

The influence of Integrated Reporting and stakeholder information needs on the disclosure of social information in a state-owned enterprise

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Abstract

Purpose: This study examines how social disclosures are influenced by the adoption of integrated reporting (IR), focusing on the three social capitals in the International IR framework, namely intellectual, human, and social and relationship capital.

Design/methodology/approach: This study takes the form of a single case study involving content analyses of annual reports and integrated reports from 2009 to 2017 (i.e. before and after IR adoption in 2013), as well as in-depth, semi-structured interviews with key preparers of the integrated report at New Zealand Post, to study changes in disclosures towards different stakeholder groups, from an internal organisation perspective. The empirical evidence is analysed through the lens of stakeholder theory.

Findings: This study provides empirical evidence that contributes to our understanding of IR's influence on the disclosure of social information, and enhanced stakeholder relations in a public sector context. The study shows that the IR Framework promoted a materiality assessment approach with stakeholders, which led to a reduction in social disclosures, while the materiality focus led to the disclosure of social matters more relevant to stakeholders.

Social implication: IR led to meaningful stakeholder engagement, which led to social disclosure that are more relevant to stakeholders.

Originality/value: This study assesses the influence of IR on social disclosures. The findings will be of interest to organisations seeking to enhance stakeholder relations and/or undertake IR and/or social disclosures.

Key words: integrated reporting; social disclosures; public sector; state-owned enterprise; case study

Paper type: research paper

1. Introduction

The sustainability disclosure literature has often emphasised the natural environment, instead of social aspects. The advent of integrated reporting (IR) may now stimulate renewed interest in social disclosures, because IR is meant to encompass the disclosure of six capitals, including three social capitals, namely intellectual, human, and social and relationship capital (De Villiers and Hsiao, 2018; De Villiers and Sharma, 2017).

IR is a form of reporting that focuses on an organization's value creation story, while specifically connecting with the strategy, business model and six capitals: financial, manufactured, intellectual, human, social and relationship, and natural capital (De Villiers et al., 2017). According to the International Integrated Reporting Council (IIRC), IR is also applicable to the public sector and IR "can help show public sector value" (IIRC, 2016, p. 1) and how the six capitals contribute towards different stakeholders. The IIRC mention public sector pioneers, such as Eskom Holdings SOC Ltd, Maritime and Port Authority of Singapore, The Crown Estate, ROSATOM, and New Zealand Post in guidance documentation (CIPFA, 2016).

IR is relevant because it has been developed in response to the limitations of traditional annual and sustainability reports (Fasan, 2013). Annual reports emphasise past results and do not provide sufficient future oriented (Adams and Simnett, 2011) or non-financial information to support investor decision-making (Du Toit et al., 2017). Sustainability reports had become increasingly complex and lengthy, yet the connections among the elements in these reports and with future financial performance is often obscure (De Villiers et al., 2014a). Thus, IR aims to combine the most material information currently reported in separate reporting strands, in a coherent focused whole, to show the connections and provide a long-term perspective, while also engaging with and acknowledging the role of stakeholders, such as employees, broader society and the environment in creating value (Macias and Farfan-Lievano, 2017). Specifically, IR adopters should provide information about outcomes, namely impacts on resources and relationships (Stacchezzini et al., 2016; p. 103), thus ensuring communication with stakeholders. Kaur and Lodhia (2018) explore stakeholder engagement practice, but not in an integrated reporting setting. Therefore, no previous study examines the changes in disclosure and stakeholder engagement processes that accompany IR adoption in a public sector organisation. The present study aims to explore changes in disclosure and stakeholder engagement processes in a public sector organisation brought about by the adoption of IR.

Few studies deal with the practical implementation of IR (Lodhia, 2014; Stubbs and Higgins, 2012), report users (Perego et al., 2016, p. 54), and stakeholder engagement practice (Kaur and Lodhia, 2018). Melloni (2015) analyses social disclosures in integrated reports, however she does not examine whether companies that produce an IR disclose more social information. Without providing

empirical evidence, De Villiers and Sharma (2017) theorise that IR should lead to more social disclosures, because the IR Framework suggest consideration of the six capitals (including three social capitals). However, the IR Framework requires a concise report focused on material aspects only, which may lead good social reporters to disclose less upon IR adoption. Therefore, this paper examines how the adoption of IR influence social disclosures, by way of a longitudinal content analysis from 2009 to 2017 (IR was adoption in 2013) of the annual and integrated reports of a state-owned enterprise (SOE) that provides mail and financial services, New Zealand Post, before and after the adoption of integrated reports. We also rely on interviews with key managers involved in the IR process to corroborate and better understand the cause of our findings. The empirical evidence is analysed through the lens of stakeholder theory. New Zealand Post took part in the IIRC Pilot Programme and the Public Sector Pioneer Network, making it an ideal case organisation (Mio et al., 2016; p. 205) for the observation of changes in social disclosures as a consequence of IR adoption.

This study contributes to the research literature in several ways. First, there are few case studies which investigate IR in public sector organizations (Kaur and Lodhia, 2018; Lundberg et al., 2009) and this study provides empirical evidence on IR practice in the public sector (e.g. Cohen and Karatzimas, 2015; CIMA, 2016; CIPFA, 2016), specifically in the sub-field of SOEs (Roper and Schoenberger-Orgad, 2011; Montecalvo et al., 2018). Second, the study empirically examines whether social disclosures provided through IR are suitable for meeting stakeholders' information needs as "currently, data on stakeholders are not included within analyses" (Perego et al., 2016; p. 58). Third, by way of a contribution to practice, this study will be able to inform organisations seeking to undertake IR in order to enhance reporting, stakeholder engagement, and sustainability practices. Fourth, this study can shed light on the theoretical drawbacks of IR, as described by Flower (2015). Finally, the study provides evidence of the evolution of an organisation's social disclosures since IR adoption.

2. Integrated reporting, social capitals, stakeholder engagement, and the research questions

IR is a reporting trend that is mostly followed voluntarily in the public sector (Guthrie et al., 2017). Sustainability reporting is an important antecedent for IR adoption (Hsiao et al., 2018). Similarly, sustainability reporting is mostly voluntary (Buhr et al., 2014; Massa et al., 2015), although some elements of non-financial disclosure are increasingly mandated and encouraged in more and more jurisdictions (Stubbs and Higgins, 2015; Ioannou and Serafeim, 2014; EU, 2014; De Villiers, 1999; De Villiers et al., 2018). According to CIPFA (2016), IR can be used to explain companies' value creation to all stakeholders, providing disclosure which is better suited to stakeholder needs.

The IIRC promotes the use of IR for various organizations, including SOEs in the public sector (Bartocci and Picciaia, 2013). Several public sector organisations have adopted IR (Macnab, 2015; Manes-Rossi and Cohen, 2017; CIPFA, 2016; Guthrie et al., 2017). Public sector organisations are required to deliver services in an economically, socially and environmentally sustainable manner. To this aim, IR contributes to disclose value creation, how activities are delivered, the related impacts (CIPFA, 2016; 10), based on a stakeholder engagement process.

The IR Framework outlines six capitals. Three of the six capitals are physical in nature (financial, manufactured and natural), while the remaining three are social in nature. These social capitals are similar to the three categories used by intellectual capital (IC) researchers: IR's human capital is similar to IC's human capital; IR's social and relationship capital is similar to IC's relational capital; and IR's intellectual capital is similar to IC's structural capital (De Villiers and Sharma, 2017).

The multiple-capitals model advocated by the IR Framework can be seen as ensuring relevant information for stakeholders and reflects a renewed interest in the social capitals that embraces multi-capital value creation (Dumay et al., 2019). Bismuth and Tojo (2008, pp. 229 and 242) argue that companies need to improve their reporting of social assets, in order to overcome the limit of accounting standards and enable investors to obtain further relevant non-financial information that can be related to investment opportunities and value creation. Thus, the IR Framework undoubtedly addresses investors. One of the main critiques is that IR fails to recognise the needs of stakeholders other than investors (De Villiers and Sharma, 2017; Flower, 2015). However, the materiality principle supported by the IR encourages reporters to engage with stakeholders to determine their needs (Adams and Simnett, 2011).

IR promotes stakeholder engagement (IIRC, 2013). The South African Integrated Reporting Council's discussion paper indicates that integrated reports should address stakeholders' information needs by providing data on company performance (IRCSA, 2011). It can be particularly useful to organisations to understand that they cannot ignore stakeholder expectations (Kaur and Lodhia, 2018, p. 343).

Given the paucity of prior research related to stakeholder engagement processes, this study aims to explore to what extent IR has changed the way the organisation understands, takes into account, and addresses its shareholders' and stakeholders' as well as their social disclosure information needs and interests. The research questions are: 1) Has IR adoption led to a change in social disclosures? and 2) How and to what extent has IR changed the way the organisation understands, takes into account, and addresses social matters, stakeholders, and stakeholders' information needs?

3. Stakeholder Theory

This study uses stakeholder theory to guide the analyses and answer the research questions. There are two entirely different types (or branches) of stakeholder theory, namely normative and managerial (Gray et al., 1995). Normative stakeholder theory embraces the idea that all stakeholders' interests should be served by an organisation, whereas managerial stakeholder theory is closely aligned with the concept of stakeholder management. Organisations can be expected to 'manage' their stakeholders to ensure the best outcomes for the organisation. This implies that the organisation will pay more attention to stakeholders that can influence the organisation and affect its access to the resources it needs to succeed. The providers of financial resources, such as shareholders and banks, are typically seen as powerful stakeholder that managers need to satisfy (Neu et al., 1998).

Stakeholder theory belongs to a group of theories (including legitimacy and institutional theories) that provide a system-based perspective (Gray et al., 1996). Such theories consider the disclosure policies of an organization as a strategy to influence stakeholders and their expectations, thus explaining why the organization undertakes voluntary disclosure (Deegan and Unerman, 2008). Stakeholder theory considers organizations as part of a system where the organization can impact and can be impacted by other parties, or stakeholders groups. Different stakeholder groups have different expectations and perspectives of the organization. Thus, the organization needs to address different stakeholders differently.

According to the managerial branch, stakeholders can exercise powers to coerce the organization to fulfil their expectations and management will be inclined to address the expectations of the most powerful stakeholders (Gray et al., 1996). Powerful stakeholders can be recognized as those who control financial resources (Neu et al., 1998). The organization will disclose according to their expectations, rather than those of non-powerful stakeholders. Accordingly, disclosures are assumed to be driven by powerful stakeholders, and powerful stakeholders' information needs are likely to be reflected in the disclosures provided.

In contrast, the normative branch suggests that power is irrelevant, as all stakeholders *should* be treated fairly by an organization and managers *should* coordinate organizational goals and activities for the good of all stakeholders. Therefore, management has a responsibility, not only towards investors, but towards all stakeholders (Hasnas, 1998). In case of stakeholder conflict, management should act to achieve balance among the different stakeholders. Based on this branch, disclosure is assumed to be driven by responsible behaviour, and disclosures should provide information to the benefit of all stakeholders, not only powerful stakeholders.

Stakeholder theory can be applied to the field of sustainability reporting to explain the reasons why companies choose to disclose non-financial information. The development of the field of sustainability reporting can be seen as the consequence of organisations' responses to a variety of stakeholder pressures (De Villiers et al., 2014b; Guthrie *et al.*, 2010), and IR can be seen as the next step in sustainability reporting (Manes-Rossi and Cohen 2017; Montecalvo et al., 2018). "Non-financial reports can be seen as 'responses to both public pressure and increased media attention'" (Seele, 2016, p. 67).

In a similar fashion, stakeholder theory may be used to explain the decision to issue an integrated report, the disclosure of the six IR capitals, including the three types of social capital. The implementation of IR is still at an early stage (Stent and Dowler, 2015) and IR is more likely to be published by companies located in civil law countries, where indices of law and order are high (Perego et al., 2016). There are claims that more than 1000 organisations currently provide an integrated report (CIPFA, 2017, p. 5). The uncertainty that surrounds this reporting field may lead companies to benchmark and copy organisations they regard as successful, in disclosing information to their stakeholders, such as IIRC's Pilot Programme participant companies, the pioneers (IIRC, 2015). Stakeholder pressure may also force organisations to adopt IR. This suggests alignment with managerial stakeholder theory, in which organisations ensure that stakeholders with the power to apply pressure are appeased through various means, in this case disclosures.

Finally, companies might also choose to adopt IR because they believe it is what they ought to do as a company, in order to best address its stakeholders' information needs, or simply because they perceive it as the "right" thing to do. This would constitute a normative stakeholder approach, backed by the fact that IR is gaining considerable prominence at a global level, and professional entities such as the IIRC are developing and refining guidelines to help organisations put IR into practice. These efforts could cause some to view IR as the "right" thing to do for stakeholders. Less powerful stakeholders would benefit from this approach, including employees. Given that employee information needs are likely to focus on social matters, a normative approach to stakeholders could lead to enhanced social disclosures.

4. Research Method

This research is based on a case study of New Zealand Post, the most suitable research strategy for answering the research questions (Mio et al., 2016). The study focuses on contemporary events that the investigator was able to observe closely but not manipulate. Three complementary data sources were used, namely the company's annual reports and integrated reports over a 9 year period (from 2009 to 2017), and semi-structured interviews with key preparers of New Zealand Post's

reports. An analysis of the annual reports, and particularly the annual integrated reports show how the company adapted its social disclosures in response to adopting the IR Framework. Interviews, as an “essential source of case study evidence” (Yin, 2014, p.84), were necessary in order to understand the rationales underpinning choices made during the IR implementation process, something that cannot always be inferred from the analysis of the reports themselves and that can only come from individuals directly involved in the process. The use of different corroborating sources of evidence was seen as important for ensuring the reliability and trustworthiness of findings presented (Yin, 2014).

4.1 Case Company and Regulatory Background

New Zealand Post Limited is an SOE established in 1987, following the corporatisation of the New Zealand Post Office, a former government department. It operates as a commercial entity and provides mail and postal services in New Zealand. Together with its wholly owned subsidiaries, it is part of New Zealand Post Group, a range of businesses providing mail, logistic and financial services (the latter through its subsidiary Kiwibank). The Group has more than 10,000 employees and operates mainly in New Zealand. SOEs are companies owned by the Government and operate as commercial businesses (The Treasury Commercial Operations, 2012a). As such, they are established by the *State-Owned Enterprises Act 1986* and must comply with the provisions of the *Companies Act 1993*.

Neither the State-Owned Enterprises Act nor the Companies Act require companies to disclose any kind of information about their sustainability and social practices. The State-Owned Enterprises Act only states that firms should exhibit “a sense of social responsibility by having regard to the interests of the community in which it operates” (Parliamentary Counsel Office, 2015, p. 6). Nevertheless, New Zealand SOEs also have to abide by the Treasury’s *Owner’s Expectations Manual* (The Treasury Commercial Operations, 2012b), that sets out the Shareholding Ministers’ expectations towards companies fully or jointly owned by the Government. This manual provides a list of financial and non-financial performance indicators that the Shareholding Ministers expect SOEs to disclose in their Statement of Corporate Intents (for example service performance and social responsibility value). The Government generally requires SOEs to provide information about their engagement in sustainability and in the community in which they operate, but gives them a great deal of flexibility in deciding what framework to adopt, what kind of information to disclose and how to measure it. The Shareholding Ministers require SOEs to put in place, among other aspects, the objectives and performance targets reflecting good social responsibility practice and the reporting framework to be used (The Treasury Commercial Operations, 2012b, p. 33):

(...) the onus is on each SOE to look hard at the way it conducts its business, and put in place appropriate values and objectives and monitor performance against them. Complementary to this, each SOE should assess its impact on the society and environment within which it operates, and adopt specific CSR programmes that are appropriate to that SOE's impact on the environment and its interface with society in general.

A previous study (Montecalvo et al., 2018), developed on the case of New Zealand Post Limited during the period 2001-2015 and explored IR influence on social and environmental disclosure, to assess IR's potential to enhance sustainability reporting, given a lack of empirical research in this regard. The findings highlight that disclosed information did not cover all aspects of sustainability—in particular inter-generational equity, and that the adoption of IR was largely driven by normative beliefs in stakeholder primacy. The organisation adopted IR in 2013, resulting in more concise sustainability reports and a reassessment of the relevance and materiality of the content of NZ Post's sustainability reports. This finding led us to explore, in this current study, stakeholder engagement in greater depth and whether it is supported with the practice of IR. The finding also encouraged us to reflect on the role and disclosure of intellectual, human, social and relationship capital in this organization. Montecalvo et al. (2018) found that several previously ignored sustainability matters were reported with IR. Therefore, we aim to explore to what extent IR practices have changed the way the organization takes into account and addresses stakeholder needs (De Villiers, 1998) and interests, up to 2017, with particular emphasis on whether powerful stakeholders prevail, or whether all stakeholders are taken into account. To this end we examine how social disclosures evolved. Is IR useful in addressing stakeholders' social information needs? These analyses enable us to shed light on: the potential benefits for the company, with an emphasis on the social capitals; the usefulness of social information communicated through integrated reports, and whether the usefulness of social information for internal and external stakeholders has changed because of IR.

4.2 Annual Report Analysis Method

A content analysis (Guthrie et al., 2004) of the company's reports is well suited to answering our research questions. The current study observes the changes in the disclosure of social capitals in relation to the evolution of stakeholder engagement, i.e. to investigate whether a company disclose more/different social information when it produces an integrated report. As mentioned before, the three non-physical IR capitals have been the subject of intense study in the intellectual capital research community. Therefore, this study bases its content analysis on indexes from this research tradition, specifically the Abeysekera and Guthrie (2005) disclosure index, as modified by Wagiciengo and Belal (2012), and used by Terblanche and De Villiers (2018). The disclosure index provides a focus

on the three IR social capital categories, which maps through to the intellectual capital capitals: human capital (6 subcategories and 25 elements), social and relationship capital (3 subcategories and 10 elements), and intellectual (or structural) capital (1 category and 5 elements), as summarised in Table 1.

The content analysis was performed manually and then recorded in an electronic format, to enable the storage, recovery, manipulation, checking and correction of data. Similar to Terblanche and De Villiers (2018, p. 5), “sentences, graphics, charts and tables were used as the basis of coding. Pictures were not coded. Where a sentence related to more than one category, the sentence was coded to the predominant theme taking the context of the paragraph or section into account. Where a sentence was easily and equitably divisible between two or more categories, the words or phrases within the sentence were coded to the applicable category”.

The content analysis covered New Zealand Post’s Annual Reports (and Integrated Reports) from the fiscal year end 2009 to 2017, for a total of 9 reports. The company started to use the GRI framework in 2009, following the GRI G3 guidelines until 2012, before switching to the IR Framework in 2013.

This analysis served several purposes. Firstly, it made it possible to understand the evolution of social reporting practices at New Zealand Post before and after IR implementation. Although this study focuses on the company’s Integrated Reports and how the implementation of the IR Framework has affected its relationship with its key stakeholders, academic literature has identified in the Triple Bottom Line and sustainability reporting the antecedents of IR (De Villiers et al., 2014a). For this reason, the company’s Integrated Reports cannot be fully understood without considering the years that preceded and paved the way for the preparation of these reports (Montecalvo et al., 2018). Secondly, several insights that emerged from the reports were backed and corroborated by interviewees, which contributed to the reliability and trustworthiness of the findings.

4.3 Semi-Structured Interviews

In the field of qualitative research, interviews are generally considered an extremely effective data collection tool, as they enable the researcher to enter the interviewees' world and gain invaluable understanding of their opinions, experiences, attitudes and viewpoints (Kvale, 1983; Rowley, 2012). During these verbal exchanges, the interviewer can adjust the tone and pace of the questions, adjusting suitability to any matter being discussed. This makes interviews “good ways of eliciting opinions on

Table 1: Categories of Social Capital disclosure

HUMAN CAPITAL	
Employee related measures	Information on employee remuneration, average age of the workforce and qualitative information on specific advantages of age-related strengths, average professional experience of employees, employee count (breakdown according to function, dept., etc.).
Employee relations	Trade unions relations, special thanks to employees, company and employee involvement in the community.
Employee safety	A statement regarding occupational safety, or safety measures that have been implemented.
Employee welfare	Remuneration of directors, remuneration of employees, options schemes, other information such as health insurance.
Employment equity	Gender, race, age, religion, disadvantaged background.
Training and development	Qualifications held by employees, any initiative undertaken to promote entrepreneurial spirit, initiatives to promote career development, training programs.
SOCIAL AND RELATIONSHIP CAPITAL (see note below)	
Brand building	Brand image, brand awareness, customer satisfaction and accreditations.
Business partnering	Collaborations, licensing and franchise agreements, distribution channels, relationships with suppliers, information over market share and competitive position.
Corporate image building	Statement on the company's name awards, contracts signed because of unique market position.
INTELLECTUAL CAPITAL (see note below)	
Structural capital	Information systems and networking systems (what enables interaction of people via various communication media and devices) and e-commerce; Management processes or technical processes implemented, including reference to proprietary technology, indicators including efficiency, effectiveness and productivity; Reference to working culture (management philosophy and corporate culture); assets of a company that are protected by law (patents, etc.).

Note: To avoid confusion, intellectual capital is labelled structural capital in the intellectual capital research community. This community also label social and relationship capital relational capital.

complex and sensitive issues” (Hannabuss, 1996, p. 23), because of their ability to “uncover the private and sometimes incommunicable social world of the interviewee” (Qu and Dumay, 2011, p. 255). Among the various types of interviews, the face-to-face interview technique has traditionally been the most widely used in qualitative research (Gillham, 2005; Opdenakker, 2006), with semi-structured interviews as the most common subset (Rowley, 2012).

This research method is extremely useful in understanding non-trivial social and organizational phenomena. Unlike structured interviews, they are not based on a rigid set of pre-established questions from which neither the interviewer nor the interviewee can deviate. Instead, their guiding questions are organised around a set of broad themes that need to be covered for the purpose of the interview “to help direct the conversation toward the topics and issues about which the interviewers want to learn” (Qu and Dumay, 2011, p. 246).

The semi-structured interviews were conducted with two key preparers of the company’s integrated reports. The interviews were undertaken with key managers who were not only key preparers of the company’s integrated reports, but were also involved in the development of the stakeholder engagement process to identify stakeholders’ information needs. Therefore, the interviewees were in the best position to reveal management’s thinking and any challenges in the preparation of IR disclosures (McNally et al., 2017; Dumay et al., 2017), as well as stakeholders’ information needs and the company’s materiality assessment process to decide what to include in the report (Lai et al., 2017).

The first interviewee (AA) is the investor relations manager, who is responsible for managing the relationships with all stakeholders, including the company’s shareholder (the Government), rating agencies, debt investors, customers and employees. AA has been with the company throughout the adoption of the IR Framework and the implementation of IR. This interview lasted about an hour and took place in 2015. The other interviewee (BB) is the sustainability manager, who is a further key player in IR implementation at New Zealand Post. BB advised on the company’s past sustainability reporting practices and the rationales for the choices that have been made throughout the years. Particularly, BB provided the key to understanding how the adoption of the IR Framework has changed the way the company discloses its non-financial information. BB explained how the implementation of the IR Framework, the stakeholder engagement process, and the materiality assessment exercise brought about significant modifications to the company’s reporting, especially in terms of changes in the quantity and emphasis given to different kinds of disclosure. This interview lasted more than half an hour and also took place during 2015. These interviews were recorded, transcribed and subsequently analysed to identify “issues of relevance and interest” (Farneti and Guthrie, 2009, p. 93; Walker and Preuss, 2008, p. 1604). Before the interviews took place, an

interview guide was developed, containing a list of themes to be covered. The themes included the rationale behind the adoption of the IR Framework, the steps undertaken by the company for adopting the Framework, how IR implementation affected stakeholder engagement, and stake holder social information needs.

5. Findings and Discussion

The findings are presented in three sections, dealing with IR adoption by NZ Post, the evolution of social disclosures in annual and integrated reports (2009-2017), and the extent to which these developments changed and contributed towards the way the organisation deals with its shareholders and stakeholders' information needs and interests.

IR adoption by NZ Post

As introduced earlier, the primary targets of the IR Framework are “private sector, for-profit companies of any size but it can also be applied, adapted as necessary, by public sector and not-for-profit organisations” (IIRC, 2013a, p. 7). To fully understand how the Framework was implemented at the company level and changes in the disclosure provided, it is crucial to assess whether New Zealand Post had deemed it necessary to modify it, and to what extent it succeeded in doing so. New Zealand Post is an SOE whose sole shareholder is the Government and as such, it formally belongs to the public sector. It can therefore be found in the “Public Sector”¹ section of the IIRC’s Pilot Program list of participating companies (IIRC, 2015). Nevertheless, it operates as a commercial enterprise of the private world, competing on the free market with the aim of returning a profit to its shareholders, in accordance with the Government’s requirements. One of the underlying principles of the SOE model as it was conceived in the 1980s was that government-owned trading entities would operate according to normal commercial disciplines. These would include capital market disciplines.

For this reason, the way New Zealand Post conducts its business is similar to private sector entities, both in terms of operations and disclosure requirements, the main difference being the fact that New Zealand Post has one sole shareholder to report to, the Government. This resemblance made it possible for New Zealand Post to implement the IR Framework as it was, without the need to modify it, as the investor relations manager pointed out:

We are owned by the government but we operate in the private... world, so we have competitors, we have to provide a commercial return to our shareholder (...). It was quite easy in some ways to take that framework and

¹ “CIPFA is developing a series of application notes to help public sector organisations implement <IR>. It has established an international working group which will peer review the application notes, and provide technical and professional advice during this project” (2018, 1).

apply it to our own business, especially ... because [we] compete with other organisations out there. [AA]

Generally speaking, SOEs operating in a competitive environment are less likely than other governmental organisations to find it necessary to modify the IR Framework.

The evolution of social disclosures when IR was adopted

Table 2 shows the results of our content analysis of NZ Post's social disclosures and its evolution from 2009 to 2017, a period that spans across IR adoption in 2013. The analysis starts from 2009, as this was when NZ Post adopted the GRI framework. We are, of course, not interested in the effect of GRI adoption, but rather in the influence of IR adoption, and therefore we start our analyses in 2009.

Table 2 shows the social elements disclosed in each year, out of a total of 40 social disclosure elements, following Abeysekera and Guthrie (2005) and Wagiciengo and Belal (2012). The Table shows that social disclosures increased each year from 2009 to 2012, from 25 out of 40, or 63%, in 2009, to 29 out of 40, or 73%, in 2012 (the year before IR adoption). In the first integrated report in 2013, social capital disclosures falls to 24/40 (60%), thereafter it briefly increases to 27/40 (68%) in 2014, before settling in a band between 48% and 58% during the period from 2015 to 2017. Therefore, during the period 2009-2012, when the GRI framework was used, there was more social disclosures than in the 2013-2017 period when disclosure was driven by the IR Framework. During the period 2009-2012, the GRI G3 guidelines were in force. The principle behind the G3 guidelines were that more disclosure is better, whereas the subsequent GRI G4 adopted the principle that relevance and materiality should drive disclosure decisions. The IR Framework follows a similar relevance and materiality logic. Hence, the reports that followed IR adoption shows a decrease in the quantity of information, yet more meaningful information, provided.

Table 3 shows the percentage of the total number of elements of each type of social capital disclosed. There are 25 human capital, 10 social and relationship capital, and 5 intellectual capital elements in the index. Therefore, the Table shows that in 2009, 14/25 or 56% of the human capital elements were disclosed, as well as 7/10, or 70% of social and relationship capital elements, and 4/5 or 80% of the intellectual capital elements. NZ Post clearly disclose human capital, however the

Table 2: NZ Post’s Social Capital disclosures (2009-2017)

	2009		2010		2011		2012		2013		2014		2015		2016		2017	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
HUMAN CAPITAL	14	35%	15	38%	16	40%	17	43%	12	30%	14	35%	10	25%	6	15%	10	25%
-Employee related measures	1	3%	1	3%	2	5%	5	13%	4	10%	5	13%	2	5%	2	5%	3	8%
-Employee relations	4	10%	4	10%	4	10%	2	5%	2	5%	3	8%	1	3%	1	3%	4	10%
-Employee safety	1	3%	1	3%	1	3%	1	3%	1	3%	1	3%	1	3%	1	3%	1	3%
-Employee welfare	3	8%	3	8%	3	8%	3	8%		0%		0%	3	8%		0%	1	3%
-Employment equity	3	8%	4	10%	4	10%	4	10%	2	5%	2	5%		0%		0%		0%
-Training and development	2	5%	2	5%	2	5%	2	5%	3	8%	3	8%	3	8%	2	5%	1	3%
SOCIAL AND RELATIONSHIP CAPITAL	7	18%	8	20%	9	23%	8	20%	8	20%	9	23%	9	23%	9	23%	8	20%
-Brand building	3	8%	3	8%	3	8%	3	8%	3	8%	3	8%	3	8%	3	8%	3	8%
-Business partnering	2	5%	4	10%	4	10%	4	10%	3	8%	4	10%	4	10%	4	10%	3	8%
-Corporate image building	2	5%	1	3%	2	5%	1	3%	2	5%	2	5%	2	5%	2	5%	2	5%
INTELLECTUAL CAPITAL	4	10%	3	8%	3	8%	4	10%	4	10%	4	10%	4	10%	4	10%	4	10%
-Structural capital	4	10%	3	8%	3	8%	4	10%	4	10%	4	10%	4	10%	4	10%	4	10%
TOTAL	25	63%	26	65%	28	70%	29	73%	24	60%	27	68%	23	58%	19	48%	22	55%

No. - the number of elements disclosed

% - percentage calculated out of the total of 40 elements in the index

Table 3: NZ Post’s human, social and relationship, and intellectual capital disclosures (2009-2017)

	2009		2010		2011		2012		2013		2014		2015		2016		2017	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
<i>HUMAN CAPITAL</i>	14	56%	15	60%	16	64%	17	68%	12	48%	14	56%	10	40%	6	24%	10	40%
<i>SOCIAL AND RELATIONSHIP CAPITAL</i>	7	70%	8	80%	9	90%	8	80%	8	80%	9	90%	9	90%	9	90%	8	80%
<i>INTELLECTUAL CAPITAL</i>	4	80%	3	60%	3	60%	4	80%	4	80%	4	80%	4	80%	4	80%	4	80%

No. - the number of elements disclosed

% - percentage of the possible number for each capital (25 for human; 10 for relationship; 5 for intellectual)

extent of these disclosures decreased after IR adoption. Table 3 shows that human capital disclosure reduced with IR adoption in 2013, whereas relationship and intellectual capital disclosure were unaffected. Human capital disclosure increased from 56% (14/25 elements) in 2009 to 68% (17/25) in 2012, the final year before IR adoption. After IR adoption, human capital disclosure dropped to 48% (12/25) in 2013, moved up and down in the ensuing years, with 40% (10/25 elements) disclosed in 2017, the final year of analysis. Fewer indicators are found in the last years of our analysis, information over human capital mainly refers to skills and employee engagement. Indeed, there are fewer quantitative indicators, coupled with a greater focus on how employees create value for the firm (New Zealand Post, 2017, p.28). On the other hand, relationship capital and intellectual capital remained largely unchanged after the introduction of IR. An additional element of relationship capital was disclosed from 2014 to 2016, but was dropped again in 2017.

Thus, with the application of the IR Framework, there was a decrease in human capital disclosure, such as the number of employees, ethnic group, gender (Siboni et al., 2016), age of employees, etc. In analysing the document, it could be observed that during the last few years, even though the number of relationship capital elements remained static, the company discussed relationship capital in much greater detail in the integrated report, as the company sees this aspect contributing considerably to the success of the company in future, i.e. relationship capital will enable the achievement of the company's value creation strategy. Rather than disclosing indicators and inserting a few sentences or a single indicator, we found greater attention to the description of the strategy and the business model (Sukhari and De Villiers, 2018). The reports are also much shorter after the adoption of IR, yet the more recent reports contain narratives that provide a better understanding of activities.

Overall, the Tables 2 and 3 show that, after IR adoption, social capital disclosures decreased, mainly driven by a reduction in the disclosure of human capital. This was a result of the change from a 'more is better' logic (in the GRI G3 framework) to a 'more relevant is better' logic (in the IR Framework). Again, there are fewer quantitative indicators coupled with more focus on how employees create value for the firm (New Zealand Post, 2017, p.28). We will return to this aspect in the next sub-section.

How IR changed the way shareholders and stakeholders' information needs and interests are dealt with

This section focuses on the company's key stakeholders and how stakeholders have contributed to shaping the content of the company's integrated reports and the social content in these reports. The findings highlight how the company considered shareholders' needs as well as other key stakeholders such as employees, environmental groups, and customers. The adoption of the IR Framework in 2013 bolstered the way the company engaged with stakeholders in addressing their information needs.

Flower (2015) raises concerns regarding the IR Framework which prioritises investors over other stakeholders. On the other hand, Seele (2016, p. 67) suggests that IR, in addition to investors, benefits other stakeholder groups, suppliers, employees and local communities, who are "particularly affected by integrated reporting". Thus, there are different views on the usefulness of IR and its ability to satisfy stakeholders, including stakeholders interested in social disclosures. This paper finds that stakeholder engagement (towards the Government (the shareholder) and other stakeholders, such as customers, suppliers, environment groups etc.) was facilitated by the use of IR, as discussed below. In evidence, the Chartered Institute of Public Finance and Accountancy quotes NZ Post as saying that: "Our stakeholders are gaining new insights [and] are seeing an easy to understand, holistic view of the whole business", and: "It is also easier for [stakeholders] to contribute to the report" (CIPFA, 2016, p. 31).

As an SOE, one of the company's most important stakeholders is its **shareholder**, the Government. The company's relationship with its shareholder is managed by the Treasury, the part of the Government that monitors all SOEs and the one New Zealand Post interacts the most with. New Zealand Post is obliged to report to the Government on financial matters quarterly and any time any issues should arise. It is of paramount importance that the Government is constantly kept updated on the company's performance, in order to avoid any adverse political, as well as economic, consequences:

They [*the Government*] are very much a key stakeholder, being the shareholder, and there are sensitivities there too, so we want to make sure that we operate in an element of no surprises, because there could be political fallouts. [AA]

Shareholding Ministers are also kept informed about developments of significance on an on-going basis as required (Annual report, 2010, p. 66).

Other key stakeholders of the company include its customers, employees and people, the financial markets, debt investors and credit rating agencies (as New Zealand Post has outstanding public debt). New Zealand Post maintains a dialogue-driven relationship with its numerous stakeholders, with whom it engages in a variety of ways, according to the nature of the matters to be discussed and types of stakeholders. The focus on stakeholders has been particularly demonstrated since the decision to adopt the IR Framework.

NZ Post's stakeholders are wide ranging and our engagement with them is ongoing. From an internal perspective, we regularly canvass employee engagement via surveys and specific instances of consultation, across business areas, locations and levels. Externally, we engage across New Zealand society, with our customers (including small business and large business via the Sustainable Business Council), community, suppliers, Government, partners and other key non-governmental organisations (NGOs).

NZ Post executives have recently reviewed the identity and relevant importance of the stakeholders who should be consulted in 2017, and the methods most appropriate for this consultation. This was an insightful discussion and identified some gaps in our current engagement which we will address in our future consultations, as part of rebalancing our stakeholder engagement (Annual report, 2017, p. 9).

In order to address sustainable issues and **environmental group** needs, the company acts to reduce environmental impact in different ways, in terms of suppliers, distributors and customers:

Our efforts do much more than tick the 'done that' box – we help our suppliers and customers to minimise their impacts too. For example, in 2015/16 we hosted a workshop with key suppliers on ways to work together to identify and reduce our environmental impacts, and ultimately improve our standing among our increasingly discerning customers (Annual Report, 2016, p. 27).

Constantly seek to reduce the environmental impact of NZ Post operations where this is commercially feasible. Carbon emission reduction, energy efficiency and waste reduction and recycling are key areas for this company, and we will be continuing to set specific goals in the business, and with suppliers and customers (Annual Report, 2017, p. 34).

Customers are at the heart of the organization, and their needs are identified as the second of the material issues mentioned in the 2017 integrated report, where the company states:

[We] Appreciate that our customers' values will influence their decisions and they will expect our behaviour to be fair, ethical and transparent (Annual Report 2017, p. 10).

Fairness, ethical behavior, and transparency are at the core of social issues. Therefore, the company clearly links customer needs with broader societal matters. This prioritization of customer needs, e.g.

mentioning it as the second material issue, may be evidence of a normative stakeholder approach, with the company acknowledging the rights of all stakeholders to information.

According to the interviewees, the adoption of the IR Framework has brought several **benefits** to New Zealand Post, including a significant positive impact on New Zealand Post's **relationship with its stakeholders**, affecting the way the company takes into account their information needs when preparing its Annual Reports. This change was largely prompted by the adoption of the materiality criterion for defining the most important matters to be included in the Annual Reports and this has resulted in more meaningful disclosures for stakeholders. NZ Post managers feel that the IR process is creating something of value to stakeholders. Apart from the focus on the materiality determination processes, attention is also being paid to using more accessible language. These changes in reporting and processes has boosted internal understanding with employee satisfaction and buy-in improving (Black Sun, 2014).

For example, in preparation for the 2014/2015 integrated report, New Zealand Post directly engaged with its **internal and external stakeholders** to identify the material issues to be included in the Report by reaching out to 33 internal and external stakeholders. This approach to involve so many stakeholder groups may again evidence a normative stakeholder approach, acknowledging the information rights of all stakeholders, instead of focusing on 'managing' only the powerful stakeholders. These stakeholder groups were either surveyed or involved in an interview in order to understand what mattered the most to them and what kind of information they thought should have been included in the report:

We ...asked what value was it to you, what are you looking for, ...so it has ...helped shape the materiality piece for this year's annual report and influences what we bring to the forefront in terms of describing how our capitals have changed from last year to this year. [AA]

Therefore, the questionnaire and interviews feedback influenced the company's decision on what to bring to prioritise in the report:

We are actually saying to a number of stakeholders at the beginning of the process: "what do you think are the material issues?" and then from that, that helps to set the scope of what to include in the annual report rather than ask them look at the annual reports in hindsight, and then get comment. [BB]

Stakeholders were previously asked to comment on annual reports *after* they had been issued. Therefore, the role played by stakeholders in the company's reporting practice has evolved from comments in hindsight to engagement in establishing materiality, determining actual report content. Thus, the materiality assessment process plays an important role in the company's relationship with its key stakeholders.

Stakeholders were also asked to provide feedback on the company's past reports. It is worth mentioning that some of them were not alerted to the fact that New Zealand Post had been reporting on a different framework, until they were specifically asked for their opinion on the IR Framework. Nevertheless, they realised there had been positive changes in the company's approach to reporting, especially as regards the 2013-2014 report:

Generally, the feeling has been in the improvements of just the traditional, boring, you know, singular view of the world, it's an improvement, just makes it more readable. [AA]

Stakeholder involvement in the determination of material matters is now replicated annually. The company asks stakeholders what they found relevant, leading to a complete description of **what each stakeholder group considered material** being embedded in the report. New Zealand Post chooses a sample of internal and external stakeholders, providing them with a questionnaire, interviewing them, or involving them in workshops in order to "generate dynamic discussion and debate on how NZ Post is performing", focusing on material matters (New Zealand Post, 2016, p. 22).

The fact that 33 different stakeholders are surveyed highlights the company's willingness to take into account a variety of information needs. Thus, New Zealand Post's definition of materiality goes beyond the IIRC's definition according to the March 2013 *Materiality Background Paper for Integrated Reporting*, where the focus was essentially on shareholders and other providers of financial capital:

"(...) a matter is material if it is of such relevance and importance that it could substantively influence the assessments *of providers of financial capital* with regard to the organization's ability to create value over the short, medium and long term" (IIRC, 2013b, p. 2, emphasis added).

In the final version of the Framework, the definition was slightly changed and was linked to the concept of value creation itself rather than to the intended audience of the reports, shifting "from a focus on audience to a focus on purpose" (Rowbottom and Locke, 2016, p. 104). However, the distinction made in the Framework between value for the organisation itself and value for "others" (stakeholders and the broader society), with the remark that companies should provide information about the latter type of value only to the extent that it affects the former (IIRC, 2013a), could result in materiality being associated with shareholders and their information needs in most companies following the Framework. Companies may therefore conveniently employ the materiality definition to avoid the disclosure of information which is actually relevant to stakeholders, particularly if it damages its reputation or performance (Mio, 2013; Fasan, 2013). According to Flower (2015, p. 14), this makes it clear that "the IIRC considers that reporting to stakeholders takes second place after

reporting to investors”. On the other hand, one of the guiding principles of the IR Framework also requires “Reliability and completeness”, based on which an integrated report should include all material matters, both positive and negative, in a balanced way and without material error. By **choosing to involve a variety of different stakeholders** in the determination of material issues to be dealt with in the Annual Report, which is similar to the findings of Kaur and Lodhia (2018), NZ Post acknowledged their importance as the intended users of the report, New Zealand Post has considered the completeness principle and probably broadened the original IIRC view to include a wider range of stakeholders the company is accountable to, alongside its shareholder.

New Zealand Post is not the first company to have adopted such an inclusive approach in the preparation of its integrated report. An analysis conducted by Mio (2013) of the Integrated Reports published in the IIRC’s Pilot Programme database shows that both ABSA (2011) and Hyundai (2012) actively engaged their stakeholders in their materiality determination process. These three pioneers of IR, all taking part in the Pilot Programme, have therefore **chosen to expand the IIRC’s one-sided definition of materiality**, taking into account the interests of a variety of different stakeholders instead of those of their sole providers of financial capital. As a result of the expansion of the concept of materiality, New Zealand Post introduced a stakeholder matrix in 2015, based on interviews with and surveys of internal and external stakeholders (New Zealand Post, 2015). The matrix shows the focus areas for major stakeholders and helps the organisation to keep track of evolving stakeholder needs.

A prior study found that the IR approach enables organisations and the public to focus “on how they and their stakeholders define value” (CIMA, 2016, p. 7). Research about public sector adopters show that one of the benefits of using IR was the possibility to develop a new approach to stakeholder relations (CIMA, 2016). Findings from a survey indicates that IR helped in strengthening relationships with financial capital providers and that public sector entities benefit the most: “Only 55% of public sector entities reported that relations with financial capital providers were a motivating factor, but 73% reported a positive impact on relations” (Black Sun, 2014, p. 19).

We can conclude that in the current study, one of the benefits (usefulness) of IR disclosure was an improvement in internal and external stakeholder engagement. In the case of New Zealand Post, this behaviour goes beyond a mere legitimisation-seeking strategy and seems to suggest the presence of regulatory forces driving the company’s course of action, according to which New Zealand Post implemented its **stakeholder-inclusive approach** not because it was forced or pushed into doing so, but because it found it to be the right thing to do, i.e. normative beliefs in stakeholder primacy (which is consistent with normative stakeholder theory). It also shows how far New Zealand Post has gone in terms of stakeholders engagement and inclusiveness in comparison to just a few

years ago, when stakeholder engagement only occurred “in response to an identified business need or issue and not specifically as part of the process of preparing this annual report” (New Zealand Post, 2009, p. 50).

Likewise, regulatory forces seem to have prevailed in the company’s decision process, embracing IR and implementing the IR Framework. Benchmarking against other organisations did not play a role: as of 2013, the majority of New Zealand’s 100 largest companies (N100) had just a basic understanding of IR, with many of them mistaking IR for GRI and vice versa (KPMG, 2013). The company was not forced into the adoption of the IR Framework (which would have been consistent with managerial stakeholder theory): as the investor relations manager pointed out in the interview, many of the company’s key stakeholders did not even realise that New Zealand Post had adopted the IR Framework, until they were asked to provide feedback on it. Therefore, no specific pressure for Framework implementation could have come from their side. Legal requirements are also to be excluded, as the Government does not oblige SOEs to adopt a specific framework for reporting, however as anticipated, the Treasury’s *Owner’s Expectations Manual* does specify non-financial performance indicators that SOEs are expected to disclose. New Zealand Post wanted its annual reports to give their users a complete picture of the company, broadly encompassing both financial and non-financial activities and accomplishments in a way that the current structure, based on the balanced scorecard, was not addressing at its best. Among several alternatives, the IR Framework seemed the best option for achieving this goal and following an invitation to join the IIRC Pilot Program, New Zealand Post decided to adopt it. Although this might not be evidence of normative beliefs in rights for all stakeholders, it does show how the company’s decision to implement IR was not driven by the mere desire to legitimise its actions in front of its key stakeholders, who did not appear to be unsatisfied with the format or content of the previous format of the Annual Report.

Overall, we conclude that New Zealand Post’s management changed their social disclosures based on the belief that all stakeholders have rights and should be provided the information they require. The materiality matrix, which depicts all stakeholders’ needs, bears testimony to this belief. Although fewer social capital content elements were disclosed in the latest integrated reports, the extent of the coverage was greater and more meaningful for stakeholders’ needs. The latest reports contain narratives that provide a better understanding of the company’s activities. The materiality matrix played a role in the selection of the information included in the report because it helps evaluate whether material matters identified in previous years are still relevant for stakeholders (New Zealand Post, 2015). Since 2015, New Zealand Post also discloses its business model, which shows how stakeholders are involved in value creation. As most of the social capital disclosure elements are

relevant to less powerful stakeholders, such as employees, this emphasis on social capital and stakeholder needs are consistent with the normative stakeholder theory idea that all stakeholder needs should be accommodated. We conclude that the company now follows the IR Framework's 'more relevant information is better' logic, rather than the previous GRI G3 guidelines' 'more is better' logic.

6. Conclusions

This case study investigates how New Zealand Post's adoption of IR in 2013 influenced social disclosures and stakeholder engagement and satisfaction. The study relies on empirical evidence in the form of content analysis of the company's annual and integrated reports during the period from 2009 to 2017, as well as semi-structured interviews with New Zealand Post managers, in order to better understand and interpret the results. The findings indicate that social disclosures were reduced, while stakeholder engagement processes and the relevance of the social disclosures for stakeholders were enhanced by IR adoption, because the IR Framework caused the company to move away from the GRI G3 guidelines' 'more is better' logic to the IR Framework's 'more relevant information is better' logic. Of course, the GRI has since also moved to a 'more relevant information is better' logic. Extensive stakeholder engagement and materiality assessment exercises, as depicted in the materiality matrix shown in the integrated report, provide evidence consistent with normative stakeholder theory, i.e. the belief that all stakeholder needs should be considered. The findings are not consistent with the managerial branch of stakeholder theory, i.e. the idea that powerful stakeholders' information needs will dominate.

This study makes several unique contributions. First, this is one of the earliest studies to investigate how social disclosures are influenced by IR adoption, contributing to wider debates on the practice and benefits of IR in a public sector context. Second, this study provides early empirical evidence regarding the influence of IR on stakeholder engagement, enriching our understanding of how this enterprise was able to enhance the provision of social information, and benefit stakeholders. Third, this study contributes to our theoretical understanding by showing that, despite the critique by Flower (2015) that the IR Framework privileges shareholders over stakeholders and sustainability, in some IR adoption cases, the stakeholder focus is advanced. Fourth, at a practical level, the study shows that the IR Framework, specifically with relationship capital, promotes an inclusive approach with stakeholders to identify material matters requiring disclosure in the report. The implementation of the IR Framework, with its requirements for conciseness and focus on the most relevant issues, led the company to seek inputs from its various stakeholders in determining the materiality of matters,

which directly influenced the social content in the integrated report. Therefore, while IR adoption reduced the social disclosures, the integrated report enhanced the relevance of the information received by stakeholders, by focusing attention on stakeholders' perceptions and information needs for the determination of report content. Thereby, IR fostered the relevance of the social information disclosed to stakeholders. Fifth, this study shows an example of IR adoption that was not driven by a need to conform, as previously highlighted by Stacchezzini et al. (2016), but took up IR disclosure to enhance stakeholder engagement and disclosure, consistent with the normative branch of stakeholder theory. As a consequence, from a theory perspective, normative beliefs in all stakeholders' rights appeared to be the dominant driver of the company's decision to implement the IR Framework, with the company believing that IR was the right direction to take in order to enhance the provision of information to benefit stakeholders. As Seele (2016) argues, a major benefit is that in addition to investors, IR is also useful to other groups of stakeholders. The interviewees reported a positive impact on New Zealand Post's relationship with its stakeholders resulting from the more meaningful disclosures, and the improved internal and external stakeholder engagement. This was corroborated by the content analysis. This study links with Kaur and Lodhia (2018), who observed that early involvement of stakeholders in sustainability accounting and reporting processes by public sector organisations addressed stakeholder concerns, by showing that IR promotes early stakeholder involvement.

Finally, this study provides insight into the relatively new research field of IR adoption. As yet, few empirical studies have investigated IR practices and implementation (Stubbs and Higgins, 2012; Stubbs and Higgins, 2014). Empirical IR research studies are even rarer among SOEs (Roper and Schoenberger-Orgad, 2011). Thus, these findings may inform further developments in IR guidelines by the IIRC and its adoption by policy makers in the public sector setting. Regulators may use our findings as input when contemplating whether to mandate IR. The results add to our understanding of the impact of IR on social disclosures.

This study is subject to the limitations associated with a single company case study (Parker and Northcott, 2016). Therefore, the findings are meant to shed light on an emerging area and contribute to a better understanding, as these findings may not be directly transferrable to other contexts (O'Dwyer and Boomsma, 2015). Thus, further research is needed to build on this early stage of understanding which may lead to further theoretical insights. This study is not based on stakeholder interviews. In terms of future research, it would be useful to solicit the views of different stakeholder groups.

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