage fully with the initiative and re-orient their strategies and business models in order to ensure that the principles are upheld. However, in spite of the ongoing discussions about the flaws and non-transparent conduct by business organisations, the compact functions as one of the reference points in the evaluation of business initiatives in the context of socially and environmentally responsible activities (Knudsen, 2011; Voegtlin and Pless, 2014; Brown et al., 2018). In this context, sustainability in organisations can be perceived as the ability to contribute to sustainable development, which integrates three factors encompassing economic, social and environmental benefit, also known as the "triple bottom line" (Gimenez et al., 2012; Muñoz-Pascual et al., 2019).

On one hand, the focus on sustainable development is encouraged by the substantial pressure from interested parties, which prevents companies from limiting themselves solely to the pursuit of financial growth (Steurer et al., 2005; de Lange et al., 2012) that is often associated with the openness and progress of companies and governments. On the other hand, other studies show that companies listed on the stock exchange are more likely to join the UNGC (Perez-Batres et al., 2010), inclusion in the stock exchanges was characterised by greater environmental efficiency (Chen et al., 2018), and the shareholders' reactions in the exchange were influenced by the environmental violations committed by the companies (Huang et al., 2017). This can be explained by the fact that environmental violations and the sanctions related to them can have a sensitive impact on the companies' profits. Based on the aforementioned arguments, the problem of the research is formulated by the following questions: what is the integrity of the three pillars of sustainability in the reports of companies listed on Nasdaq and how is participation in the UNGC related to sustainability? How capable are the companies listed on stock exchange of combining the economic, social, and environmental benefit and how is it reflected in the reports? The aim of the research is to determine the integrity of the three pillars of sustainability in the reports of companies listed on Nasdaq, elaborating on the participation in the UNGC related to sustainability.

Theoretical background

Sustainability is considered to be a systemic term (Buys et al., 2014) that is related to the solution of economic, social (including cultural), and environmental problems (Ribeiro et al., 2016) and which is adopted by organisations on their initiative, in response to the expectations of the interested parties. A study by Glavas and Mish (2015) has shown that the implementation of the triple bottom line is related to greater transparency, while companies focus more on the advantage provided by cooperation rather than on competitive edge. Simultaneously, it is implied that prosperous and financially sound organisations can develop in time as they act in the interests of the interested parties while also trying to maintain competitive advantages (Florea et al., 2013). In this context, the UNGC is perceived as a contract of social morality (Leisinger, 2003) when the success of sustainability-focused companies is not based solely on the economic perspective (Gardberg and Fombrun, 2006). This kind of development goes beyond the boundaries of local interests, because, as highlighted by Barkemeyer et al. (2014), it also contributes to the solution of the problem of mass-energy and resource consumption in the industrial countries so that the developing countries are able to develop their economies ecologically. Moreover, while the UNGC is singled out as one of the largest voluntary initiatives, and it is both public and private, global and local (Rasche and Waddock, 2014), the question remains regarding the extent to which the declaration of progress is related to the company's image and the extent to which it reflects true leadership that encourages the serious internal structural changes needed for the companies to become more sustainable. Furthermore, accountability should allow for interested parties to be able to understand the compact participants' capabilities of being responsible for their actions (Hess, 2007; Utting, 2008).

The fact that inability to fill the annual report causes a negative reaction of the market (Janney et al., 2009) could result in some companies focusing on the value created by the image provided by the UNGC. Furthermore, Byun and Kim (2017), relying on a study conducted in Korea, claim that the companies that associate sustainability with their identity will be more sensitive to pressure from external interested parties since the latter expect greater sustainability, presentation of reports, accountability, and transparency (Camilleri, 2015). Even though it has been noted that the pressure of international standards has an influence on the increase in company accountability (Russo-Spena et al., 2018), another tendency noted in research is the scope and selectiveness of the initiatives that are presented in the reports (Preuss, 2012; Sethi et al., 2017; Petera et al., 2019). For instance, Preuss and Brown (2012) researched the FTSE100 companies' focus on human rights. It was determined that about half of the companies tended not to solve matters related to human rights. A large number of Greek companies that provided financial services tended to orient themselves based only on the mandatory requirements specified in the legal acts (Evangelinos and Skouloudis, 2014), while

the companies located in the so-called tax-haven countries, even though most of them declared themselves to be socially responsible, sparsely reported instruments that required larger investments, for instance, for environmental or social standards (Preuss, 2012). Also, it is disputed whether the presentation of non-financial reports should be regulated more strictly in the legal acts. Such a position is supported by Humbert (2019), who researched the situation in Germany. In her view, laws on non-financial disclosure could be a valuable first step towards greater sustainability; of course, that is, if they are drafted properly. However, the problem arises from the fact that different countries have different interpretations of social responsibility itself. Freeman and Hasnaoui (2011), who researched the principal regulations declared by the governments of the United Kingdom, France, USA, and Canada, noted that the lack of clear definitions is complicated by the misuse of terminology in the definitions of concepts and by the disputes about where company management is best managed by most national institutions that permit, enable or recommend CSR. Some studies show that the origins and cultural views of companies can also have an impact on the ethical norms applied by businesses (Janney et al., 2009; Byrne, 2014) and on the response to the fundamental provisions of the global compact. The fact that the subsidiaries operating abroad focus less on social responsibility was demonstrated by the comparison between the banks operating in the Baltic States and the banks in Sweden (Laidroo and Sokolova, 2015). The traditions that have been established in the developed nations can have some significance. For instance, the returns of the international reporting companies residing in the USA and France differed in the context of reports. In essence, it was negative for U.S. companies and positive for the EU ones (Janney et al., 2009). Some differences between the old and new EU member states have also been found in terms of their perspectives on social, environmental and economic fields. Furrer et al. (2010) who examined the views of managers and business students, demonstrated that the perspectives of Western European respondents differed strongly from the Central and Eastern European countries regarding the significance of corporate responsibility. Western Europeans assigned greater importance to the social aspect and a smaller one to the economic aspect. Representatives of Lithuania found the economic field to be more significant. Still, in the area of non-financial disclosures, the research results were ambiguous. For instance, Scandinavian banks demonstrated lower focus on social responsibility and accountability within the context of the Baltic market, in contrast to their own countries (Laidroo and Ööbik, 2014; Laidroo and Sokolova, 2015). This could point to the business reacting to the stakeholders' concerns about corporate ethics. For instance, Pētersons and King (2009), who explored the situation in Latvia, state that personal values and the institutional environment become important factors. In contrast, the conclusions of Vilke's (2011) study in Lithuania emphasised that the main issues are related to the understanding of social responsibility and a systematic method of implementation.

Methodology

Determination of research sample size: The two-level stratified probability sample size determination method was used in the research. The first level – cluster – from the general set of Lithuanian companies, based on the parameter of company size (type), 37 companies of Lithuania were chosen that are listed in the UNGC. In order to identify the large companies, a filter, “company”, was used. In total, 12 large Lithuanian companies were identified². That is the companies that have over 250 employees and whose net proceeds of sale over the period of one accounting year exceed 40 million Euros. The sample size was determined using a formula for calculating sample size while seeking not to exceed the 5 percent margin of error. The sample size was calculated based on the sample size calculation formula by Schwarze (1992) presented below:

$$n = \frac{N \cdot 1.96^2 \cdot p \cdot q}{\varepsilon^2 \cdot (N - 1) + 1.96^2 \cdot p \cdot q}$$

- 1) n – sample size;
- 2) N – general population size; the value of 1.96 corresponds with the 95 percent reliability indicator of standardized normal distribution;
- 3) p – maximum variability of the population at 50% ($p=0.5$); 4) $q = 1-p$;
- 5) ε – margin of error, $\varepsilon = 0.05$

Thus, after applying the formula, the determined sample size of the research was the online websites and sustainability reports of 12 companies; exactly one half of them were listed on Nasdaq. The selected companies were from seven different activity sectors (Table 1).

Table 1: Distribution of companies by sector of activity, %

Sector of activity	Company distribution	Listings
Financial services	33	Listed
Industrial transport	8	Unlisted
Electricity	17	Listed
Telecommunications	8	Listed
Healthcare equipment and services	8	Unlisted
Gas, water, and utility services	17	Unlisted
General retailers	8	Unlisted

Source of data: Online websites of companies and reports uploaded to the UNGC website were reviewed using content analysis as a valid method that enables one to make unique conclusions based on the researched text and which is useful in social responsibility research (Milne and Adler, 1999). In total, 84 different segments of questions/commentaries were created in accordance with the measures for the assurance of the principles of sustainability declared by the UNGC³. Content

analysis was conducted by coding the data (1, 2... 8), entering digital and verbal values. Data was also divided into categories (e.g. declaration of sustainability documents) and classified in accordance with the titles and evidence of sustainability principles.

Research process: During the content analysis of the declared sustainability principles, 12 online websites of companies, 12 progress reports, and 22 company documents were reviewed in 2019.

First, while conducting content analysis, the aim was to determine how companies declare progress reports, whether they meet the requirements, and how the companies look on the UNGC online website. The following information declared in the reports about the company was analysed: its aims, obligations, qualitative and quantitative indicators, the manager's say, the performance of a report audit, which is solid evidence that the report was prepared properly (external audit would be an advantage). Further, the company's profile on the UN Global Compact online website was analysed, which made it possible to reveal such things about the companies like their UNGC obligation level ("signed", "participant", "unselected") and status ("active", "non-communicating", "inactive") that change depending on active/inactive participation in the compact, the year of joining the compact, and the first and last year of the declaration of reports, which made it possible to compare differences in the report declaration years.

The analysis also examined how companies declare sustainability principles (sustainability) on their online websites and the progress reports uploaded on the UNGC website. In the official online websites, a special section related to sustainable activity ("responsibility to the public", "sustainable activity", "social responsibility", etc.) was sought. During the research, documents related to sustainability and uploaded to the companies' online websites were also inspected (documents on business ethics, environmental, human rights protection, anti-corruption, and social responsibility, codes, policies, certificates, etc.); also, in order to determine the companies that have entered into collective agreements, the Register of Collective Agreements⁴ was also inspected, which is an important proof of the adherence to the third principle of sustainability. Later, the gathered information was analysed, assigned to the respective sustainability principles defined by the UNGC, sorted by topics and sub-topics as well as double-checked for its relevance and adequate distribution during content analysis. The companies that declared at least one sentence about adherence to a sustainability principle were treated as "declaring" the respective principle, while those declared the principle but did not declare its evidence were treated as "partially declaring".

Research results

Company reports were evaluated in accordance with ten topics (human rights, company's contribution to human rights, freedom of associations, freedom from

forced labour, abolition of children’s labour, non-discrimination in employment, environmental prevention programs, environmental initiatives, environment-friendly technologies, and anti-corruption) that are elaborated in expounding sub-topics (from 1 to 6). After calculating the percentage values, the comprehensiveness of the declared topics is presented in Table 2. As seen from this table strikingly, the strongest focus is on three aspects: first, human rights, second, non-discrimination during employment, and third, environmental prevention programs, the initiatives conducted by the companies themselves in environmental protection, and the adoption of environmentally friendly technologies.

In other words, all companies fully declared just five out of ten UNGC requirements. However, the subtopics touched upon in the reports demonstrate that even the criteria of the declared principles are not completely met. For instance, all companies, both the listed and the unlisted ones, declared concern for human rights. Still, such subtopics as women and adults or children with disabilities were not reflected in any of the ten reports. Moreover, a trend was observed that the upholding of the laws of the company’s country of residence and the absence of complaints were considered to stand for compliance with the principles of human rights. For example, by noting that “*The company complies with <...> laws and has not received any complaints about human rights violations throughout its existence*”.

Table 2: Comprehensiveness of topics and sub-topics that reflect sustainability in company declarations, %

Topics/subtopics	D	Topics/subtopics	D
Human rights	100	Abolition of children’s labour	50
Code of Ethics	42	Initiatives for abolition of children’s labour	33
Children	42	Non-discrimination in employment	100
Women	8	Comprehensiveness of non-discrimination in employment	75
Adults with disabilities	8	Environmental prevention programs	100
Children with disabilities	8	Environmental standards, certificates	67
Poor families	8	Assessment of environmental risk	67
Contribution to human rights	75	Environmental initiatives	100
Human rights monitoring	58	Sustainable development in company philosophy	75
Human rights declaration	25	Environment-friendly technologies	100
Freedom of associations	75	Changes in processes/production	100
Collective agreement	58	Re-use materials	75
Freedom from forced labour	83	Anti-corruption	92
Non-forced labour in remuneration policy	33	Anti-corruption policy	67
		Evidence of anti-corruption	83

Notes: D – Declaration

Only one (unlisted) logistics company not only spoke out against the abuse of children but also imposed the respective requirements on its partners: “<...> rejects forced and child labour and seeks for this provision to be adopted by the Company’s partners and providers”. The sentence declared in the reports of the remaining companies is almost identical (formulaic) but no evidence is provided to support it. It is worth noting the manner in which the reliability of the provided data is verified. In this context, just two companies (both listed on the stock exchange) specified that their reports were audited. The remaining ones did not declare this circumstance.

Notably, the obligation to declare progress reports annually is by no means honoured by all companies: just one company had uploaded the latest report for 2018, 5 companies’ reports were for 2017, and the reports of the remaining 6 companies were for 2016. The companies that do not meet this requirement are removed from the UNGC: in March and April of 2019, three Nasdaq-listed companies and one unlisted company were removed. Significantly, before stopping the provision of declarations, companies had expressed intent to cooperate with the UNGC in the future; two of the companies’ plans were approved by signatures of their heads.

Documents are just one proof of the declaration of sustainability principles, and since the UNGC sustainability principles are divided into three main groups, the level of declaration of documents for each area was determined during the content analysis (Table 3).

Table 3: Declaration of documents according to areas of sustainability principles, %

Declaration status	Code of Ethics	Human rights policy	Environmental protection	Anti-corruption
Declares	42	25	67	67
Does not declare	42	58	33	25
Declares partially	17	17	0	8

The documents that the companies declared the most frequently were related to environmental obligations and the fight against corruption. The rarest type of document declared separately was related to human rights policies. It was also observed that not all companies that claim to have such documents actually declare them. For instance, just two listed companies and one unlisted company declared a document on human rights policy. In contrast, two listed companies that declared adherence to environmental standards did not provide documents that would confirm this. In other words, almost all companies declare vaguely that they uphold UNGC principles, and there are particularly pronounced differences between the principles reflected in the declarations of companies that are listed on the stock exchange and

those that are unlisted (Table 4).

Table 4: Accordance of declarations by Nasdaq-listed and unlisted companies with UNGC sustainability principles, %

UNGC principles*	Listed companies N=6			Unlisted companies N=6		
	D	PD	DnD	D	PD	DnD
Support and respect for protection of internationally proclaimed human rights in its area of activity	100	-	-	100	-	-
Not being complicit in human rights abuses	83	-	17	67	17	17
Upholding freedom of association and effective recognition of the right to collective bargaining	67	17	17	83	17	-
Elimination of forced or compulsory labour	100	-	-	67	-	33
Abolition of child labour	50	17	33	50	33	17
Elimination of discrimination in respect of employment and occupation	100	-	-	100	-	-
Support of preventative programs that ensure environmental protection	100	-	-	83	17	-
Initiatives to promote greater environmental responsibility	100	-	-	100	-	-
Encouragement of development and diffusion of environmentally friendly technologies	100	-	-	100	-	-
Fight against corruption in all its forms, including extortion and bribery	100	-	-	83	-	17

Source: UNGC

Notes: D – Declares; PD – Partially declares; DnD – Does not declare.

Research results show that the reports of companies listed on the stock exchange correspond more closely with the UNGC principles (except for forced labour, abolition of child labour, freedom of associations and bargaining, and not being complicit in human rights abuses) than the unlisted ones. It should be noted that the strongest focus in both company groups is on environmental requirements and the aspects that are strongly regulated in the national law, e.g. discrimination in employment. On the other hand, even though companies from both groups declared support of international human rights protection within their sphere of influence, nowhere near all of them declared the efforts to not contribute to human rights violations themselves. One of the indicators for how a company implements the freedom of association is the negotiations with professional organisations. In this case, collective agreements were not signed by two banks listed on the stock exchange and three of the six unlisted companies. Furthermore, the statements made in the declarations demonstrated that just one-third of the companies saw the problem

of forced labour from a broader perspective than just in terms of salary payment or absence of complaints about forced labour. Company reports once again contained standard recurring phrases: “no violations related to forced or compulsory labour have been recorded”. The comprehensiveness of reports according to the focus on the three pillars of sustainability (economic, social, and environmental) is presented in Table 5.

Table 5: Reports of listed and unlisted companies based on three sustainability pillars, %

Companies	Economic	Environmental	Social
Listed	100	100	83
Unlisted	83	94	78

In this case, the level of comprehensiveness with which the companies responded to individual subjects was evaluated. It turned out that the companies listed on the stock exchange responded the most consistently to two areas, namely, the economic and environmental ones. The field which received the least amount of attention in both company groups was social.

No less significant is the kind of information presented on the companies' websites and its comprehensiveness. In this context, six topics were singled out: sustainable activity (business), social responsibility, financial results and social responsibility, responsible business, “we care”, undeclared sustainability (Table 6).

Notably, the five principal dominant topics are repeated in all of the online websites, but none of the companies specifies the criteria based on which they were selected. Looking at the company websites' content, sustainability tended to be associated with economic activities (58 percent), and many of them devoted a special section for this. In this context, the extent of focus on the evidence about activities and on additional information is important. Exactly one-fourth of the companies confined themselves to presentation of the reports only, and just 67 percent of them provided additional information.

Table 6: Content distribution in online websites of the companies

Content distribution in online websites of the companies	Number of companies	Percent distribution
Sustainable activity (business)	7	58
Social responsibility	2	8
Financial results and social responsibility	1	8
Responsible business	1	8
“We care“	1	8
Undeclared sustainability	1	8

Discussion

This study further arguments that company participation in the Global Compact does not serve as proof of sustainable activity in and of itself (e.g., Voegtlin and Pless, 2014). Still, it does demonstrate that the UNGC can be a useful instrument for the interested parties to verify the openness and consistency of the Global Compact's participants, especially when compared to the incomprehensive information presented by the companies on their websites. The criteria highlighted by the companies most likely point to the established local tradition which is maintained by the companies following one another's example. From the perspective of sustainability, improvement of the companies' financial results is associated with satisfying the stakeholders' needs, preservation of natural resources, maintaining connections between internal and external stakeholders, and matching their social needs. The results of our research show that the reports of companies listed on the stock exchange put more emphasis on the principles of sustainable development, but the observed inconsistency in the reports poses the question whether this demonstrates more responsible philosophy and consistent determination to strive for the progress of such companies or is it just a reflection of the stakeholders' power? Studies have shown that corporate accountability and openness to both internal and external stakeholders can depend on the influence of the relative power of such stakeholders (Knudsen, 2011; Tang and Tang, 2012). Since investors are sensitive to company stability and crisis risk (Janney et al., 2009; Huang et al., 2017), it is in the companies' interests to declare principles that would reduce such risks. Because of the public focus on and requirements of human rights protection and environmental activities, this could have contributed to the result of these principles being particularly emphasised by the companies listed on the stock exchange, even though, for instance, activities of some of them are not under direct threat of sanctions for environmental violations. Since unlisted companies do not experience such pressure of investor expectations, it could be predicted that their declarations may be a more accurate reflection of their internal dispositions. However, several signs indicate that the declarations of both company groups are dedicated more to external stakeholders rather than meant as a reflection of internal sustainability policy.

First, one of the possible signs of weaknesses in the companies' policies is the unequal distribution of focus on the three factors that reflect sustainability, namely, the companies' economic welfare, environmental initiatives, and social responsibility. The later factor receives the least attention both in the listed and unlisted companies. Thus, in spite of the economic progress achieved in Lithuania over recent decades, the social factor reflects risk, which is typical of the developing countries (Laudal, 2010). This confirms the conclusions of previously conducted studies that highlighted the complicated development of responsibility both in Lithuania and in the entire Baltic context (Laidroo and Sokolova, 2015; Šimanskienė et al., 2019).

As observed by Pučėtaitė and Pušinėitė (2015), development of social responsibility, particularly for small companies, is impeded in Lithuania by the remnants of the Soviet past, as the public is used to mimicking standards or presenting descriptions of the desired situation as the reality. In contrast, declarations of social responsibility are met with scepticism. Our research shows that this issue is also relevant for the large companies, but the standards in particular, along with the proof of the declared initiatives and the audit of reports, are the second significant indicator which prevents manipulation based on statements about social responsibility. In this case, more substantial progress has been seen in the companies listed on the stock exchange, though this cannot be considered to be a widespread practice.

Third, publicly presented company declarations, even the ones that meet the UNGC principal provisions may point to substantial underlying internal contradictions that the investors may find worth drawing attention to, in terms of company fairness. For instance, even though all companies (listed and unlisted) declared concerns for human rights and non-discrimination policies, the socially vulnerable groups of society received minimal attention (women's employment, adults and children with disabilities). Similarly, companies seemed to echo the public concerns for the environment, but criteria such as the re-use of materials or the lack of the companies' philosophy demonstrate the incomplete nature of internal processes. On the one hand, declarations that the principles of the Global Compact are upheld, followed by silence on sensitive subjects, could reflect an attempt to manipulate the stakeholders. Andersen and Høvring (2019) pointed out that the hypocrisy in the dialogue with CSR stakeholders is constantly shifting and manifests itself among the dialogue participants as part of individual power. In the case of present research, a trend is evident that the internal stakeholders of the companies are perceived to be the weaker side in the dialogue of the partnership. Therefore, the companies' aspirations regarding freedom of association contradict the practice of signing collective agreements which emerged in the reports. Even though a decade ago, during the post-crisis period, a trend has been observed in Lithuania of trade unions becoming more active, the bargaining scope level remains low, while collective agreements are more the exclusions rather than the rule (Blaziene and Gruzevskis, 2017). Thus, avoidance of additional social obligations is a demonstration of the focus on the economic results rather than on actual socially responsible practice.

Fourth, more significant progress can be expected if the companies take on additional obligations voluntarily; however, the present study shows that sustainable activity is associated more with the upholding of laws, similar to the results of the research in Greece (Evangelinos and Skouloudis, 2014). In other words, the activity's accordance with the national legal acts is confused with progress. Such aspirations are more noticeable in the reports of companies that are not listed on the stock exchange and could signify that companies use this method to distinguish themselves

from their surroundings, in which violations are a sufficiently frequent practice. The fifth significant factor is the continuity of obligations. The temporary nature of the internal determination of both the listed and unlisted companies is reflected both by the identified shortcomings of the companies' philosophy and by the failure to comply with the obligations to declare progress. The fact that a company that joined the UNGC stops providing progress reports and is removed from the Global Compact could be an important signal to the stakeholders, e.g. investors. In this case, the company's internal motives or change in perspective regarding the benefits of the UNGC are less important. So, consistent presentation of declarations year after year could be interpreted as an indicator of the company's honesty and views on agreements concerning the promise made to the stakeholders. The inconsistency of the reports presented by the listed companies and their removal from the UNGC shows that investors are not perceived as a significant power that can influence participation in the Global Compact.

The study has a few limitations. Because of the selected research method, content analysis, it is harder to retain objectivity, as the possibility emerges for the researcher to interpret the received results differently. Also, the sustainability principles of only large Lithuanian companies that are members of the UNGC were chosen, therefore the achieved results cannot represent the status of the sustainability principles declared by all companies but rather just demonstrate certain trends. The chosen method only allows specifying that a company was removed from the list of the Global Compact but did not make it possible to reveal the motives and reactions of the companies themselves. Thus, in the future, it would be worthwhile to determine the reasons why the companies stop declaring the reports on the UNGC website. That is, whether this is related to consciously made decisions regarding changes in company policy, or if it was the result of the incompleteness of internal processes. As observed, company removal from the UNGC can be a poor motivational measure (Scalet, Kelly, 2010), but in order to better understand company motives, it is worth to assess the investors' views on company removal or voluntary departure from the list of the Global Compact. Conclusions of such a study could also contribute to the discussion about the effectiveness and future of the Global Compact.

Conclusion

This study provides new insights into the understanding of the significance of the UNGC principles based on the declarations of sustainable business development by companies that are listed and not listed on the Nasdaq stock exchange. Even though the Global Compact offers a rather convenient tool for the companies to declare the sustainability of their activities and thus contribute to building an image of responsible business, joining the Global Compact does not necessarily demonstrate sustainable activity. We cannot unambiguously claim that companies listed on the stock exchange implement more socially responsible policies; however, we do

expose that attention from the investors can be additional leverage of power to which the companies are forced to react and give more consideration to topics that are concerning to the public. On the other hand, this does not eliminate the possibility of an image built on manipulation. Research results illustrate the significance of the power of the stakeholders, as the interests of the internal stakeholders of the companies, i.e. the social factor remains the least developed.

The companies that have joined the Global Compact approve of the socially responsible direction with this decision and aspire to promise to develop their business sustainably. Hence, participation in the compact is useful not just for building the company's image. The methodology of the Global Compact could prove beneficial while attempting to evaluate how consistent and honest companies are. The present research shows that it is worth focusing on five criteria during the evaluation: the balance of focus on different areas, the proof and audit of the declared initiatives, internal consistency of the declared principles, understanding of progress, and continuity of obligations.

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ZRÓWNOWAŻONA SPÓŁKA WYMIENIONA NA NASDAQ: SKUTKI UCZESTNICTWA W UNGC

Streszczenie: Koncepcja zrównoważonego rozwoju przedsiębiorstw wymaga zintegrowanego podejścia do środowiskowych, społecznych i ekonomicznych aspektów działalności przedsiębiorstw, ale do tej pory brak jest badań dotyczących sytuacji przedsiębiorstw z krajów bałtyckich notowanych na giełdzie. Niniejsze badanie ma na celu określenie, w jaki sposób czynniki integrujące, pokazujące zrównoważony rozwój przedsiębiorstw, znajdują odzwierciedlenie w raportach przedsiębiorstw notowanych na giełdzie Nasdaq, które uczestniczą w Global Compact ONZ. Stosując metodę analizy treści, publicznie dostępnych informacji 12 firm, z których 6 jest notowanych na giełdzie, dokonuje się porównania. Wyniki badań pokazują, że raporty przedsiębiorstw notowanych na giełdzie są bardziej kompleksowe zgodne z zasadami UNGC, ale pomimo publicznie ogłoszonej polityki społecznej i praw człowieka znaczące niedociągnięcia w zakresie zniesienia pracy przymusowej i pracy dzieci, określono wolność zrzeszania się i prawa człowieka oraz w porównaniu z przedsiębiorstwami nienotowanymi na giełdzie. Stwierdzono, że notowania giełdowe mogą mieć większy wpływ na przejrzystość przedsiębiorstw, ale zasady UNGC są cennym narzędziem do oceny spójności przedsiębiorstw w ich zaangażowaniu w zrównoważony rozwój biznesu.

Słowa kluczowe: zrównoważony rozwój firmy, społeczna odpowiedzialność biznesu (CSR), zasady zrównoważonego rozwoju korporacji ONZ Global Compact (UNGC), zrównoważony rozwój biznesu, spółka notowana na giełdzie Nasdaq

納斯達克上市公司的可持續發展:參與聯合國全球契約的影響

摘要: 企業可持續發展的概念要求對企業活動的環境, 社會和經濟方面採取綜合的方法, 但是迄今為止, 對在證券交易所上市的波羅的海國家企業狀況缺乏研究。這項研究旨在確定參與聯合國全球契約的那些在納斯達克上市的企業的報告如何反映出體現企業可持續性的整體因素。使用內容分析方法, 比較了12家公司(其中6家在證券交易所上市)的公開信息。研究結果表明, 在證券交易所上市的企業的報告更全面地符合 UNGC 的原則, 但是, 儘管公開宣布了社會和人權政策, 但在廢除強迫勞動和童工方面仍然存在重大缺陷, 已經確定了結社自由和人權, 並與未上市企業進行了比較。結論是, 證券交易所上市可能會對公司透明度產生更大的影響, 但是 UNGC 原則是評估企業對可持續業務發展承諾的一致性的寶貴工具。

關鍵詞: 企業可持續發展, 企業社會責任(CSR), 聯合國全球契約(UNGC)企業可持續發展原則, 可持續業務發展, 在納斯達克上市的公司