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CORPORATE RESPONSIBILITY IN THE FAST FASHION INDUSTRY

How Media Pressure Affected Corporate Disclosure following the Collapse of Rana Plaza¹

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Abstract

The concept behind fast fashion is that of quickly-produced, low-priced, fashion items and, for many, it constitutes the opposite of sustainability. The collapse of Rana Plaza factory in 2013 generated greater focus on CSR issues within the fast fashion industry and raised important questions about whether the industry can be sustainable. This research aims to explore the reasons for which companies engage in CSR initiatives and whether global news media attention has an effect on companies' CSR disclosure and initiatives. The study draws upon legitimacy and media agenda setting theory to explore the link between CSR disclosure and news coverage. The research shows that CSR disclosures varied according to the companies' CSR profiles, and that media coverage differed according to companies' CSR initiatives and proactivity. This paper contributes to the literature by qualitatively exploring the relationship between media attention and corporate disclosure in the ready-made garment industry after a disaster.

Keywords: Corporate disclosure, Corporate social responsibility, Media pressure, Rana Plaza, Ready-Made Garment industry, Corporate social responsibility communication, Legitimacy theory, Media Agenda setting theory, Corporate social responsibility initiatives, Sustainability reporting.

¹ The views and arguments expressed in this paper are based on the authors' analysis of publicly available data and do not necessarily reflect the view of the organisations presented in this study.

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1. INTRODUCTION

In as little as three weeks, a clothing piece can go from the drawing board to hanging in stores. H&M and Zara, for example, have new items coming into their stores every day. This fits neatly into the postmodern identity: individuals being a work in progress, constantly changing fashion items help define an ever-evolving self-image. The fast fashion industry, with its “low-cost clothing collections based on current, high-cost luxury fashion trends—is, by its very nature, a fast-response system that encourages disposability” (Joy et al., 2012), with fast fashion companies profiting significantly from high-volume sales. Indeed, the CEOs of H&M and Zara are among the wealthiest individuals in the world. The fast fashion business has grown faster compared to the rest of the clothing industry, with a business model that consists of low cost production, fresh designs and quick response times, increasing the efficiency in meeting consumers’ demands. Fast fashion chains typically have higher profit margins than their more traditional fashion retail counterparts, at 16 per cent versus 7 per cent (Cook and Yurchisin, 2017). These higher margins are explained by the fact that these chains target young female fashion-conscious consumers who often prefer to purchase reasonably-priced fast fashion items that come in limited quantities rather than wait for the items to be discounted at sales – with manufacturing taking place in large quantities in countries with very low production costs (Cook and Yurchisin, 2017).

The fast fashion industry has been in the spotlight, as activists and media draw attention to their manufacturing procedures, use of water and pesticides, and factory working conditions in many countries – prominently, in Bangladesh. Some CSR initiatives related to the environment are being implemented: among them, the use of organic cotton, the adoption of energy saving measures, H&M’s recycling of clothes, or Levi’s water saving practices. These types of initiatives put the focus on what can be done, but working conditions and human rights, which are also a part of CSR, have not been given the same attention. When they are considered, it is usually for negative reasons, as in the case of the collapse of Rana Plaza in 2013 or of the fire in Tazreen factory in 2012, both in Bangladesh. This would indicate that the work being done is insufficient and that the fast fashion industry is far from being able to consider itself sustainable. The collapse of Rana Plaza put more focus on CSR related issues within the fast fashion industry and raised important questions about whether the fast fashion can be sustainable altogether.

The collapse of Rana Plaza and the ensuing public discussion added urgency to the question of the responsibility and role of the fashion industry with regard to their production practices. As shown by Brown and Deegan (1998) and Islam and Deegan (2010), increased media attention on environmental and social issues leads to increased corporate disclosures. Their research furthermore suggests that when an industry experiences higher levels of negative media coverage concerning its environmental and social impact, companies in that industry respond by increasing the number of disclosures. This research more closely examines disclosures following negative media coverage caused by a major legitimacy breach in the form of a disaster. In this way, this research intends to contribute to the existing body of knowledge by considering the quality of the disclosures, rather than their quantity.

There is currently a lack of research addressing factors that motivate companies to pursue and disclose CSR initiatives in the context of specific events. This paper aims to explore what factors influence a company's decision making when it comes to CSR initiatives and their disclosure in the context of a social disaster and its media coverage. In doing

so, it explores whether the global news media is able to influence decision-making, and whether their pressure can be visible in the CSR disclosure. The paper researches the relation between global retail companies' CSR disclosures and the news media's pressure in the wake of the collapse of the Rana Plaza production factory in 2013. The three research questions explored in this paper, then, are: 1) *What were the companies' disclosure practices and views on CSR like prior to the Rana Plaza collapse?*; 2) *Did the media treat the companies differently according to the companies' views on CSR?*; 3) *Did media attention affect the companies' CSR disclosure or their CSR initiatives?*

This paper draws upon legitimacy theory and media agenda setting theory to explore the link between CSR disclosure and news coverage. The media agenda setting theory suggest that the global news media is able to influence companies' decisions when it comes to CSR initiatives and disclosure by creating pressure through the expectations of the global community. Legitimacy theory explains not only why the communication and disclosure of CSR initiatives are important for a company to operate, but also the relationship between CSR communication and the expectation of the global community. This paper contributes to the literature by exploring, in qualitative terms, the relationship between media attention and corporate disclosure in the ready-made garment industry after a disaster.

2. THEORETICAL FRAMEWORK

2.1 Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a concept that is not easily defined. While it is generally used to describe corporations' responsibility towards their various stakeholders, since the term's emergence, there has been no agreed upon definition of the concept (McWilliams and Siegel, 2001). Carroll (1999) traces the evolution of the CSR construct, beginning in the 1950s through to the 1990s, stating that "CSR continues to serve as a core construct but yields to or is transformed into alternative thematic frameworks". Whatever the approach to CSR may be, the common denominator to the different theories is that CSR deals with how corporations meet their objectives of producing long-term profits while integrating social demands and contributing to a sustainable society by doing what is ethically correct (Garriga and Melé, 2004). In the words of the World Business Council for sustainable Development (WBCSD), "business must be committed to working with employees, their families, and the local community and society at large to improve the quality of life" (World Business Council for Sustainable Development, 2002).

Indeed, at the foundation of the concept of CSR lies the fact that it is not enough for corporations to be solely concerned with financial profit, but that they are also a part of a broader society (Chandler and Werther, 2011). Corporations are now, more than ever, being urged to take responsibility for the ways in which their operations impact society and the environment. They are being required to apply principles of sustainability to the ways in which they conduct their business, and sustainability is expected from companies' stakeholders – including their shareholders, increasing the need to focus not only on the financial obligations but also on being socially responsible organisations (Chandler and Werther, 2011). According to a recent study, a company's CSR has the potential to effect a significant positive influence on consumer evaluation, as it has been considered, when done correctly, to be a way to develop and improve companies' public relations and image, as well as increase sales (Ho et al., 2017). This implies that, in today's business environment, there

is an increasing pressure for companies to integrate CSR in their business strategy. CSR involves how corporations incorporate producing products or providing services that are in the best interest for society into their business plans (Chandler and Werther, 2011). Where CSR is embedded into the company's business strategy in order to create value for the company, companies can generate favourable stakeholder attitudes as well as, in the long run, build a positive corporate image and strengthen their stakeholder relationships. Recent research has shown that, when linking CSR initiatives directly to corporate strategy, profit and competitiveness increase while a positive contribution is made to society as a whole (Heiser, 2016).

The increased focus on sustainability implies that corporations can no longer afford to be concerned with profits alone. Not only are consumers more concerned with the environmental and social impact of corporations but they also value it (e.g., Ho et al., 2017, Lii, 2011, Lii and Lee, 2012, Mohr and Webb, 2005). Similarly, investors are also more willing to invest in companies that have a positive influence and benefit the environment and society. Flammer (2013), for instance, found that companies reporting responsible behaviours toward the environment experienced significant stock valuation, whereas those reporting to irresponsible behaviours faced a significant decrease in stock price.

2.2 Legitimacy theory

2.2.1 Social contract

Legitimacy is a socially constructed theory, meaning that it is society that provides the organisation with a legitimate status. In return, the organisation builds its activities on the moral, ethical and social norms of society. "Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (Suchman, 1995).

Corporations are no longer only concerned with what is legal or illegal. On the contrary, a corporation strives to follow society's norms, values, and beliefs, and it is vital for its survival to show legitimacy through its actions and outcomes. Organisations' legitimacy is built primarily on a social contract that is established between them and society. This contract is not static, changing over time according to society's values and beliefs (Brown and Deegan, 1998). In a way, legitimacy is an operational resource, which organisations extract from their environments and use in the pursuit of their goals (Suchman, 1995). As with other resources, such as money or other assets, a business requires legitimacy in order to operate. Notwithstanding, some situations can increase legitimacy while others can reduce it. A low level of legitimacy could have major consequences for the organisation and eventually lead to losing the right to operate (Tilling, 2004). A company's survival is threatened if society perceives that it has breached the social contract. When society is not satisfied with a company's operation, it will revoke the company's contract to continue to operate. Such revoking is reflected in a decline in consumers' interest, decrease in demand of the product, lobbying government for increase of taxes, the application of fines, and the introduction of laws that will prohibit actions performed by the company that do not conform with the expectations of the community (Deegan, 2002). Nevertheless, it is important to remember that legitimacy is subjective rather than objective: it is formed by the general perception the public or society has of a corporation. A company can, in fact, stray drastically far from social norms and maintain legitimacy, so long as the difference goes unno-

ticed; or some of its values can differ greatly from those of some individuals, while legitimacy is retained since the action does not create public disapproval, considering that legitimacy depends on a collective audience's approval (Suchman, 1995). In other words, legitimacy is a very subjective matter, and it is almost impossible to measure the amount of legitimacy held by an organisation. Because legitimacy is, by itself, such an abstract concept, it will only be given importance by the actors' subjective opinion and values in the social environment (Tilling, 2004). Ultimately, these values give the organisation license to operate or not, since lack of legitimacy could lead to losing the right to operate (Tilling, 2004).

2.2.2 Corporate identity and image

Corporate identity refers to the way companies present themselves to the public. In other words, it is "the strategically planned and operationally applied internal and external self-presentation and behavior of a company" (Hooghiemstra, 2000). Corporate identity is how a company represents itself, which can be done through its behaviour, communication, or symbolism. In line with Simões (2016) who explores the notion of corporate identity management, corporate identity "is one possible route for establishing a corporate image among audiences". The company's behaviour is the most effective way to create or to harm a corporate identity since the public or groups will judge the company by its actions.

Communication is a flexible medium and can be used tactically in order to assist a company's relationship with the public, through the shaping of the company's external perceptions (Hooghiemstra, 2000). The importance of communication and symbolism is that of creating an image that the company's activities are legitimate; the company can try, through communication, to alter the definition of social legitimacy so that it matches the company's practices and values, as a company can try "through communication, to become identified with symbols, values, or institutions which have a strong base of social legitimacy" (Hooghiemstra, 2000). Corporate social reporting plays an important part as it can be used as a self-presentational device with the objective of showing that the company is legitimate and that its actions are consistent with the values of the society within which they operate (Hooghiemstra, 2000).

Corporate image refers to others' perceptions of the company. It defines "a set of meanings by which an object is known and through which individuals describe, remember and relate to it. That is the result of the interaction of a person's beliefs, ideas, feelings and impressions about an object" (Dowling, 1986 cited by Hooghiemstra, 2000)ⁱ. The corporate image is based on individuals' perceptions, which come from information transmitted from media and other communication sources. In other words, a company's image relies on information individuals think is true and believe is important.

Companies can try to influence their reputation and image by engaging in sustainability reporting which, again, can contribute to a positive image. Good reputation has been seen as competitive advantage, as it could lead individuals to be more willing to do business with the company and to buy its products (Hooghiemstra, 2000). The clear relationship between corporate image and identity is that the image of a company is a projection of its identity, meaning that the way a company presents itself to the public might influence the public's perceptions of the company (Hooghiemstra, 2000). As noted by Nguyen and Leblanc (2001), both corporate reputation and corporate image are recognised as impactful of customer loyalty toward the firm. Hooghiemstra (2000) notes that the relationship between corporate image and identity is not a one-way interaction but, rather, they influence one

another. That is to say, the way society perceives the company will also change the company's self-representation.

All these concepts of corporate identity, corporate branding, corporate communications, and corporate reputation can be seen as integrated concepts under the umbrella of corporate marketing (Balmer and Greyser, 2006).

2.2.3 Legitimation strategies

A company's legitimacy is provided by society and, in return, said company's actions must correspond to the moral, ethical and social norms of that society. A legitimacy gap occurs when inconsistency emerges between the company's actions and society's expectations. A legitimacy gap could potentially threaten the company's image and reputation and eventually lead to revoke of license to operate, since the society does not see the company as a legitimate member of the business society any longer. It is therefore in the company's own interest to see that the legitimacy gap is as little as possible, and one tactic that can be adopted to reduce the legitimacy gap is corporate disclosures (O'Donovan, 2002). In a way, legitimacy can be seen as an operational resource, which organisations extract from their cultural environments and employ in pursuit of their goals (Suchman, 1995). Just like other resources such as money or assets, a business requires legitimacy in order to operate (Tilling, 2004). Some situations can increase legitimacy while others can decrease it. In order to manage it, it is important to know how legitimacy can be gained, maintained or lost (O'Donovan, 2002).

According to Tilling (2004), a company can be in one of four phases when it comes to its legitimacy. These phases are: a) *Establishing Legitimacy*: this is the first phase, in which a new company starts. The focus tends to be on questions of competence – particularly financial – but also on socially constructed standards of quality and desirability, as well whether the company follows the accepted standards of professionalism; b) *Maintaining Legitimacy*: this phase encompasses the daily operations of most companies. They will be concerned with their main activities: primarily, with the ongoing performance and assurance that everything is 'business as usual'; secondly, to proactively avoid potential risks to threaten their legitimacy. This may not be as simple as it may appear, given that society's perception of what is acceptable is not static and changes over time, requiring companies to develop accordingly. Activities that previously appeared to be acceptable can cease to be so, leading a company to lose its legitimacy if it does not respond to the change; c) *Extending Legitimacy*: this phase is when companies enter new markets or make changes to the way they relate to their current market. This can create a need to extend the legitimacy to the new market or requires adaptation to be proactive in order to gain confidence and support in the new market; finally, d) *Defending Legitimacy*: this phase is when a company's legitimacy is threatened by an internal or external incident and therefore will require defence (Tilling, 2004).

Threats to legitimacy can emerge for several reasons. According to Suchman (1995), the most common reason behind corporations facing a legitimacy threat or gap is that the company fails to follow the norms and ethics which society expects of it. One reason for this can be that society's norms and values have changed but the company has failed to recognise this. Another reason can be that the company has made changes in their corporate performance, while the norms of society have not changed. Or it could simply be that both

corporate performance and societal expectations have changed, whether in different directions or in the same direction both not at the same time or speed (O'Donovan, 2002).

There are several ways a company can restore its legitimacy. One way is by trying to normalise accounts. Normalising accounts means that the firm constructs a 'firewall' between the company and the legitimacy-threatening situation, with the use of communication strategies such as excuses, apologies, justifications, and explanations (Beelitz and Merkl-Davies, 2012).

According to O'Donovan (2002), there are several tactics to respond to legitimacy threats. These are: i) *Avoiding*: Either by not entering a public debate on the effects or aftermath of the incident that caused the legitimacy threat, or by not publicising what may be perceived as negative information; ii) *Attempting to alter social values*: Educating the public regarding the risks associated with their operations and the benefits of using their product and services; iii) *Attempting to shape perceptions of the organisation*: Reiterating past social and environmental achievements of the company, or indicating that the company did not breach any current legislative guidelines; and iv) *Conforming to the values of its 'conferring publics'*: Announcing an immediate inquiry into the incident that caused the legitimacy threat and assuring the public that all measures necessary to prevent such an incident from re-occurring will be adopted.

The choices of legitimisation tactics will depend on the phase the company is located in, i.e., if the company's objective is to establish, extend, maintain or defend its legitimacy.

According to Deegan (2002), disclosure, such as found in annual and sustainability reports, is motivated by a desire from management to legitimise aspects of their organisation; this can be an important strategy for a company facing legitimacy threats. It has been argued that the inclusion of voluntary information is used deliberately by management, in order to persuade the public to accept management's view of the society; that these types of disclosures are used for legitimisation purposes (O'Donovan, 2002). Earlier studies have shown that this kind of reporting has been used to send a message to society and other stakeholders about the company's social and environmental activities and that the management used this to respond to public pressure especially responding to negative media coverage (O'Donovan, 2002).

2.3 Agenda setting, priming and framing

Agenda setting theory will help us understand why we think that some events are more important than others and why some events seem 'fresher' in our memory than others. It tries to explain how the public is exposed to an issue through the news and how this exposure increases the event's salience, by "making a piece of information more noticeable, meaningful, or memorable to audiences" (Entman, 1993). One of the two basic concepts in agenda setting theory is that the media does not reflect reality: it filters and shapes reality. According to McCombs (2002), our knowledge of the world around us is largely based on what the media has decided to tell us. In addition, the media focuses on a set of issues or subjects and leads the public to perceiving those as more salient than others. An increase in salience means that the probability that the public will perceive the information, give meaning to it, process it and remember it are higher. Media can create salience by placing or repeating information, or by associating the information with culturally familiar symbols. More specifically, what the media decides to accentuate, what is placed on the front pages of publications, the larger headlines, the length of stories, and so on, have significant influ-

ence over what the public finds important. According to agenda setting scholars, there has been a strong correlation between topics in the news and what the public thinks is important. The media is able to influence not only what individuals think, but also how they think about certain issues. This is referred to as first and second level agenda setting (Carroll, 2004).

First level agenda setting consists of any media or news topics that receive coverage by the media. This can also be aspects of objects that are central for a news story, such as healthcare or education, political candidates, etc. Second level agenda setting concerns the attributes of the objects, or how the media describes and how the public perceives a certain topic (Carroll, 2004). According to Carroll (2004), there are two dimensions of second level agenda setting: affective and cognitive. In affective second level agenda setting, the news or story is not portrayed by the media in a fully objective way, but has a certain tone or feeling on how favourably an object is portrayed. This might be positive, neutral or negative. Cognitive, in turn, means that in terms of making large pools of information easier to manage, they are often divided into sub-divisions grouped by common themes. For example, in studies about presidential elections data, researchers can classify descriptions of political candidates and their campaigns into several categories: political and ideology views, personality and image, qualifications and previous achievements, and integrity (Carroll, 2004).

In line with the agenda setting theory, one of the consequences of the media's effect on public opinion is referred to as priming. According to McCombs (2002), the psychological foundation of priming is the public's selective attention, since individuals cannot and do not pay attention to everything. It means that they seldom carry out a comprehensive analysis based on the whole picture of the information given, instead drawing conclusions on the pieces of information that are particularly notable or memorable. In other words, individuals will recall the information that is most readily available to them – information that is, to a considerable degree, shaped by the mass media.

In turn, the concept of framing has similarities to second level agenda setting. Framing theory revolves around how something is presented to the public. The theory focuses on how the media presents topics to the public, influencing the choices individuals make about how to understand or evaluate that information. The media provide a focus on events or issues and then place them within a field of meaning called a frame. There are two sets of frames, audience frames and media frames. Audience frames are the pre-existing filters which guide individual conception when reading a news story. Frames are formed by characteristics such as demographics and media literacy. The media frames refer to the way in which the news story is framed through its presentation or content (Rill and Davis, 2008). Media and audience frames have been shown to overlap, with media frames finding their way into audience frames.

The basis of framing theory is that when mass media sources, political or social movements, political leaders, or other actors and organisations focus attention on certain events, they then place that phenomenon within a set field of meaning. According to Entman (1993), to frame is

“to select some aspects of a perceived reality and make them more salient in a communicating text, in such a way as to promote a particular problem definition, causal interpretation, moral evaluation, and/or treatment recommendation for the item described.”

This can give the media or organisations great influence on how information is portrayed, by emphasising specific values or facts, or by promoting particular definitions, interpretations, evaluations, or recommendations, through highlighting certain parts of the news in order to make them more salient. The more frequently information is highlighted and repeated in the media, the more salient the issue will become. According to Scheufele and Tewksbury (2007), framing describes how the media portrays news stories, and how the characterisation can have certain impacts on how the audience perceives and interprets the information. Framing happens on both the macro and micro levels. Macro construct framing refers to how journalists present information, whether consciously or unconsciously, to fit with already existing frames among their audience. This does not mean that journalists try to deliberately create stories in order to deceive their audience, but that framing is resorted to as a tool to efficiently reduce the complexity of the story and make information easier to understand for the audience, referring as it does to an existing cognitive frame. Micro construct framing “describes how people use information and presentation features regarding issues as they form impressions.” (Scheufele and Tewksbury, 2007)

The theories explain that the way in which the media covers some issues will enhance the perceived importance and increase how ‘fresh’ an event appears to be in the public’s memory. They also explain how the public will develop an opinion about the event, based on the type of coverage that the news gives to those specific attributes. “By covering attributes in either a positive, negative, or neutral tone, the media influence the public not only to decide on the importance of the issues being covered but also how to feel about the issues.” (Rill and Davis, 2008).

3. METHOD

This paper addresses several questions related to the Corporate Social Responsibility profiles of four prominent fast fashion brands before, during, and after the collapse of Rana Plaza in 2013. The focus is on how the companies presented their CSR profile, on the media’s perception of the companies’ CSR initiatives and efforts, and on how the companies handled media attention in the form of CSR initiatives and disclosures.

The basis of the research is to look at a situation where the industry received a significant amount of media attention, involving discussion of their CSR practices. The research, then, is based on the aftermath of the Rana Plaza collapse in 2013, measuring media attention in the aftermath of the collapse. Four global retail companies, H&M, Walmart, Loblaw and Primark, were chosen to be at the centre of the analysis, considering their different CSR profiles, backgrounds, and involvement in the Rana Plaza collapse. H&M was chosen as a result of its significant focus on sustainability; Walmart was chosen due to public controversy and bad reputation regarding working conditions; Loblaw and Primark were chosen as they were the only companies to have admitted at the time to have production in the factories located in Rana Plaza.

3.1 Research design

The research is conducted in three parts, each part exploring CSR in an inductive approach before, during, and after the collapse of Rana Plaza.

The first part establishes a common ground of the different companies' CSR profiles before the collapse of Rana Plaza. The CSR profiles for H&M, Walmart, Loblaw, and Primark were analysed based on their own sustainability reports of 2012, and particular attention was given to their views and initiatives regarding workers' rights, outsourcing and manufacturing. The research in this part is based on the CSR initiatives declared by the companies in their annual and sustainability reports. The comparison was based on the guidelines of the Global Reporting Initiative (GRI).

The second part is based on the media attention received, and how the different newspapers covered the collapse in relation to the different companies. Here, the media attention received by the companies in relation to the Rana Plaza collapse was measured. The sample was taken from the most prominent English speaking newspapers from western countries. The sample was coded for three frames derived from a qualitative analysis. The three frames the articles were coded for were "Negative", "Neutral", or "Positive" media attention.

The third part of the research connects media attention and the CSR disclosure analysis in order to see if the media coverage had any influence on the CSR initiatives and reporting after the collapse. The method used is the same as in the first part, with a qualitative analysis being developed based on annual and sustainability reports and following the guidelines of the GRI.

3.2 Data collection and coding

The first and third parts of the research have the same method of data collection and coding: annual reports and CSR or sustainability reports of the years preceding and following the Rana Plaza collapse were collected and analysed. The thought behind using the companies' own reports was to use published material that could not be changed over time, instead of referring to the CSR statements on their websites. Then the reports were analysed and compared from a GRI perspective, using the GRI 3.1 technical protocol as guidelines. GRI's guidelines were used as they are broadly accepted and commonly used for reporting. It was also an attempt to standardise companies' reports of CSR objectives, actions, and results, for comparison. The most important aspect of using the companies' own reports was to use their own words and statement on CSR and see what aspects of CSR were the companies' main focus. Three of the companies already used the GRI guidelines when it came to CSR reporting; only one already included the GRI rating. The matrix used for the analysis and comparison was based on the questions of the GRI 3.1 guidelines, as this version was in effect at the time of publication of the sustainability reports. The mapping was done using three different indicators on how well the GRI questions were covered (full analysis can be provided by the authors upon request). Only the standard areas of GRI, such as Profile Disclosures and Performance Indicators, have been coded; Disclosures on Management Approach were excluded.

For the second part of the research, articles mentioning the collapse of Rana Plaza were collected from the largest English speaking newspapers from Canada, Great Britain, and the United States. The newspapers in question were, from the United Kingdom, the Daily Mail, Daily Telegraph, and the Guardian; from the United States, the New York Times, USA Today and Wall Street Journal; from Canada, the Globe and Mail and Toronto Star. These larger newspapers were selected as the pressure they are able to effect is higher. The timeframe ranged from 23.04.2013, when the first cracks were detected in the Rana

Plaza, to 13.07.2013 when the Alliance for Bangladesh Worker Safety CSR initiative came to being. Words such as “Bangladesh”, “Rana Plaza”, “Collapse”, “Factory”, “Sweatshop”, “CSR”, “Walmart”, “Loblaw”, “Joe Fresh” (a brand owned by Loblaw), “Primark” and “H&M” were used to search for the articles to ensure that only relevant articles were collected. Articles dealing with the industry and the company practices published in that time frame were collected. The initial focus on first level agenda media settings, so as to find how much media attention the different companies received and if this differed geographically. In media attention, the number of daily mentions of a company was measured, divided by different newspapers and location. All the articles were loaded into a CAQDAS (Computer Assisted Qualitative Data Analysis) software named Quirkos. Subsequently, attribute coding was used for the first part (Saldaña, 2009), with it being important to find how many times the company had been mentioned in connection with the Rana Plaza incident. To determine the tone used (negative, neutral, positive), second level agenda setting and framing theory were resorted to. The finding from the first coding was used here, and every paragraph containing one of the company names, H&M, Primark, Walmart, or Joe Fresh (Loblaw), was analysed. It was then determined if the tone of the paragraph was negative, neutral, or positive. The coding was done per paragraph instead of per article, since many articles write about several companies at once and are not solely negative, neutral, or positive. The positive paragraphs were those that presented: any actions to investigate, make agreements, give aid, or carry out extra efforts; CSR initiatives such as the alliance referred to above; the agreements and compensation for the victims’ families. These positive paragraphs contained positively loaded words such as “Responsibility”, “Compensation”, “Signed”, “Commitment” and “Improve”.

Neutral codes were attributed to paragraphs with mere factual descriptions, without a positive or negative tone toward the company or its practices.

Negative paragraphs were those that blamed the companies or industry for the accident, talked about the business models of the company in a negative sense, or referred to the companies’ unwillingness to take actions or join CSR initiatives, or to the fact that they had not done enough in order to prevent the collapse, or to the fact that procedure was significantly lacking. Words illustrating this were “Holdouts”, “Refuse”, “Boycott”, “Sweatshop”, “Unsafe factory condition”.

The total number of articles included in the sample is 419.

4. RESULTS

4.1 Background

Bangladesh has developed a strong position among European and US retailers as a place for outsourcing production of garments, because of its competitive prices, available capacities and suppliersⁱⁱ. Outsourcing is far from new to the ready-made garment (RMG) industry; both European and US retailers have been producing their clothes in developing countries for many years. China has, for a long time, been the favourite destination for the RMG industry. But industrialisation and the growing economy in China have resulted in an increase in local wages, forcing retailers to look for other, more profitable, places for their labour-intensive production. That is one of the reasons why North American and European retailers have looked to Bangladesh, where labour costs were among the lowest in the world. In the last few decades, Bangladesh has seen rapid growth in the RMG production

industry and has become one of the top RMG industry exporters, with that now being Bangladesh's most important industryⁱⁱⁱ. In 2012/2013, the country had 5.876 RMG factories employing 4 million workers. According to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA)^{iv}, the industry represented 79.61% of the country's 27 billion exports in 2012/2013. In 2013, 58.7% of Bangladesh's RMG Export was directed to Europe and 26.8% to North America (BGMEA).

This was the context in which the Rana Plaza collapse took place, on 24 April 2013, shortly after 9 a.m. The building held five RMG factories, with an approximate total of 5.000 workers on the upper floors. The collapse was the deadliest accident in the whole garment industry, with 1.134 casualties and more than 2.500 wounded^v. The collapse was found to have been caused by the building's inadequate foundations for the unstable terrain it was placed on^{vi}. In addition, the Rana Plaza had three illegal floors built on top of the five floors initially permitted for the building. The poor quality of construction materials contributed to structural weakness, and the power generators placed on several floors created constant vibrations^{vii}. This, in addition to a constant and growing stream of people in and out of the building, along with the machines and fabric placed inside the building, caused the load-bearing columns to fail and the building to collapse^{viii}.

It was estimated that the factories placed in Rana Plaza produced clothes for around 30 retailers at the time of the collapse, but – with the exception of Loblaw and Primark – the companies with production in Bangladesh all denied any connection to Rana Plaza, or claimed to have only had production there in the past. It soon became clear that the problem behind the collapse was not limited to the two retailers which admitted to having production in the building at the time of the collapse; instead, the problem involved the entire ready-made garment industry. The collapse brought the poor working conditions and safety issues to the fore, as it was established to be the deadliest industry accident in the worldwide garment industry.

There was little doubt that initiatives had to be put in place in order to avoid similar accidents in the future, as this accident created a massive outcry in support of workers' safety, improved workplace conditions and overall labour rights. This outcry resulted in extensive media coverage worldwide, and retailers buying ready-made garments from Bangladeshi factories were seen as responsible both for the incident and for the initiatives required to address the underlying problem. The solution took the form of two different CSR initiatives involving all major stakeholders. The Accord on Fire and Building Safety in Bangladesh^{ix} was initiated by non-governmental organisations (NGO) and international labour unions, and signed by mostly European companies in May 2013. In July 2013, several North American companies created their own initiative, the Alliance for Bangladesh Worker Safety, as a response to the binding legal aspects of the Accord on Fire and Building Safety in Bangladesh.

This Accord was the first CSR initiative to emerge after the collapse of Rana Plaza, as an attempt to prevent similar accidents to take place in the future. The Accord is a five-year, independent, legally binding agreement between global brands and trade unions, designed to build a safe and healthy work environment in the Bangladeshi RMG industry. The aim is to set a framework to enable a safe and healthy working environment through measures of independent and transparent inspections, health and safety training, worker empowerment, remediation of health and safety risks, and repercussions for suppliers that refuse to comply^x. The main brands and retailers were asked to endorse the Accord by 15

May 2013^{xi}. The Accord was formally signed by the international retailers and global and Bangladeshi labour unions on 23 May 2013, with the NGOs Clean Clothes Campaign, International Labor Rights Forum, Maquila Solidarity Network and the Worker Rights Consortium as witnesses^{xii}.

The Alliance for Bangladesh Worker Safety was formed as an alternative proposal to the Accord, mainly consisting of North American retailers. The reason for this alternative initiative were objections to the Accord's legally binding nature, as the Accord, according to a Walmart spokesperson, "doesn't recognize the way the U.S. legal system works, which is why the vast majority here in the U.S. didn't join."^{xiii} The plan for the Alliance was initiated on 10 July 2013 with the Alliance being a binding, five-year commitment to improve safety in Bangladeshi ready-made garment factories. The Alliance represents the majority of the North American RMG companies which import from Bangladesh, and it holds the members and their factories accountable with regard to safety. The aim of the Alliance is to substantially improve worker safety in the ready-made-garment industry, by upgrading factories, educating workers and management, empowering workers, and building institutions that can enforce and maintain safe working conditions throughout Bangladesh^{xiv}. The Alliance has partnered up with governments and trade unions, and is backed by the American Apparel & Footwear Association, Canadian Apparel Federation, National Retail Federation, Retail Council of Canada, Retail Industry Leaders Association, and the United States Association of Importers of Textiles & Apparel^{xv}.

4.2 Disclosure before the event

The results of the first part of this research are presented in Figures 1 and 2. H&M and Walmart were the companies with the highest disclosure rating, according to the GRI guidelines. H&M is the CSR leader among the companies in this research, as they had covered the largest proportion of the GRI guidelines in their reporting. Walmart scored second highest, revealing transparency by being the only company with a table comparing their disclosures to the GRI guidelines. Primark was the only company that did not use the GRI guidelines in any way but, when compared to the GRI guidelines, had greater transparency than the other companies when it came to compliance with health and safety issues. Finally, Loblaw stated in their report that they had used the GRI guidelines as benchmark, but did not compare their report to the GRI G3.1 reporting guidelines with what was covered and where to find the information in the report. Overall the report had a lot of success stories, detailed information about their CSR strategy, and promoting of their stakeholders. Nevertheless, the report is generally lacking hard data, overviews and statistics over the CSR actions and results.

[Figure 1 and 2 about here]

According to legitimacy theory, the four companies engage in corporate social reporting in order to communicate to their stakeholders on their CSR initiatives. The four companies try to present themselves as trustworthy corporations which care a great deal about the society they operate in. The top performer in this regard is H&M, reflecting its image as the CSR leader in the fast fashion industry. They attempt to connect themselves to sustainable values. It would appear that it understands well the bases of the social contract and the shift in society's demand towards more sustainable production and supply chain. The focus on,

and marketing of, sustainable fashion represents a strategic differentiation from other brands in the industry. This is visible in the company's Sustainability Report, as H&M strives to maintain an image as ethically responsible through full disclosure. According to the theory, communicating that the company is serious when it comes to taking care of their workers is important for legitimacy. Disclosure is also an opportunity, according to the theory, to accentuate the good news, while concealing the bad news. Some of the companies in the research used the opportunity to accentuate their awards for the previous year. H&M, Walmart and Loblaw did not disclose sanctions for non-compliance with laws and regulations, number of reported incidents and similar, while Primark did include these.

Walmart's Sustainability Report contained a significant amount of inconsistency. This could lead to the belief that they had an agenda in some areas of CSR, wanting to indicate to relevant stakeholders and to the public that they were excelling in a number of initiatives. For example, in the labour practices indicator, Walmart emphasised its work for the community through employment of war veterans, various training programmes for employees and focus on women in the workforce. According to legitimacy theory, it could be that Walmart has seen some criticism or legitimacy gaps when it comes to this area, and has correspondingly tried to communicate its efforts in order to strengthen its image in these particular areas.

4.3 Media coverage

The results from the second part of the research show that, according to media attention, H&M received the most positive media attention for its CSR initiatives and proactivity and was in general brought up as an example on how to conduct business when it comes to CSR. Walmart received the most negative attention among the four companies in the research, most of which was related to their business ethics and lack of action when it came to CSR initiatives. Both Loblaw and Primark received a fair amount of media attention, with most of it simply mentioning that they had production in Rana Plaza at the time of the collapse, but also some positive coverage for being fast to respond to the tragedy with compensation and initiatives.

Overall, 419 articles were included in the sample. A total of 164 articles were omitted from the 419 total articles, as these articles did not contain any mention of H&M, Primark, Walmart or Loblaw (Joe Fresh) or because they were not related to the Rana Plaza collapse, manufacturing procedures, the Accord, the Alliance, or companies' involvement in Bangladesh. Many of the articles gathered were not coded as they made no direct mention of any of the four companies considered in this research.

From the 255 articles that were coded, there were 224 paragraphs coded on H&M, 351 on Walmart, 218 on Loblaw, and 319 on Primark. As mentioned above, the sample came from articles in 8 different newspapers from English-speaking countries in the western world: Canada, United Kingdom and United States (Table 1). Table 2 shows the frequency of tone in the mentions of each company. Overall, the tone was quite positive for H&M. Walmart received the most negative media attention, while Primark and Loblaw had results quite similar to each other.

[Tables 1 and 2 about here]

The collapse of Rana Plaza received widespread media attention, with the media questioning the procedures and policies of the companies in the industry. According to agenda setting theory, the more attention an issue receives in the media, the more salient it becomes for the reader. Over the course of the data gathering, the media kept reporting on the collapse, the death toll, the reason for the collapse, stories of rescued individuals, companies involved, working conditions in Bangladesh, and so on, making the case highly salient for the public for months. The four companies considered were frequently linked to the collapse by the media, leading, according to the theory, the public to associating these companies' names to the collapse. The media framed the companies differently, with clear frames for H&M and Walmart, but less clear ones for Primark and Loblaw. The media's portrayal of Walmart was mostly negative, with most coverage focusing on the company's refusal to join the first CSR initiative. This negative coverage was marked by little trust in the intentions of the company from the beginning. This media frame interacted with an already existing frame, which means, in Walmart's case, that the lack of confidence in the company preceded the collapse of Rana Plaza and was but confirmed and reinforced by its actions in the aftermath of the collapse. The same base theory is valid for H&M but in a completely different way. H&M received rather positive reviews for its proactivity when it came to CSR initiatives after the collapse, having received much more positive and less negative media coverage than the other companies in the research, leading to the consideration that the public had a prior, positive, frame, easily used by journalists to build on. In light of agenda setting's concept of priming, H&M and Walmart were often used as symbols of the industry's practices – how they should and should not be. Since individuals do not pay attention to everything and, therefore, seldom carry out a comprehensive analysis of the whole picture, rather drawing conclusions from the pieces of information that are particularly notable or memorable, they will recall the information that is most readily available to them. This information is, to a considerable degree, shaped by the mass media; since the media has dictated what issues should be important by making them salient by exposure and attention. In this case, the portrait of H&M as 'the good guys', and Walmart's as 'the bad guys', amplified Walmart's already frayed reputation with the public.

Both Loblaw and Primark received similar media coverage; both received substantial coverage having been mentioned more than any other company in direct association with the collapse, because they admitted their involvement with the factories in Rana Plaza. The frequent mention of Loblaw and Primark with the collapse would, according to media agenda theory, in effect lead to the public associating the collapse of Rana Plaza with Loblaw and Primark, causing, in theory, the two companies' names to spring to mind in future recollections of the collapse. An example of this is the Daily Mail's frequent use of the expression "Primark Factory", presenting the collapsed factory as belonging solely to Primark. Companies received the most media attention from the newspapers from their home region – with the exception of H&M, as their home region would be Sweden. Overall, most attention was received from US newspapers, with H&M receiving, by far, the most praise for their strong focus and proclivity toward CSR. Most of the coverage was received for their swift reaction to the collapse and for being the first to sign the Accord.

Walmart received mostly negative coverage from newspapers. They were quickly linked to the collapse itself, and then brought up as a representative when it came to poor working conditions in the RMG factories in Bangladesh. The newspapers did not take it lightly when Walmart announced that it would not sign the Accord on Fire and Building

Safety in Bangladesh, neither were they convinced when Walmart joined other North American companies in order to create the Alliance for Bangladesh Worker Safety, which was deemed to be a scam and criticised for being an initiative of self-regulation and not legally binding. Primark and Loblaws received a significant amount of positive coverage, being as they were the only two companies which openly admitted to having production at the factories at the time of the collapse. The coverage was more focused on the companies' swift reaction than their actual involvement.

4.4 Disclosure after the event

The results from the third research question (Figures 3 and 4) suggest that the reports for H&M and Primark became much more in line with GRI guidelines and that they did put in effort and importance into improving their disclosure and transparency in their disclosure of CSR activities. On the contrary, Walmart and Loblaws' reports deviated further from the GRI guidelines and were less transparent than in the previous reports.

[Figures 3 and 4 about here]

According to legitimacy theory, companies will use different methods in order to defend or close a legitimacy gap. The collapse of Rana Plaza can be seen as a major legitimacy threat, which companies need to recover from. Disclosure can be used deliberately in order to respond to a legitimacy threat, and to respond to public pressure, especially in response to negative media coverage. Results from two of the companies involved in the research, H&M and Primark, support this theory.

In H&M's two reports there is a clear improvement from the 2012 to the 2013 sustainability report. Compared to results from 2012, H&M made a more significant effort to have greater disclosure. H&M went up 16% on the Human Rights Indicators, started to use the new reporting guidelines (GRI 4) and included tables identifying the location of the Standard Disclosures.

Primark's reports had the most significant change of the four companies, with the greatest improvement from the 2012 to the 2013 sustainability reports. It was clear from the report that they had considered the GRI guidelines when preparing the report, even if they did not include the GRI scores in their disclosure. The biggest improvement was on the 'standard disclosure profile', where information about their stakeholders and stakeholder engagement was included. There was also a significant increase in the performance indicators that covered human rights and labour practices. Comparing Primark's disclosures from 2012 to 2013, the year 2013 did not include information about incidents and absenteeism or fines for non-compliance, which indicates less transparency. This could be because they would like to accentuate the "good news", while concealing the "bad news", in order to influence stakeholders' and society's perceptions about the company.

On the other hand, the two other companies in the research, Loblaws and Walmart, showed less disclosure than in the previous year. The reduction in disclosure could mean, among other possible explanations, that they did not see the need for closing the legitimacy gap or they did not regard the situation as a legitimacy threat.

Loblaws' reporting decreased quite significantly, including the depth of their 'standard disclosure profile' and absence of external validation of the report. Another section that decreased was the one concerning Governance, Commitments, and Engagement, where

several details about corporate governance were not disclosed. For the performance indicator, there were decreases in disclosure when it came to the economic and labour practices, as well as societal indicators. The performance indicator concerning human rights went from 0% to 11% because of their coverage of the collapse of Rana Plaza and their disclosure on the CSR initiative taken thereafter. Loblaw might not have seen the gap, because of positive reviews and because they operate in smaller societies than the other companies. Therefore, having possibly already closed the gap with their stakeholders, Loblaw did not see more disclosure as being necessary.

Walmart's reporting also decreased from 2012 to 2013, according to the GRI guidelines. They kept the same outline and also disclosed the GRI score for their report. The economical and labour practices and societal performance indicators decreased as more subjects were not reported compared to the previous year. Considering that Walmart operates in a larger society and is under greater negative spotlight, the reason for less disclosure could be that they did not evaluate the situation as legitimacy threatening since they were not directly involved in the factories producing clothes in Rana Plaza and they had already orchestrated a CSR initiative in order to prevent similar events in the future.

5. DISCUSSION

This research aims to explore some of the reasons why companies get involved in CSR initiatives, and whether the global news media's attention has any effect on a company's CSR disclosure and initiatives. In doing so, the research focused on the CSR disclosure of initiatives in sustainability reports and annual reports in the time frame before and after a significant disaster, the collapse of Rana Plaza in Bangladesh, in April 2013. In order to capture the media attention and discussion on CSR that followed, news articles following the collapse, from prominent newspapers, were collected and analysed. Then, the sustainability reports published the year following the Rana Plaza collapse were analysed and compared to the previous year, for any significant changes to the disclosure of the CSR initiatives.

The paper is based on inductive research and aimed at exploring relations between CSR initiative, disclosure and media pressure, not on confirming a hypothesis. The research is conducted in three parts: CSR before, during and after the Rana Plaza collapse. The first part was done based on the companies' disclosure practices preceding the collapse of Rana Plaza; in the second part, the media coverage and CSR initiatives were analysed; in the last part the focus was on the companies' disclosure practices after the collapse of Rana Plaza, with comparisons and analysis having been carried out with the disclosures before the collapse.

The results from the research show that Walmart scored second highest in terms of disclosures in 2012 according to the GRI guidelines, showing transparency by being the only company with a table comparing their disclosures to the GRI guidelines. Nevertheless, Walmart received the greatest amount of negative media attention, most of which related to their business ethics and lack of action regarding CSR initiatives. They were quickly linked to the collapse itself, and then brought up as a representative when it came to poor working conditions in RMG factories in Bangladesh. The third part of the research shows that Walmart and Loblaw's reports deviated further from the GRI guidelines and were less transparent than in the previous reports, from 2013.

The results do not conclusively confirm that increased media pressure influences a company's corporate disclosures. According to the theory, the more negative media attention a company receives, the more willing it should be to incorporate disclosures in order to re-establish legitimacy and its image in the eyes of society (O'Donovan, 2002). This was not the case in the research conducted. Walmart received the most negative media attention, but did not improve its disclosure practices. In fact, the research shows the opposite, as Walmart's disclosure decreased from 2012 to 2013. The reason for this could be related to how they responded to the collapse of Rana Plaza. Walmart seems to have responded to the legitimacy threat caused by the collapse by what O'Donovan (2002) describes as an attempt to shape perceptions of the organisation. They indicated that they did not breach any current legislative guidelines with their operations as they had no production at Rana Plaza at the time of the collapse. They also reiterated past social and environmental achievements of the company and tried to alleviate the media pressure on the company by providing statements about their audits and how production factories that did not pass the audits had their contracts with Walmart interrupted. Walmart's tactics for defending their legitimacy, together with their response and decision not to sign the Accord, received negative media attention. The media began to question the company's integrity, and to interpret its actions as ploys and their legitimate structure as just a facade. Walmart responded by creating its own CSR initiative, the Alliance for Bangladesh Worker Safety, but the time it took to do so gave the media a window to question its commitment. Additional problems with the Alliance were that it was self-monitoring, created without cooperation of any labour organisation or NGOs, aside from not being legally binding. The initiative was seen as being "too little, too late", especially as the European (and some American) retailers had signed the Accord seemingly without any concern for its legally binding aspect. The disclosure for 2013 suggests this approach from Walmart, i.e. their evaluation of the situation as not being a legitimacy threat, as they were not directly involved in the factories producing clothes in Rana Plaza and they were already involved in a CSR initiative in order to prevent similar events in the future.

During the research, it became apparent that H&M is one of the front-runners when it comes to CSR in the RMG industry. The statistics and analysis in their reports show that they are, from the four, the company with the most questions fully covered. It seemed that H&M did an effort to cover as much as they could on all aspects of CSR. In the second part of the research, H&M received mostly positive media attention, and was mostly praised for its strong focus and proclivity toward CSR. Most of the coverage was received for its swift reaction to the collapse and for being the first to sign the Accord. The third part of the research shows a clear improvement from the 2012 to the 2013 sustainability report. Firstly, they include the GRI scores in their disclosure, which they had done before as well (in 2011), but for some reason not in 2012, and again in 2013. There is a clear increase in the performance indicators that covers human rights and labour practices, which would indicate that they took the collapse of Rana Plaza and the discussion that followed into account. The Accord signed by H&M can be seen as the retailer's way of publicly improving the organisational flaws and limitations they have selectively admitted to, in order to restore its legitimacy. It received significant positive coverage from the media for their proactive behaviour. Analysing the disclosures from 2013, the results from the research suggest that positive media attention or positive pressure inspire more and better disclosure. In the research, the CSR frontrunner did not receive the most media pressure, as has been the case in other

research, such as the study of Van Cranenburgh et al. (2013). That research focused on a case study of Carlsberg in Cambodia, where Carlsberg was targeted by social activism for beer brand practices in Cambodia, even though Carlsberg held the leading position on CSR in Asia. In this research, H&M held the leading position in CSR, not only among the four companies in the research, but in the entire industry. Previous studies suggested that they should get the most pressure to sign the CSR initiative and pay compensation to the victims' families. This study found that H&M did not receive the most pressure from the media, while it was praised for its proactivity. One could say that they were pressured into signing the Accord, as this would be expected from a company who portrays itself as the CSR frontrunner – even if they had no production in Rana Plaza. H&M did not, however, receive pressure in the form of negative media coverage – which could have been expected, even though the research was based on media pressure and not on social activism campaigns. Instead, the media targeted Walmart, most probably because of their existing bad reputation in the area of CSR (the company with the worst reputation received the most negative coverage).

Primark received mostly positive media attention and made an effort to increase its disclosure, increasing their disclosure significantly. It was one of the only two companies which actively admitted to have production in one of the factories located in Rana Plaza at the time of the collapse. Contrary to what might be intuitive, the media attention did not turn overly negative on this fact; on the contrary, Primark received positive news coverage for its transparency. The company was, along with Loblaw, the first to bring up the subject of compensation to the victims' families. Much the same as with H&M, Primark made a great effort to improve its disclosures after the collapse of Rana Plaza.

The results from the research show that Loblaw had a decrease in its disclosures after the collapse of Rana Plaza, which could mean that the company did not see corporate disclosure as necessary in order to close the legitimacy gap. Possibly, the more visible a company and its activities are in the society the company operates in, the easier it will be to close the legitimacy gap or eliminate the legitimacy threat. Loblaw is the only company with sales in a single market, Canada. All the other companies in the research operate internationally, which likely increased their need to use sustainability reports to disclose their CSR activities and profiles, as they had greater need for corporate disclosure as a strategy to reach the relevant stakeholders.

Another interpretation of the results is to look at them from a cultural perspective. The results show that the two North American companies in the research did not improve their disclosures, while the European companies did, after the collapse of Rana Plaza. The reason for this could be that European companies are more prone to media pressure than their North American counterparts. Another reason could be that European customers are more sensitive to negative media coverage than American customers, and therefore European companies have to respond with more disclosures in order to show to customers that they take CSR seriously. More research would be needed to explore these potential relationships.

This research has a limitation the fact that it focuses on a specific event, the collapse of Rana Plaza in 2013; on four North American and European retail companies; and on data collection from 8 specific newspapers from the English-speaking part of the same region. Even if the research provides some evidence as to how companies handle their CSR, it cannot be generalised as the environment is very specific.

Interviews with employees and executives of the four companies were not collected for two reasons. On the one hand, there is a three-year period between the collapse of Rana Plaza and the time of writing this paper. This means that the individuals in charge of the decisions might not be in the same positions and/or not be able to recollect what happened. On the other hand, the subject in the research is of a sensitive nature and answers in an interview have a high probability of being biased or deliberately avoided.

The results from this study support what legitimacy theory explains as the motivation for environmental and social disclosure. According to Deegan (2002), sustainability reporting is motivated by management's desire to legitimise aspects of their organisation. This can be a valued strategy for a company when an event threatens the company's reputation and ongoing survival. The research also confirms to some extent that, similarly to research done by Deegan and colleagues (Islam and Deegan, 2010, Deegan and Gordon, 1996), there is a distinct correlation between increased media pressure and the amount of environmental and social disclosures, while this research does not provide any evidence on the correlation between better disclosure and negative media pressure. Previous research in this area has been focused on the amount of media pressure and disclosure. This research contributes to existing research and practice by exploring the type of media pressure and goes in depth with what the corporate disclosures contains. It explores, both quantitatively and qualitatively, the impact a disaster such as the collapse on Rana Plaza has on a company's disclosure practices.

6. CONCLUSIONS

In a world of fast fashion where clothes go from the drawing board to the racks in as little as three weeks, and fashion pieces seems to be disposable, it is reasonable to ask if the methods are sustainable and what CSR approaches companies should adopt in order to make their businesses more sustainable. This research explored some of forces behind why companies get involved in CSR initiatives. Drawing upon legitimacy theory and media agenda setting theory, the research set out to explore the link between CSR disclosure and news coverage. Legitimacy theory explored how communication and disclosure of CSR initiatives is used by companies to legitimise aspects of their organisation and to close legitimacy gaps and repair their image after a disaster. Agenda setting theory was used to explain how the global news media was able to influence companies' decisions when it came to CSR initiatives and disclosure by exerting pressure and influencing the public's view and expectations of the companies.

The research focused on four different retail companies before, during and after the collapse of Rana Plaza, and was done in three steps: firstly, sustainability reports were analysed before the collapse of Rana Plaza; secondly, news articles were gathered and analysed following the collapse; lastly, sustainability reports published after the Rana Plaza collapse were analysed and compared to the ones before the collapse, in order to examine whether global news media attention has an effect on a company's CSR disclosure and initiatives. This research contributes to theory and practice by being one of the first of its kind to closely explore the relationship between media attention and corporate disclosure in the ready-made garment industry after a disaster. Unlike previous studies, this research examines how media attention affects disclosure practices on a qualitative level, as it examines the content of the disclosure before and after the media coverage following the collapse of Rana Plaza.

Hence, its value lies in the fact that it takes an approach which considers not only the role of the event itself but also that of media coverage on the evolution of disclosure practices.

This research shows, in the case of H&M and Walmart, how pre-existing reputation can determine how a company is portrayed to the public by the media when it comes to major events such as the collapse of Rana Plaza. A company's corporate disclosures will assist the influence on society's opinion, as it sends a message to its stakeholders about its social and environmental activities. It is a company's reputation that most dictates how they will be portrayed in the media, whether positively or not.

The research also suggests that there might be a difference in how North American and European companies disclose their CSR activities, with the European being more inclined to increase their disclosure after the collapse and media attention following Rana Plaza, and the North American companies showing a decreased disclosure. This will need to be explored in greater detail as there is not enough evidence based on the study of the four companies considered to categorically state there to be a difference along cultural lines.

Another takeaway of this research is that negative media pressure does not necessarily increase or improve corporate disclosures. As shown in the empirical data concerning Walmart – which received mostly negative coverage – they did not improve their disclosure practices. The results lean more in the direction of the opposite, suggesting that positive media attention would bring forth an increase in disclosure. Further research suggest to explore this in more detail; how or if negative and positive media attention influences a company's corporate disclosure and CSR profile. Conducting a longitude study where different companies are exposed to both negative and positive media exposure over time, where certain trends could be detected and as well as changes in disclosures.

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FIGURES AND TABLES

Figure 1 - Standard Disclosure: Profile 2012

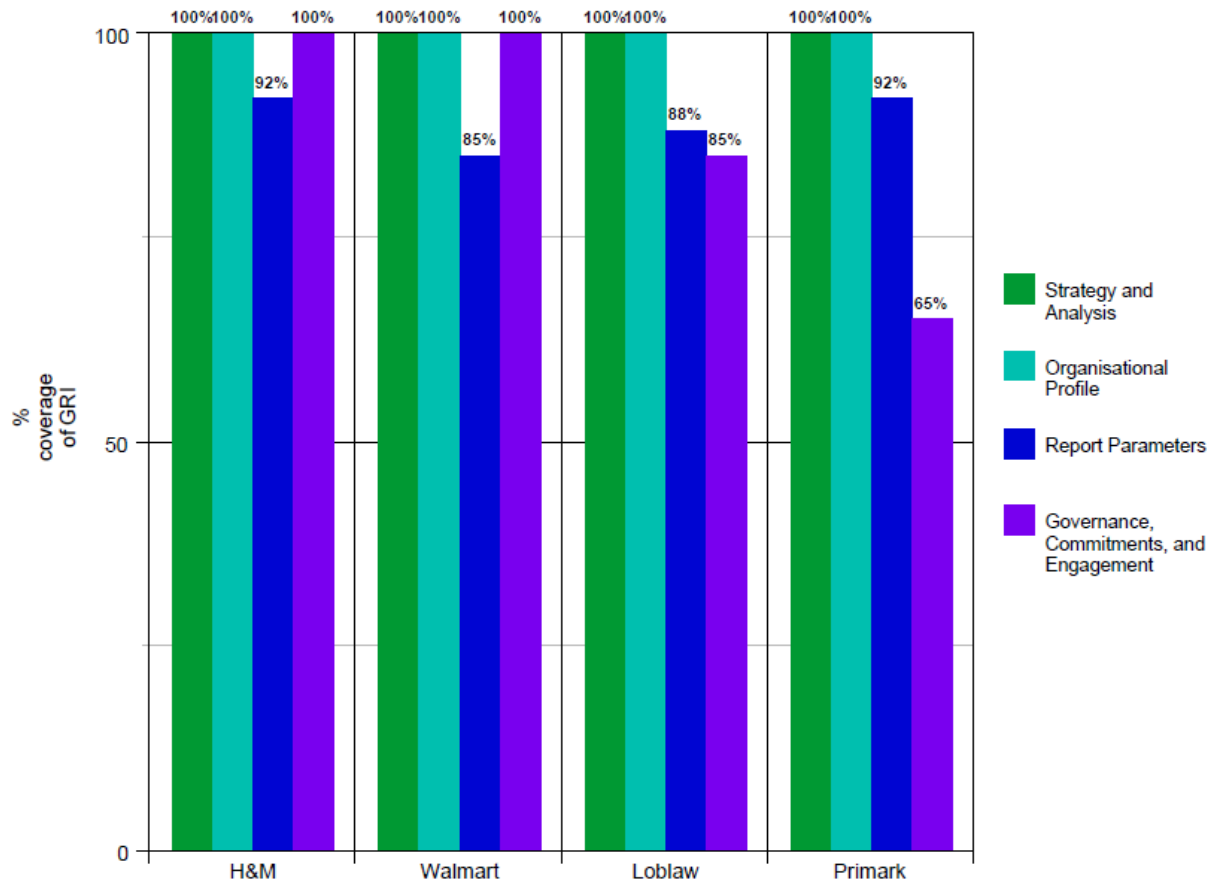


Figure 2 – Standard Disclosure: Performance Indicator 2012

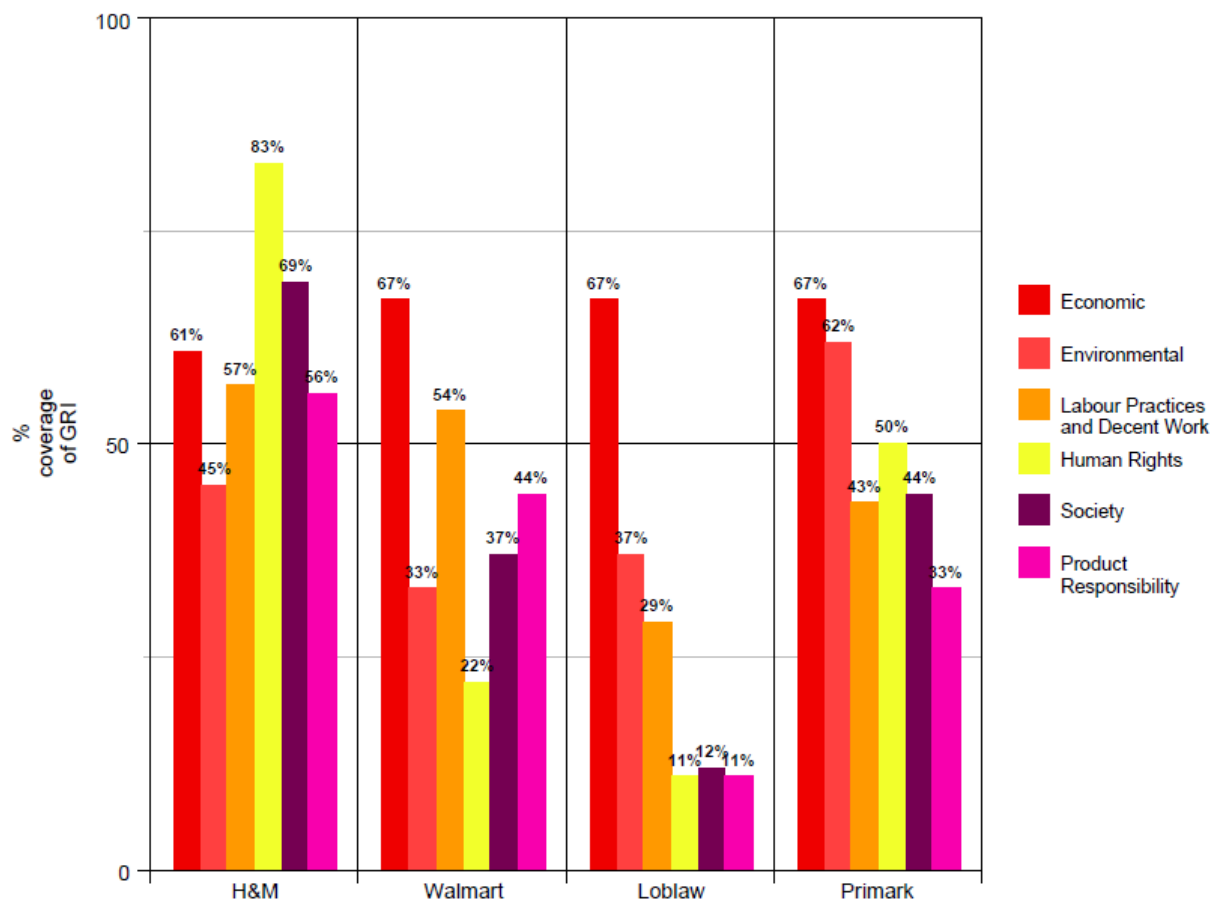


Figure 3 - Standard Disclosure: Profile 2013

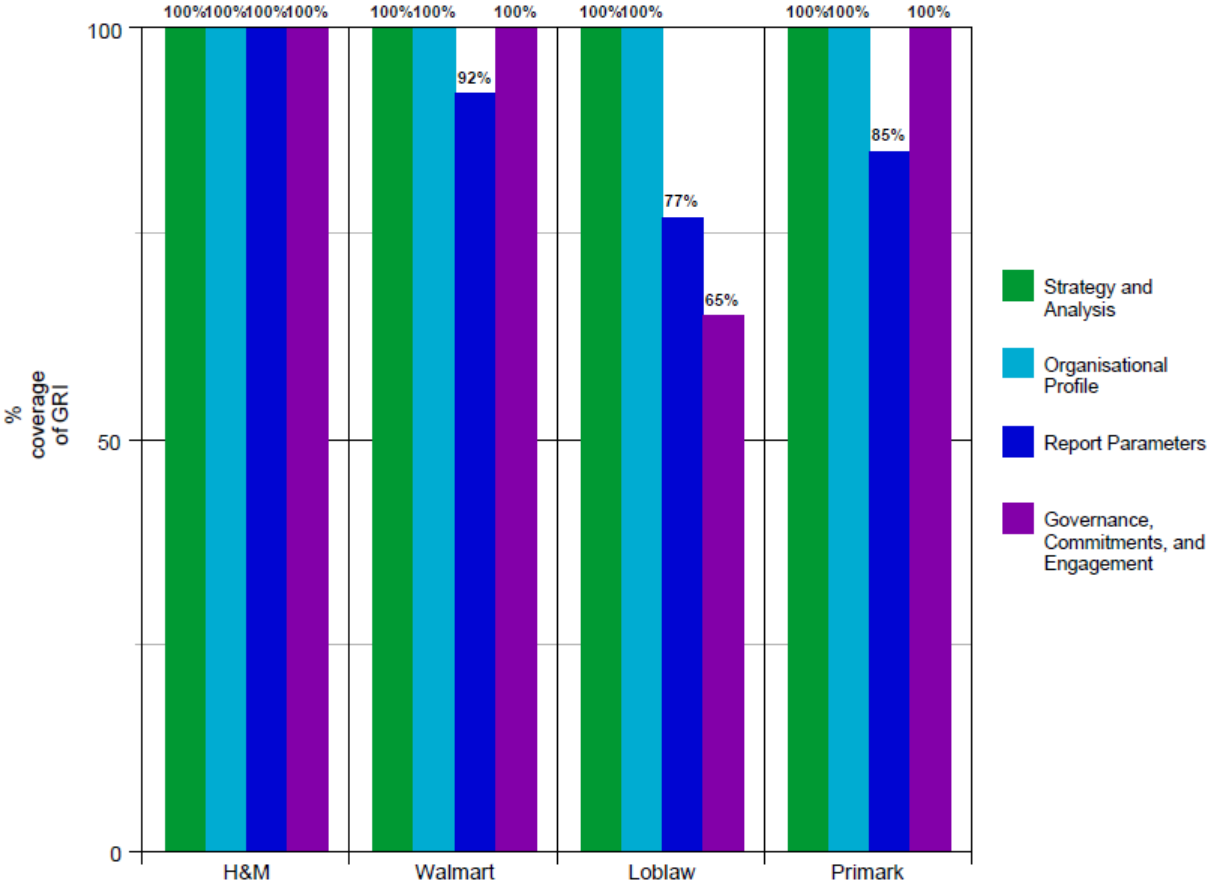


Figure 4 – Standard Disclosure: Performance Indicator 2013

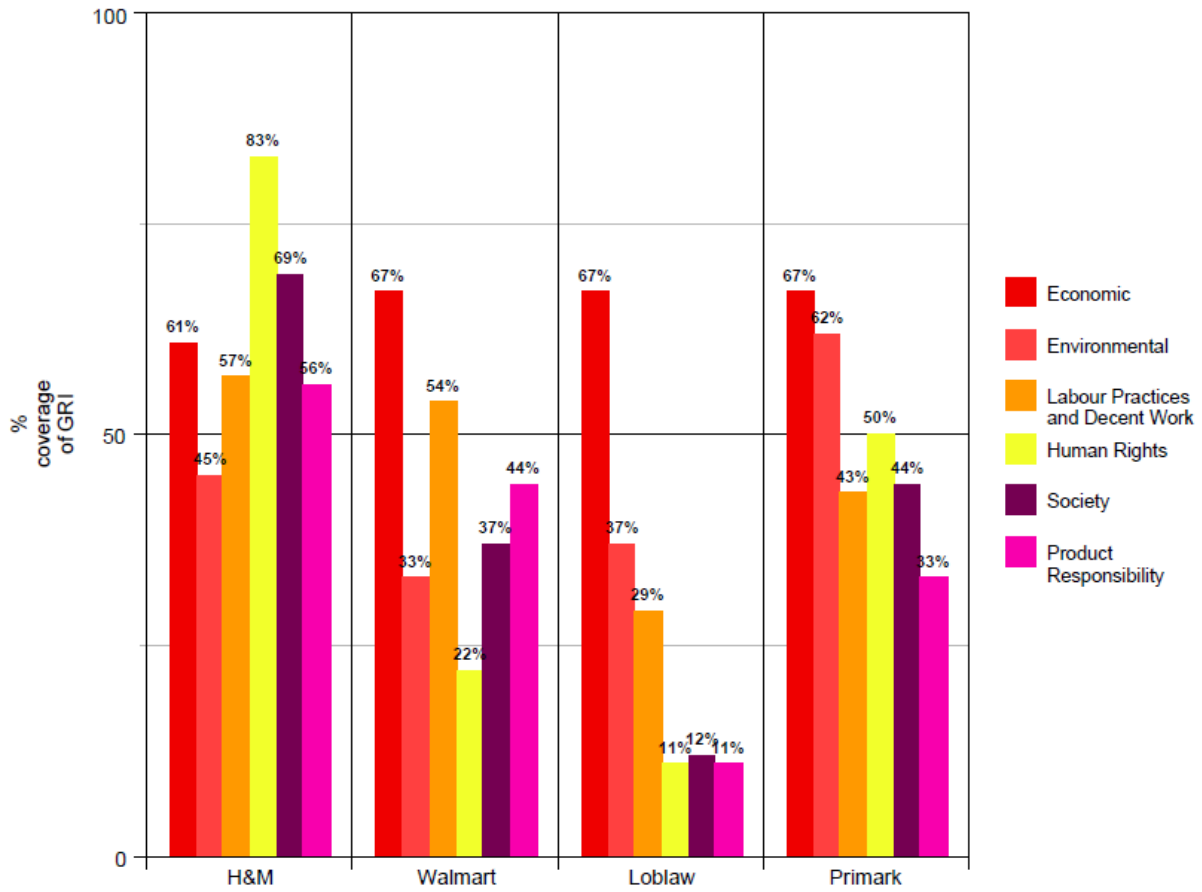


Table 1 - Frequency of paragraphs mentioning a company per country

| | H&M | Walmart | Primark | Loblaw |
|-----------------------|-----|---------|---------|--------|
| Canada | 25 | 51 | 27 | 162 |
| United States | 143 | 225 | 45 | 37 |
| United Kingdom | 56 | 75 | 247 | 19 |
| Total | 224 | 351 | 319 | 218 |

Table 2 - Frequency of paragraphs mentioning a company per tone

| | Negative | Neutral | Positive |
|----------------|----------|---------|----------|
| H&M | 25% | 19% | 56% |
| Walmart | 48% | 25% | 27% |
| Primark | 29% | 34% | 38% |
| Loblaw | 26% | 32% | 43% |

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