

Developments in company reporting on workplace gender equality? A corporate social responsibility perspective

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Abstract

This paper investigates the extent to which external reporting by UK best practice companies now includes performance information about gender equality in the workplace. It examines the reasons for company disclosure on this issue and the barriers to better reporting.

It finds that new and substantial forms of gender performance reporting have emerged. However such reporting remains idiosyncratic and largely non-comparable.

Market, civil society and governmental drivers inform reporting practices, however firms perceive no strong demand for, and significant risks associated with more detailed reporting. The paper considers policy options beyond regulation.

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1. Introduction

This paper investigates the reporting of gender equality in the workplace among UK companies claiming best practice. Historically company reports have revealed little about women's employment and advancement and equal opportunities (Adams, Coutts, & Harte, 1995; Adams & Harte, 1999; Benschop & Meihiuzen, 2002; Gray, Owen, & Maunders, 1987). Adams and Harte (1999, p. 8) noted 'limited corporate accountability on EO¹ performance', and, in particular, 'the absence of targets and performance data, and the non-disclosure of critical matters such as complaints and tribunal cases'. Our study revisits the issue of corporate reporting on gender equality and examines how this has developed since Adams and Harte (1998, 1999) particularly regarding the extent to which such reporting has moved beyond disclosure of policies and programmes to provide information about performance and impacts. Although some of the corporate social disclosure (CSD) literature has recognised the possible influence of social, economic and political factors, we suggest that perhaps there has been an overemphasis on the non-/regulation dichotomy. In contrast, our paper addresses the complementary roles of social and self-regulation in the context of the recent new wave of corporate social responsibility (CSR).

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¹ Equal opportunities.

Our paper also acts on Adams and Harte's finding that, in relation to EO reporting:

'Most studies... described the extent of disclosure, rather than seeking to understand or explain (non) disclosure. Relatively few studies have attempted to focus on a particular social issue, or a particular firm, with a view to better understanding the reasons for (non) disclosure.' (1999, p. 6)

Adams (2002) argues that theoretical limitations in CSD have been related to the lack of engagement with companies which do report, particularly regarding the impact of internal reporting and attitudes of managers to reporting. Recent studies have focused inside organisations (Adams, 2002; Adams & Larrinag-Gonzalez, 2007; Adams & McNicholas, 2007; Bebbington, Brown, Frame, & Thomson, 2007; Larrinaga-Gonzalez, Carrasco-Fenech, Caro-González, Correa-Ruiz, & Páez-Sandubete, 2001; O'Dwyer, 2002, 2003) but have not specifically addressed gender equality reporting. Thus, our study complements quantitative analysis with qualitative analysis of gender performance reporting. Interviews with company representatives were conducted to elucidate relevant internal monitoring and reporting processes, the drivers for external reporting, and reasons for non-disclosure of information internally available.

Whilst previous studies of EO reporting addressed disclosure in annual reports, we also examine reporting in CSR reports and websites. This is because we wanted to investigate whether the growth in CSR reporting since previous research on EO disclosure has contributed to gender reporting. We analyze our findings in the light of theories about the growth of CSR more broadly.

The position of women in the UK labour market has improved since the 1970s EO legislation but, 30 years on, progress appears slow. For example, the full-time and part-time gender pay gaps are 17% and 38%, respectively (Equal Opportunities Commission (EOC), 2006a) and equal pay cases filed have risen significantly over the last 5 years (EOC, 2007a). The cost of such inequality is borne by women, their employers and the UK economy in terms of productivity and GDP opportunity costs (Adams & Harte, 1999; EOC, 2004; Opportunity Now (ON), 2006; Walby & Olsen, 2002). Accordingly, the EOC has argued that legislation should ensure 'that the responsibility for gender equality is shared between individuals, employers and government' (EOC, 2005).

A Public Sector Duty to promote gender equality in 2007, recognises that reliance on individual case law to end discrimination has not been sufficient. The duty requires public authorities to ensure gender equality in their workplaces, in service provision, in policy making, regulation and enforcement, procurement, and to monitor and report progress. This raises the question of how gender equality is promoted in the private sector which is increasingly contracted to deliver public services and employs over half of UK working women (Labour Force Survey, 2004). Yet the private sector gender pay gap is nearly 9% higher than that of the public sector (EOC, 2007a), and private sector companies are less likely to have completed equal pay reviews (EOC, 2005). Perhaps unsurprisingly there have been calls for a Private Sector Duty to promote gender equality (EOC, 2006b). The Fawcett Society, a leading NGO for women's rights recently argued that "The CEHR's² ability to reduce inequalities in society would be greatly enhanced if its remit included the private sector where the majority of the population works" Fawcett Society (2007, p. 2).

Equally, employers have increasingly acknowledged the importance of human capital management (HCM) in a knowledge-based or service sector economy (CIPD, 2005), and recognised that high standards of HCM can enhance performance, particularly by raising the skills base and enhancing employee motivation and retention (e.g. Department of Trade and Industry (DTI), 2003; Scarbrough & Elias, 2002). As women now account for about 50% of the workforce, business and government organisations increasingly recognise the importance of gender equality and diversity in the workplace to these objectives.

More specifically, the business case for gender/diversity programmes has been increasingly predicated upon their impact on employee attraction, retention, commitment, motivation, and absenteeism; customer satisfaction; innovation; litigation costs; and reputation (e.g. DTI, 2003; Henderson, 2002; ON, 2001, 2004a). Kingsmill (2001) recommended that companies should be encouraged to conduct reviews of women's employment as a step towards improving HCM.

Companies are increasingly acting on these issues and monitoring progress (ON, 2004a, 2006). Illustrative of their commitment is the creation of ON, an employer-led organisation which forms part of Business in the Community (BITC). ON aims to realise the full potential of women at all levels and benchmark members' progress. Of its 361

² The CEHR is the UK Commission for Equality and Human Rights which, as of 1 October 2007 is called the Equality and Human Rights Commission. It is a statutory body established under the Equality Act 2006, which took over the responsibilities of the Commission for Racial Equality, Disability Rights Commission and Equal Opportunities Commission.

member organisations, 51% are from the private sector.³ Government–business partnerships to accelerate equality programmes were noted in the 1990s (Adams & McPhail, 2004) and have, if anything, increased, including EOC programmes on facilitating equal pay reviews, flexible working and work–life balance, and reducing job segregation.

Reporting has been identified as a potential aid to the equality agenda illustrated by Kingsmill's (2001) focus on measurement and reporting of equal pay and employment because ‘what gets measured gets managed’. The government has encouraged reporting on gender and diversity within HCM reporting (DTI, 2003). In its benchmarking process ON acknowledges the importance of external communications on gender equality.

It is implicit in the Public Sector Duty that increased transparency afforded by monitoring and reporting would improve gender equality. This reflects some of the conclusions of the accounting and feminist literatures. Social accountants and feminist have noted the political nature of accounting systems (e.g. Ellwood & Newberry, 2007; Rees, 1998; Rubery, 1998). Adams and Harte (1999) point to accounting's influence on social structures and organisations, and the fact that “accounting has the potential not simply to reflect (economic) reality, but for it to construct (economic) reality” (p. 1). They conclude that corporate transparency can facilitate corporate accountability, and this point has been advanced by others in the field, including Owen (2003, p. 2): ‘The whole *raison d'être* for social and environmental accounting lies in its potential to make certain aspects of corporate activity more transparent to external stakeholders, who may then be empowered to hold corporate management accountable for their actions insofar as they are affected by them’. Adams and Harte (1999) contend that the lack of corporate reporting on EO has hindered the EOC's work in investigating particular firms and sectors, and has limited debate on this aspect of corporate performance. The TUC (2004) now calls for companies to publish detailed information about gender and diversity representation, policy and programmes, as well as information about equal pay audits, to enable trade union pension fund trustees and other shareholders to monitor company performance.⁴ More recently, Adams and McNicholas (2007) explore the emancipatory possibilities of social accounting.

Historically, social accounting analysis has explored feminist explanations of women in employment with particular reference to patriarchy and capitalism. Company reporting has not only revealed little about equality for women, but often portrayed them in inferior roles (e.g. Macintosh, 1990). Moreover, Tinker and Neimark (1987) argued that reporting was used as a tool to maintain an ideology of oppression, and that annual reports reveal how women's exploitation varies according to specific crises of capitalism. Adams and Harte (1998, 1999) concluded that corporate social reports on women's employment are more important for what they do *not* reveal than for what they disclose, and that disclosure reveals patriarchal attitudes in particular.

Looking forward, an important development in gender equality theory and practice, focuses on gender mainstreaming (GM). GM is a transforming process which moves beyond individual rights for equal treatment, and positive actions to address group disadvantage, to ‘identifying how organisational systems and structures cause indirect discrimination and altering or redesigning them as appropriate’ (Rees, 2002, pp. 46–48). GM addresses gender equality both in technical processes (e.g. collection and publication of gender disaggregated statistics) and political processes (e.g. participation of women) (Council of Europe, 1998; Rees, 1998, 2005; Walby, 2005).

Thus our paper examines corporate reporting through the lens of GM. This builds on previous investigations of GM in the field of CSR and CSD, including the extent to which information about gender equality is systematically required within CSR and SRI reporting systems (e.g. Grosser & Moon, 2005a), and whether women are included in stakeholder processes (e.g. Grosser & Moon, 2005b; see also Kilgour, 2007). Here we revisit CSD of gender equality in the workplace to ascertain if and how gender issues have been incorporated, or mainstreamed, within HCM or CSR performance reporting. We use our findings to further reflect on GM practice.

The theoretical frameworks of stakeholders, legitimacy and political economy have been used to explain CSD on social, including EO, and environmental issues (e.g. Adams & Harte, 1998, 1999; Adams & McPhail, 2004; Roberts, 1992; Tinker & Neimark, 1987). Adams (2002) and Adams and McPhail (2004) note the complexity of influences on CSD and the inadequacies of current theorizing.

Our study does not attempt a comprehensive re-evaluation of the theoretical underpinning of corporate reporting on gender issues. However, it does take account of one particularly important development in the broader context for EO

³ Information from Opportunity Now, given by telephone, September 2007.

⁴ There have also been warnings in the accounting literature that the provision of more information may not necessarily lead to improved transparency and practice in this area (e.g. Adams & McPhail, 2004; Strathern, 2000; Tsoukas, 1997).

reporting; the growth of CSR and the attendant increase in corporate social reporting. With the expanding role of the private sector in national and global governance (Moon, 2002), the issue of corporate responsibility and accountability, on social issues has been recognised as increasingly important (e.g. Matten, Crane, & Chapple, 2003). A new focus on CSR is one facet of these broader changes, and the UK is generally regarded a leader in this field (Vogel, 2005). Companies are devoting more attention and resources to CSR internally, attributing responsibility for CSR to board members, employing CSR managers and consultants, and joining CSR membership organisations (e.g. Business in the Community) which develop CSR standards, benchmarks and tools. They are investing in external communication on CSR issues, which brings us to the significant increase in CSR reporting by UK companies such that over 90% of the FTSE 100 report their CSR covering a range of social and environmental issues (KPMG, 2005).

Within CSR there has been a growing interest in employee issues, including gender and diversity. There is now routine reference to EO, diversity, and even to gender equality within CSR benchmarking instruments (e.g. GRI; BITC; FTSE4Good; Calvert, 2004; Grosser & Moon, 2005a; Henderson, 2002; Schepers, 2003). Indeed, Opportunity Now itself is located within the CSR organisation, BITC.

In this context our question arises as to whether recent growth in CSR and CSD has incorporated increased transparency and accountability on gender equality. However, the prior question of the drivers of CSR needs to be addressed.

‘CSR needs to be understood as part and parcel of a wider system of national societal governance incorporating government institutions, business organisations and non-governmental organisations’ (Moon, 2004a, p. 1). CSR includes *market drivers* such as pressure from consumers (e.g. niches, mass boycotts), employees (to attract and retain employees), investors (ethical/social responsible investment, mainstream investor interest), business customers (through supply chain assurance) and competitors (where CSR branding adds competitive edge). *Civil society* drivers, or social regulation, refers to more collective impacts on corporations than those imposed by individual consumers, mainly through NGOs in their adversarial and partnership modes, abetted by the media’s appetite for stories of irresponsibility. *Government* drivers for CSR consist of ‘soft’, rather than coercive, regulation which can encourage improved reporting standards (e.g. amendments to the UK Pensions Act). Governments also encourage CSR through endorsement, facilitation and partnerships (Moon, 2004b; Moon & Vogel, 2008), and procurement (McCradden, 2007).

Our focus on CSR drivers is closely aligned to a stakeholder approach to CSD, and we do make use of stakeholder theory. However, the significance of CSR lies not only in each element, or stakeholder group, but in the way that these drivers are reinforcing each other within new systems of governance. We suggest that the three drivers of CSR provide a rather more subtle process than a simple stakeholder approach as they reflect the way CSR aligns rather than dichotomises market and non-market forces. Together these drivers have the effect of a ‘socialisation of markets’ (e.g. Moon, 2003). What, then, is their significance in explaining non/reporting of gender issues?

Our approach thus contrasts with some of the CSD literature. Whilst this has given credit to the role of social as well as economic/business and political/government influences on CSD of EO (e.g. Adams & Harte, 1999; Adams & McPhail, 2004) and acknowledged some merits of self-regulation (e.g. Adams & Harte, 1999), there is considerable attention to regulation. Adams and Harte (2000, p. 19) concluded that there was little alternative to regulation “if we seek an improvement in accountability, and the opportunity to discover where inequality of opportunity lies”. However, the UK government has chosen not to regulate for such disclosure, and, where it has regulated in relation to disability, companies have often failed to comply (Adams & Harte, 1999). Thus our research into the possibilities for improved gender reporting as result of the new wave of CSR is timely.

The contribution of this paper is threefold. First, we offer the opportunity to review company reporting on gender equality in the workplace a decade after Adams & Harte (1998, 1999). Reports of gender equality are analyzed in order to ascertain whether increased attention to, and monitoring of, gender equality in the workplace has been accompanied by improvements in reporting of outcomes, impacts or performance by companies claiming best practice external communications on this issue.

Secondly, we apply qualitative methods to the issue of gender reporting by interviewing managers about the nature of gender equality reporting and the reasons for non-/disclosure.

Thirdly, we evaluate our findings through the framework used to explain CSR, that of market, civil society and government drivers working together (Grosser & Moon, 2005b; Moon, 2004a). Perhaps most significantly we argue that the social accounting literature has overemphasised the issue of whether or not to regulate for greater disclosure. Bebbington et al. (2007, p. 359) quote Hancher and Moran noting that the “regulatory space” available to governments has decreased. Whilst regulation could play an important role in improving reporting practice, given that it is currently

not forthcoming we point to the opportunities afforded by ‘soft regulation’ and government facilitation of market and social drivers of CSR and CSD to improve disclosure on gender issues.

2. Research methods

Our sample selection was designed to capture companies which monitor and report progress on gender equality ([Adams & Harte, 1999](#), p. 23; [Adams & Harte, 2000](#), p. 63). Twenty publicly listed companies were chosen which benchmark their progress with ON and which awarded themselves top marks for external communications in ON’s self-assessed benchmarking survey in 2002/2003 or 2003/2004. Many of our samples had also won awards for gender equality or other human resource policies and programmes (e.g. ON, Best Place to Work). The companies remain anonymous reflecting the ON benchmarking system and their agreement to participate in our research.⁵

The findings are presented in two sections reflecting the respective methods deployed. Quantitative analysis is based on the companies’ annual reports, CSR reports (2004) and websites (2004–2005). Following [Gray’s \(2001\)](#) suggestion of using the stakeholder model to define social accounting categories, our data categories (see tables) were informed by: academic literature (e.g. [Adams & Harte, 1999, 2000](#)); gender reporting regulation in other countries (e.g. Australia, USA); voluntary guidance for UK human capital management reporting ([DTI, 2003](#)); business monitoring practices (e.g. ON benchmarking surveys); social responsible investment guidelines (e.g. [Calvert, 2004](#); [Henderson, 2002](#); FTSE4Good criteria); and CSR reporting systems on diversity and management (e.g. [BITC, 2003, 2005](#); [GRI, 2002a, 2002b, 2006](#); [Grosser & Moon, 2005a](#)). Stakeholder theory is routinely used in the fields of management and accounting with little overt consideration of gender issues. Feminist and gender theories would suggest that dominant voices within stakeholder groups are the result of patriarchal structures and processes and cannot therefore be assumed to be representative of gender concerns. For this reason, and recognising the importance of women’s participation in gender mainstreaming, our data categories were also informed by EOC priority areas; feminist analysis of gender equality at work and home (e.g. [Somerville, 2000](#); [Walby & Olsen, 2002](#)) and priorities and recommendations from women’s organisations (e.g. the Women’s Budget Group). Thus the issues in our quantitative data analysis reflected those considered important by a variety of stakeholders, including women’s organisations, and gender specialists within academia and policy making. We therefore searched principally for the reporting of performance data on: workplace profile; career development, including recruitment, retention, promotion, training, redundancy; equal pay; work–life balance; job segregation; aspects of governance and litigation/tribunal cases; and general management related to gender issues.

We deployed a qualitative content analysis methodology (adapted from [Hackston & Milne, 1996](#); [Hasseldine, Salama, & Toms, 2005](#); [Toms, 2002](#)) by differentiating two main categories of data. The first includes rhetoric, declarative, policy, endeavour or intent, and programme reporting. The second includes targets, quantified data (monetary or non-monetary), descriptions of performance and outcomes. We record only the latter except where programme descriptions were deemed to be particularly unusual. A company was recorded as having reported on each gender-related issue if it gave any such performance information on this issue, even if this was very limited or partial in scope. For example, reporting on gender sometimes relates to the whole workforce (e.g. targets for women’s overall representation) and sometimes only to parts of the workforce (e.g. women as percentages of: new recruits, new graduates, modern apprentices, recruits to technical jobs). We illustrate the range of reporting found. Findings are recorded as numbers/percentages of companies making disclosures in any particular category ([Milne & Adler, 1999](#), p. 241) but the frequency and extent of category reporting are not recorded.

Qualitative analysis is based on 11 interviews with representatives of 7 companies whose reporting was among the best.⁶ Interviewees were chosen because of their responsibility for gender issues and/or reporting, and sometimes we interviewed more than one representative per company.⁷ The interviews were by telephone, lasting between 30 and 80 min.⁸ They were semi-structured around issues identified in the CSD literature and emerging from the quantitative

⁵ The companies were from the financial services (13), retail (2), transport (2), telecommunications (1), energy (1) and manufacturing (1) sectors.

⁶ Eight of these interviews were recorded and transcribed, and notes were taken during the other three.

⁷ Their job titles were: Employment Policy Advisor, Diversity Advisor, Senior Recruitment Consultant, Diversity Manager, Head of Diversity, Head of Organisational Development, European Director of Diversity, Head of Employment Policy, Personnel Director, Corporate Social Responsibility Manager, and Head of a Human Capital Reporting Project. Three of these interviewees were men and eight were women.

⁸ Six interviewees were from the banking sector, two from the energy sector, one from telecoms, one from transport, and one from manufacturing.

Table 1
Modes of reporting

	% companies using this mode	% of which reported gender equality by this mode
Annual report	100	85
Website	100	100
CSR report	80	100

Table 2
Gender in workplace profile reported

	N	%
Women as percentage of workforce	14	70
Women as percentage of management	15	75
Trends in women as percentage of management	13	65
Targets for women as a percentage of management	11	55
Women as percentage of different grades	8	40
Trends in percentage of women by grade	9	45
Percentage of all staff working part-time/flexibly	9	45
Women as part-time workers	1	5
Women with other diversity indicators	1	5

analysis. These included: monitoring; key performance indicators of gender equality/diversity; reasons for reporting; target audiences and drivers; criteria for what to report; reasons for not reporting; attitudes to reporting bad news; feedback about reporting, views about regulation, and incentives for greater disclosure.

3. Quantitative research findings

3.1. Gender equality reporting by UK best practice companies

Table 1 indicates that these companies claiming to communicate well on gender equality did report publicly on gender issues in multiple modes. However, not all companies include such information in their annual reports. Sixteen produce CSR reports, all of which include information on gender equality, indicating that they regard this as a CSR issue, and all use their websites to communicate on gender issues.

Table 2 indicates the variety of workplace profile data reported.

The Ethical Investment Research Service sees the ratio of women as a percentage of managers to that of women as a percentage of the workforce as a good indicator of progress on gender equality. Thirty percent of our sample failed to report the former and 25% the latter. Thirteen companies report trends relating to women in management, and 11 report targets or goals. However, only eight differentiate women among managerial grades, and nine report trends in the percentage of women through different grades.

ON's benchmarking process advises that data on gender are linked to wider diversity issues (e.g. working patterns, disability, ethnicity, 2004, p. 49). However, whilst nine companies in our study report the percentage of staff working part-time or flexibly, only one reports data on part-time workers by gender (see work-life balance reporting below). One company reports women workers from different ethnic minority groups at different levels of the workforce, however these data are only reported for the USA where such reporting to government is mandatory.⁹ The representation of ethnic minority women in the workforce is otherwise invisible, despite growing interest from the EOC (2007b).

Table 3 indicates relatively low scores for the reporting of gender equality in career development and pay.

Only seven companies report achievements or targets for recruitment by gender. However, eight companies report some information about attracting women to non-traditional jobs—a subject of EOC campaigns. Recruitment reporting

⁹ Via mandatory annual reporting to the Equal Employment Opportunity Commission (Section 709(c), Title VII, Civil Rights Act of 1967, as Amended by the Equal Employment Opportunity Act of 1972).

Table 3
Women's career development and pay reported

	N	%
Recruitment	7	35
Attraction to non-traditional jobs	8	40
Retention	2	10
Career development and promotion	9	45
Training	3	15
Redundancy	3	15
Equal pay review	8	40
Equal pay review findings	4	20

Box 1 Examples of equal pay information reported

Pay differentials between FT men and women; comparison with national pay gap.

Pay differentials between PT men and women.

Lowest starting salary.

Agreements with unions about equal pay reviews.

Explanations of pay gaps; programmes to address them.

Budget allocations to redress pay differentials.

Board support for equal pay reviews, integration of equal pay guidance into pay reviews.

Explanations of how the equal value issue is addressed.

Bonus payments inclusions in equal pay reviews.

Extension of equal pay reviews to race and disability issues.

includes: women as percentages of new recruits, new graduates, modern apprentices, recruits to technical jobs; targets for women's overall representation; targets and performance for women short-listed for senior management positions. Some companies report goals for attracting working mothers or lone parents (approximately 90% of whom are women), arguing that this would help reflect their customer base.

Only two companies report retention data regarding women, despite the fact that reporting of overall retention/turnover is not uncommon. One reports its maternity return rate and another reports plans to improve retention of women following exit interview analysis. Nine companies report performance data on career development and promotion, although this number may be inflated as some do not distinguish internal and external women recruits. Such reporting includes data on women as a percentage of promotions to management, and on specific actions taken to increase promotion of women in non-traditional jobs.¹⁰

Although numerous companies report workforce training data, only three provide gendered information.¹¹ None report on training of part-time workers (78% of whom are women). Some companies report e-learning provision which could ease access to training for flexible or part-time workers. Only three companies report any redundancy information by gender, generally indicating that redundancy is gender-neutral, although one reports a decline in the percentage of female managers resulting from their high take-up of redundancy packages.

Eight companies report equal pay reviews, but only half of these provide information about the results (see Box 1).

Reporting on equal pay is generally through a positive story with little detail. Some companies report problems in addressing equal pay (e.g. multiplicity of bonus schemes, decentralisation of individual performance rewards). Whilst over a third of the UK pay gap is explained by women combining care and paid employment (EOC, 2004), only seven of our sample report any performance information on flexible working (Table 4).

Lack of disclosure on the recruitment, position, training or promotion of part-time workers is particularly notable given their relevance to the work-life balance agenda. Indeed the ON benchmarking survey refers to regular monitoring of the take-up of flexible working schemes by gender and by hierarchical level, as an indicator of cultural change. As

¹⁰ Such as training, career restructuring, and reviews of promotion criteria (e.g. relocation requirements).

¹¹ Includes reporting on training of senior women (e.g. participation in executive development) and on women-only training courses.

Table 4
Work-life issues reported

	N	%
Flexible working performance	7	35
Flexible working take-up by gender	0	0
Childcare performance	3	15
Childcare take-up by gender of employee	0	0
Health and safety and gender	3	15

Box 2 Examples of flexible working performance data reported

Percentage of the total workforce working flexibly (no gender breakdown).

Savings associated with flexible working.

Percentage of employee satisfaction with work-life balance or options, with trends (no gender breakdowns).

Applications, and percentage granted, for flexible working arrangements (no gender breakdowns).

Number of complaints under new legislation on the right to request flexible work.

Awards for creating a flexible work structure and rankings in graduate guides to best work-life balance employers.

Partnerships with NGOs to develop policy/assist staff access relevant external services.

Shortening of the working week for non-management grades.

Percentage of training provided via e-learning.

Table 5
Governance and management of gender reported

	N	%
Board responsibility for gender/diversity	7	35
Litigation, tribunal cases, and official complaints	2	10
Gender/diversity management/accountability	15	75
Gender/diversity in management performance appraisal	3	15
Gender and diversity training performance	10	50
Consultation of workforce re gender/diversity	11	55
Feedback by gender on employee surveys	1	5

noted above, only one company reports part-time workers by gender. Another reports managers working part-time, but not by gender. **Box 2** illustrates the data reported.

Whilst many companies report childcare and eldercare policies and programmes (e.g. facilities, vouchers), only three report performance information relating to childcare. One, indicated the importance of this issue by reporting the percentage of its staff with parental responsibilities.

Although health and safety policies increasingly include such issues as stress-related illness (a major cause of long-term absence), we found very little gendered data on health and safety. One company reports providing support for employees with post-natal depression and another reports data on usage of its breast cancer-screening programme. A few companies report addressing domestic violence as an issue with workplace implications, but provide no related data (see [ON & Women's Aids, 2003](#)).

Regarding the management of gender equality issues, **Table 5** indicates that seven companies report board level responsibility and fifteen report on management accountability, for gender/equality/diversity.

Only three companies (15%) report the inclusion of gender/diversity in management performance appraisals¹² though others report that such issues feature in general employee appraisal. Whilst only two companies report information about litigation, tribunals and complaints, such information was notably absent from past studies. One reports the number of complaints under new flexible working rights regulation. Another reports litigation and tribunal cases relating to discrimination but does not specify if gender related.

¹² Twenty-six of employers benchmarking with ON included gender/diversity in management performance appraisal in 2003/2004, and this figure remains the same in 2006/2007 ([ON, 2004b, 2007](#)).

Box 3 Examples of gender/diversity strategy reported

Publication of diversity strategy; description; implementation timetable.
 Composition of equality/diversity committee; committee chair; description of its role; frequency of its reviews; to whom and how often the committee reports.
 Names of those responsible for strategy; roles of diversity champions/coordinators.
 How progress is measured (e.g. monitoring of workforce composition, employee opinion surveys).
 Union involvement in developing/implementing strategy (less frequent).

Ten companies report targets or performance relating to equality/diversity training (e.g. participation rates) but none provide training content or quality details. Stakeholder dialogue with employees on gender issues is sometimes visible. Eleven report staff consultation about gender/diversity and work-life balance through employee surveys, and six report consultation via women's networks. They report trends in employee satisfaction with diversity and work-life balance policies, some even revealing negative findings (e.g. declining employee satisfaction on this issue). Companies sometimes report staff survey response rates but not by gender. One company reports that feedback from employee surveys is monitored according to diversity strands and targets but these results are not reported.

Box 3 illustrates strategies for gender and diversity reported by companies.

Whilst we found considerable reporting of other human capital management issues (e.g. absenteeism, length of service, employee share options schemes) this did not include gender breakdowns. Several companies report their overall results in the ON gender equality benchmark, and one includes results from the impact section of this benchmark. The latter provides a good model as scores in the impact section represent the best measure of overall performance on gender equality available from a UK CSR benchmark.

In sum, we found significant reporting of performance by best practice companies. Given that Adams and McPhail (2004) found some disclosure of workplace profile data on ethnic minority employees, it may not be surprising that we found similar data on gender is now being reported by leading companies. However, we have documented reporting of a variety of performance information about gender issues beyond basic workplace profile, none of which was noted in earlier research. Thus our findings indicate considerable progress, despite the absence of regulation. However the reporting rarely constituted the comprehensive, consistent or comparable coverage of gender workplace issues called for by social accountants, NGOs and legislation in other countries. This confirms Gray's finding that voluntary initiatives do not produce 'consistent and systematic practice' (2001, p. 13). Very little negative information was revealed, confirming the view that voluntary reporting tends to present favourable managerial accounts (Adams & Harte, 2000). Whilst the best reporting linked policies, programmes and targets, on the one hand and performance on the other, most reports did not. Gender breakdowns are still rare in human capital reporting. It could be argued that enduring patriarchal structures are reflected in our findings which indicate that many aspects of gender inequality in the workplace remain invisible. Our findings also indicate that the practice of gender mainstreaming has not advanced far in corporate human capital reporting.

4. Qualitative research findings

In order to further understand and explain these findings, we turn to our qualitative analysis: interviews with managers.

4.1. What gets measured and why

In order to report, companies need measurement systems for internal management and accountability, tracking progress, benchmarking and identifying areas for action. One interviewee described their monitoring system as combining top-down and bottom-up input to maximise buy-in, and to connect with overall HR strategy. Monitoring was also used to win the attention and support of senior management, enabling regular, structured internal reporting to the board, and as a resource in discrimination cases. Although some companies articulate the need to report externally on HCM, including diversity (DTI, 2003, 2004), we found that most companies claim to collect much of the information we had sought (and often much more) but choose not to publicly report much of it (confirming Adams, 2004; Adams

& Harte, 1999; Adams & McPhail, 2004). This also reflects reporting of HCM data more generally (Scarborough & Elias, 2002).

4.2. Key performance indicators (KPIs)

KPIs enable tracking of progress and impacts, external benchmarking and reporting. Whilst recognising the value of comparing the percentage of women in management with that of women employees most interviewees emphasised the importance of trends: ‘what I’m looking for all the time is improvement. We should instead ask “Can you show improvement?”’

Companies vary in the trends they monitor. For example some measure women’s promotion relative to their proportions in feeder grades or in the company overall. Job segregation means that:

‘if you look at the numbers overall they are very misleading. You have to look at them at different levels, and also within different departments... because obviously we have some predominantly female areas and we have some very, very male dominated areas like engineering.’

Several saw attention to a single indicator of female representation (e.g. board membership) as misleading:

‘We went down that list this year, merely because other boards have reduced in size and ... [thereby got] ... a better percentage of women. And when we say to the people doing that survey – hang on a minute we’ve got loads of women who are in much more responsible jobs than being a board member, paid higher salaries, with more responsibility – they say “no we’re not interested in that”’.¹³

Although companies are encouraged to report against targets even committed managers sometimes view them as problematic:

‘the targets on the website are there because external people want us to have [them]... internally we don’t bang on about those targets very much at all, [rather] we report the facts, and we expect our managers to react to [them]’.

‘This [avoidance of targets] means that we don’t get into... positive discrimination. That’s a real concern because ... if the boss says you will get a 2% figure, guess where you end up? And the mechanisms to deliver that then become aimed at delivering (only) that.’

Many interviewees stressed the importance of a variety of indicators because: ‘Having the percentages doesn’t mean it’s a good place to work and your colleagues are valued and happy.’ Maternity return and post maternity retention rates, and exit interviews explaining female attrition were regarded as important measures. One valued ‘the training, education side... what opportunities are given to staff to be able to work on a par with each other, and flexible work.’

Interviewees generally valued tracking cultural change within the organisation but ‘that’s much more difficult to define’. Many saw the take-up of part-time and flexible work as important because of its link with significantly improved maternity return rates, and the take-up of these options by gender and hierarchical level was viewed as an important indicator of cultural change. Others emphasised staff survey feedback about diversity, work-life balance, job satisfaction, feeling valued and being treated fairly:

‘what colleagues are ... saying to us ... is... an output that’s going to be really critical in terms of how we’re doing. We’ve already changed the timetable for that this year to reflect this reporting in the future.’

Many said their companies monitored results of staff surveys by gender and diversity strand, and work position.¹⁴

4.3. Deciding what to report

Despite the gaps in external reporting data, most interviewees said their companies had rigorous *internal* reporting systems on equality and diversity.

¹³ The Female FTSE Index is now addressing this issue.

¹⁴ For example, one could confirm that home-workers were just as engaged as other workers.

‘[W]e report [internally] on everything... we’ve got a diversity leadership group that the Chief Exec chairs and he’s asked for diversity KPIs within every division, and reporting to the Board on whether the division/business is green, red, or amber. I think that reporting right up to the Board on a quarterly basis will really keep the activity going at a lower level, and it’ll create a lot of competition between the different divisions.’

‘[A]ll divisions have to report to the Chief Exec personally on diversity twice a year and there’s nothing more powerful than being sat in front of the Chief Exec for making things happen!'

Another said their company reported internally to workers via unions as well as to the management board monthly and the main board quarterly.

Companies report *externally* on gender equality in response to key market actors, especially investors and potential employees, as well as customers and clients. Civil society and government drivers were also specified (see Sections 4.5–4.7). Companies use external reporting guidelines which reflect both market and civil society drivers (e.g. benchmarks and questionnaires from ON, EIRIS, Manifest, FTSE4Good, Business in the Community, GRI). Interviews revealed how companies try to balance the needs of different stakeholder groups in the length and content of their reporting:

‘Some of the public will say there’s too much information, and reporting agencies will say, “we want more”, so what we’ve tried to do is strike a balance between the two’.

When asked how they choose what to report, the emphasis was clear: ‘obviously good news, and progress rather than any negative things, and also what we’re going to do to get better’.

One interviewee noted that reporting on gender equality/diversity supports the corporate responsibility agenda and ‘helps us to engage customers and colleagues’. Nonetheless, many interviewees emphasised that reporting should focus on issues significant to the company:

‘we have to be careful that what we report on tells the story as to what’s important to us... I’ve seen all sorts of scorecards banded around, and yes, we will consider what’s in there, but ultimately when we’re reporting it’s [focussed on] what’s material to us as a business.’

Internal decision-making processes determine the final reporting content whatever information on gender/diversity is submitted for inclusion in CSR and annual reports:

‘it (the CSR report) covers environmental, people-related and business-related issues so a cross-section of people (including from procurement and marketing) is represented on the Steering Group and they all knit chunks of work and then it gets pulled together by the Steering Group. I (Head of Diversity) draft the Diversity section for approval by the HR Director; [it then goes] to the Steering Group and gets pulled apart and then goes to the Leadership Team ... and then to the Board for approval and then it gets published.’

‘[Our] report goes via Investor Relations and the Press Office [and] although my team puts out as much as we can ... it gets pared down because there are so many people vying for space.’

One interviewee specifically identified reasons for reporting on governance and accountability systems:

‘we’re trying to report ... an infrastructure of control... as well as having the organisational structure to manage our business, how does our organisation structure (itself) to manage equality and diversity for example—we’re trying to give confidence around that.’

Reporting of litigation and tribunal cases was about legitimisation, either to present the company interpretation of information which is already public or to ‘turn it into good news’. Finally, whilst case studies do not indicate overall impact they are used to illustrate success.

4.4. Reasons for non-disclosure on gender equality

When asked why they do not report more detailed gender equality impacts some interviewees indicated that this was because performance was not note-worthy. Thus, some companies new to the gender agenda would not report data until they could best reflect their investment and achievements. One company was proud that some managers now

work part-time, but having noticed that the take-up of part-time and flexible working was ‘very highly female specific’ saw no benefit in reporting this.

Companies are also reluctant to report where they might fear attracting unwelcome pressure for further action (confirming O’Dwyer, 2002). For example, even long-standing equal pay reviews are often not reported unless they have a comprehensive audit and have resolved problems arising, because:

‘If you uncover something you’re going to have to put it right. And that’s going to lead us in to changing all our incremental pay scales, and we’re not quite ready to do that as a whole piece of work yet’.

‘The problem is that people want to see progress in sustainability year on year and sometimes when you’ve seen massive progress one year you’re not going to see the same progress the next year’.

However, poor performance and avoidance of accountability were not the only reasons for non-disclosure. Whilst some interviewees considered that their reporting adequately reflected company progress, others explained that, despite having further positive data to report, there is little market, civil society or governmental demand for more detailed information.¹⁵

‘I would question why you would report it (more information). Who is really interested in a lot more information in depth on these things?’

‘Who do you want me to report it (further information) to?... we report on what we think we need to report, in terms of what we are legally obliged to do. And we communicate our good work through other members of the CBI group. We work with the North East Centre for Diversity, Race for Opportunity. We work with ON. We work with lots of different organisations to get the word around about (the company) and we promote what we do through our advertising and our publications, so when you say reporting, I’m not quite sure where else I could report to’.

‘If we could establish a particular interest, a particular business need, an interested organisation that would require the information for their purposes, we would report it, but at the moment the feedback is that we’ve got enough in the public domain to keep the majority of people happy’.

Some interviewees emphasised the risks of revealing more than necessary, including those arising from the media’s focus on negative stories (see Section 4.6), and from inappropriate comparisons being made, between competitors. Otherwise, ‘the amount of information that we can put in the public domain is almost unlimited if it is not corporately sensitive’ (see Section 4.5).

Cost was also cited as a reason not to report in more detail, especially for smaller companies. There were also concerns about the clarity of reporting:

‘More sometimes becomes less. There is a criticism sometimes that you throw in everything that you can possibly collect and have all these metrics and then it all gets lost in terms of what the priorities are’.

Company-specific factors were also cited for decisions about reporting. One company was struggling to settle, let alone report, its KPIs following a recent merger. Others focus on inclusion and diversity rather than gender specifically:

the issue for me ...is how you report on a more integrated basis, rather than by issue or diversity strand. It’s not just about gender equality... the issues about this are quite similar to the issues on racial equality for example, and it’s actually about getting cross-over about those sorts of things. So whilst you’re always going to be aware of your demographics, we’re finding a much greater integration of our diversity work so that whilst we still have some parameters under gender it becomes part of the integration for your overall work.

One company’s demographic targets are global so, notwithstanding national efforts to improve performance on flexible working, childcare and equal pay, these do not get reported unless required by national legislation. Some

¹⁵ Adams and McNicholas (2007, p. 399) found examples of data demonstrating good social or environmental performance which the state-owned organisation they studied had not considered reporting. They argued that this showed that reporting was not used to mould perception of the organisation’s environmental performance. Several of our interviewees made this same argument.

companies headquartered overseas have no dedicated UK website, assuming that investor and potential employee attention is to their global operations. A further reason for non-/disclosure was competition for space in CSR reports.

4.5. Market drivers

The lack of demand for more detailed reporting is explained in market terms:

‘Basically the shareholders and investors want to know the demographics, they might be interested in part-time (workers). They want to know how many people we’ve got at different levels, and that’s about it’.

Interviews established that investors, rating agencies and job applicants sometimes request information on gender equality/diversity beyond what is reported. Whilst this is generally provided, it is not necessarily publicly reported unless widespread demand is identified. Most investor inquiries are limited:

‘How many women have you got with you? How many women in senior roles? And (sometimes) the trends.’

‘what would really make me report [more] on it is if I believed that that would generate better brand value for the company and better sales. . . The point where this becomes really useful to me is where it impacts on share price. . . [institutional investors are] not banging anyone’s door down and they’re certainly not rewarding or punishing companies that are good or bad at it (reporting)’.

Other market disincentives to further reporting include fears of: informing competitors, misinterpretation, or misrepresentation when compared to companies who measure progress differently, or are in different sectors:

‘What do measures such as profit per colleague actually show you, when you’ve got quite different organisations? You can say something but you can also manipulate the figures and the information in relation to other companies in benchmarking processes, and then people judge you against others that have done it very differently.’

Several interviewees indicated that gender equality information was produced with future employees in mind. A quarter of our sample provide information, often beyond their own reports, to Aurora Gender Capital Management which publishes information about UK companies’ gender practices and performance on its ‘Where women want to work’ website. Thus some increased demands for information are met outside the companies’ own reports, and niche markets have developed for such information

Despite women making the majority of consumer decisions (Kingsmill, 2001, p. 39) our interviewees did not see them driving reporting on gender issues.

‘Do I believe that more women buy from a particular organisation because it employs more women? I really don’t see that.’

‘you sometimes get a [consumer] complaint. It’s not normally related to gender but more likely to be about disability.’

Like many of our findings, this could be explained with reference to the invisibility of women within a patriarchal society, such that their role goes unnoticed, but there also appears to be a lack of women’s engagement with business about their reporting (see also Section 4.6).

One interviewee explained that advertising is a better means of communication with consumers:

‘We’ve very consciously placed adverts with people from ethnic minorities, people with disabilities, lots of family situations, lots of females. This impacts on the market more effectively than reporting how many women we employ’.

In contrast, some large clients/customers are improving practice through supply chains:

‘I was in a brewers yesterday, and the reason that they wanted to talk to me about my equality and diversity plans was because they knew they were rubbish at it . . . the National Union of Students (NUS) had asked them for a breakdown of their workforce and a breakdown of their supply chain. And they supply tens of thousands of pounds worth of beer to the NUS each year.’

'We're certainly now starting to ask our suppliers, so it's moved one step down the line and that means that organisations that are ignorant are now being asked the questions by people they are bothered about, such as businesses like us who are spending money with them.'

This reflects findings of [Belal and Owen \(2007\)](#) on the role of international buyers. It is unclear whether client interest will increase *public* reporting: market drivers count, but their relative significance and impact vary.

4.6. Civil society drivers

The companies are not driven by civil society pressure to report beyond their policies and programmes regarding their gender equality impacts:

'it's much more important for us internally to understand the return from maternity rate, and things like that, and the right to request (flexible working) application success rate. I feel that we have to understand that because it helps us to understand the demographics...[but] How many members of the general public want this information?'

Despite NGOs being drivers of CSD in general (e.g. [Tilt, 2004](#)) we found little such evidence for gender reporting. Most interviewees had never received requests for more information about gender equality impacts from women's NGOs, though one had been contacted by Fathers Direct. These findings are important because they indicate a lack of civil society engagement with business about gender equality in the workplace, when 'The nature of any social reporting and non-reporting will depend on the importance attached by the organisation to each stakeholder group' ([Adams & Harte, 1999](#), p. 12). Another indicated that requests from small NGOs would be unlikely to affect public reporting though the information requested would probably be supplied. Reporting is more likely to be driven by significant numbers of requests for information. Although unions periodically request information, our companies do not regard them as bringing significant pressure alone for greater public disclosure. Interviewees also explained reporting deficits with reference to the absence of guidance as to what civil society wants reported.

Companies are wary of the media environment for reporting:

'I might report a 99% return rate from maternity leave—fantastic story, and I'll get asked "why don't the other one percent come back then?" I'll get 10, 15, 20, or 30 women to talk about this and the newspapers will go and try to find the two women that we've treated badly.'

'...people know that we don't have any women on our leadership team, (but) if we put it out in black and white in a report then all we'd get is more challenge about it – there'd be a headline in the press saying 'No woman at the top' or something like that! So...why draw attention to something if it's not perfect?'

Evidence of a more positive media interest in gender issues in the private sector is, however, provided by *The Times Where Women Want To Work Top 50* in collaboration with Aurora.¹⁶

The perceptions of little public demand for and possible media misinterpretation of, further reporting of gender equality suggest that more broadly based civil society pressure would be required to generate greater company reporting.

4.7. Government drivers and the role of regulation

Many interviewees noted that although UK government agencies (e.g. EOC, DTI) engage companies about gender equality workplace issues and policy, there is no legal obligation to report on this issue. They contrasted this with their USA divisions which report more because they are legally required to report data on women (their ethnicity and grade) to government.

In discussion of their attitudes to mandatory reporting and voluntary reporting guidelines, several interviewees alluded to the free-rider problem ('if everyone is not doing it then why should you do it?') and saw regulation as key to more reporting, accountability and progress:

¹⁶ Aurora Gender Capital Management.

'if there was some kind of government influence which said you must do this, you must do that, then we would without a doubt do it'.

'personally I think it would be quite a good thing to have some kind of mandatory reporting. I think it would sharpen up people within organisations who produce the information. I mean (our company) believes what it says—what we do is above board, but I'm also quite certain that in other organisations it's not quite the same.'

O'Dwyer (2002) argues that it is difficult to justify CSD from a societal perspective if it cannot be seen to promote a public as opposed to corporate interest. This issue emerged from our interviews when one interviewee noted that the company would not benefit from reporting gender breakdowns of flexible working, but it did have an interest in reporting that its introduction had delivered costs savings, more environmentally friendly impacts, and increased demand for communications equipment. Thus market drivers led to reporting on flexible working but not with gender breakdowns.

Some of our interviewees stressed the role of government in reconciling corporate and public interests (Adams & Harte, 1999, 2000; Vogel, 2005). One argued that:

'If the government wants to get more women in the workforce then it should just come out, say it, rattle the cages, give a figure, say it expects all employers to be at least 15% women or at least 25% women or whatever . . . They should be up front and say it and ask you to report against it.'

This argument was applied to equal pay:

'If the government wants equal pay . . . then it shouldn't ask us to do reviews. It should ask us to make pay equal, and it should describe how it wants to define that pay is equal, because nobody's anywhere near that yet.'

So whilst this interviewee was against mandatory reporting from his business perspective, he recognised a societal rationale for more active government. Others were against mandatory reporting: '. . .because it's a business cost'. Some echoed the doubts of sceptics noted above (e.g. Strathern, 2000; Tsoukas, 1997):

'the problem with mandatory reporting is, well are you just ticking a box? Anyone can do that, but the reporting has to really link to genuine change within your industry so how do you do that? How do you measure that? And that's why you need all the other things like benchmarks and employee feedback, and all the genuine things rather than just reporting for reporting's sake.'

Even those opposed to mandatory reporting were often interested in guidance on societal demands for gender equality information, concurring with Adams and Harte's suggestion that firms may 'need guidance on what to report and what form their disclosure should take' (1999, p. 24):

'. . .in all reporting on social responsibility areas there should be standard templates for people to report against. Not necessarily mandatory, but there should be a standard template for say, the top 500 companies to report against, when they put it in the annual report rather than going to the extra expense . . .of producing a separate report of key data, and there should be a definition of how to gather that key data. Otherwise you will get 101 different interpretations and different analysis of the figures.'

This point was illustrated regarding reporting flexible working conditions given changing company practices:

'The take up of flexible working hours. . . would be very difficult to report, for example my section manager . . . can balance her hours during a week, or a month, as she can pop to the shops if she wants to and can pop to the gym at 10 am when it is empty, and she can come in late because of her child going to school. . . But to actually report that individually would be very difficult. We've just opened it up completely. It's now a way of life. Her life's enriched in that way. She's doing the work that I want her to do. There's no problem. It's just the culture now'.

Thus reporting guidelines could assist in identifying which indicators to report against and how, particularly on new workplace issues. Yet governmental guidance on best practice reporting of human capital has not extended to the detail of gender equality/diversity reporting. The guidance has focussed on how companies can identify what is 'material' to report on (e.g. DTI, 2003, 2004), without a focus on civil society EO priorities.

An alternative government approach is to require EO programmes and reporting in public procurement contracts, and when companies apply for government money for staff training. One interviewee reported that a good record on workplace gender/diversity assisted in winning US government contracts and that this had informed company reporting in the USA. Yet, whilst tendering for local authority contracts and government training grants in the UK sometimes requires information about company diversity policies, this does not extend to evidence of their impacts. Another said that the requirements for information about diversity in local government tenders had not renewed company action or reporting. Several interviewees believed that government under-exploited public procurement to increase company monitoring, benchmarking, accountability or reporting on gender and diversity.

5. Discussion and conclusions

Given the inadequacies in disclosure of gender equality found in earlier research, this study examined whether there has been any improvement by best practice companies, particularly regarding performance and impact information. Interviews with managers addressed how progress was measured and reported internally, why much available data is not reported publicly, and what might encourage more extensive reporting.

We found some improved reporting of performance information, including: workplace profile; recruitment, retention and advancement of women against clear targets; governance relating to gender equality; litigation and tribunals; and employee perceptions. Reporting often includes the companies' ON benchmark rating on gender equality in the workplace and, in one case, the rating in the 'impact' section. It should be underlined that these developments have taken place without any new reporting regulation.

However, even among best practice companies, these findings tend to be the exception rather than the rule. Many companies communicate their policies and programmes with little reference to impacts. The absence of standard reporting practices renders comparison of companies' reporting impossible. This suggests that gender mainstreaming, designed as a new mechanism for gender equality, has had little impact in HCM reporting.

Evidence from environmental disclosure suggests that investment in improved quality of disclosure secures reputation advantages (Hasseldine et al., 2005). 'Specified, quantifiable and verifiable information will be perceived to be of higher quality' (Toms, 2002, p. 261) and is difficult to replicate by firms not committed to good practice. However, 'the process is mediated by investor expectations' (Toms, 2002, p. 263). We find that reporting is also mediated by the fact that companies committed to gender equality perceive little advantage to reporting quality information, where market, social and governmental actors appear neither to demand nor reward it, and where media attention risks misuse and misinterpretation of data. These findings echo Solomon and Lewis's (2002) conclusion that inadequate voluntary environmental disclosure is explained, among other things, by an absence of demand for information and of a legal requirement, and a fear of exposure to competitors.

We also find that accountability in the provision of gender information is regarded in terms of responsiveness to changing expectations of company behaviour by market actors such as potential/employees and rating agencies and investors, but also civil society and governmental organisations. Sometimes responding to these drivers involves communicating via company reports but sometimes information is provided to broker organisations (e.g. Aurora), or directly to a stakeholder (e.g. investors). These drivers tend to reinforce each other where CSR, or voluntary regulation, is being developed. They can be regarded as 'soft' or 'civil' regulation, characteristic of wider systems of new governance (Moon, 2002). The fact that companies anticipate new expectations of their gender reporting, from future employees for example, illustrates the significance of the socialisation of markets for company reporting (Grosser & Moon, 2005b). There is thus a collective effect of these drivers which transcends the significance of any particular stakeholder group such as government, NGOs or market actors.

This is not to rule out a role for regulation. Several interviewees favoured mandatory reporting to create a level playing field and prompt laggards into adopting better practices. In Australia and the USA companies are required to report gender workplace information to the government, some of which may be publicly accessible (e.g. Australia). However, evidence suggests that the UK government is unlikely to regulate for public disclosure in the near future (Cooper & Owen, 2007), and several studies have found high degrees of non-compliance with mandatory public reporting EO (e.g. Adams & Harte, 1999) and little government commitment to monitoring and compliance (Day & Woodward, 2004).

However, government can inform reporting beyond the use of mandates, particularly by supporting and enhancing civil society and market drivers for better disclosure. This role for government is an emerging feature of CSR (Moon,

2004a). For example, Sullivan (2005) has noted the importance of clear goals and performance criteria if self-regulation is to lead to accountability. In accordance with this view the majority of our interviewees favoured a governmental role in developing reporting guidance in order to help them report what is material both to the business as well as to civil society.

Our findings suggest that this guidance could usefully include recommendations for reporting gender disaggregated data, in line with the practice of gender mainstreaming, and reporting on gender equality issues of importance to civil society (e.g. equal pay, job segregation, flexible working). Following Gray, Owen, and Adams's (1996) suggestion that accountability to society can be enhanced by reporting compliance with legislation, companies could benefit from guidance on reporting compliance with the Equal Pay Act (1970) and the Sex Discrimination Act (1975). Guidance could encourage reporting of benchmarking results with ON, in particular its 'impact' section. Finally, it could include suggestions as to measurement and reporting of stakeholder engagement on gender issues.

Interviews also revealed that government could enhance the impact of market drivers through procurement policies and by being more demanding in terms of the benchmarks and reporting requirements. The new Public Sector Duty to promote gender equality acknowledges the importance of public reporting in accountability systems and calls for the inclusion of gender equality in procurement processes, including those involving the private sector (WEU, 2005, p. 22; WEU, 2006). The incorporation of equality issues into these processes is undoubtedly complex, but such indicative legislation may stimulate companies' action and reporting on EO (see McCrudden, 2007).

Our study has also identified the issue of gender-related NGOs in the development and monitoring of either mandatory or voluntary reporting. Adams and McNicholas (2007) expect robust stakeholder engagement to be important in unfreezing processes of organisational change. Bebbington et al. (2007, p. 360) discuss emerging new "frameworks for governance" which require engagement between corporations, the state and civil society, such that "The ability of various parties to engage effectively . . . becomes crucial". Civil society stakeholders (e.g. women's NGOs, trade unions) could not only contribute to the process of defining reporting content on gender, but can also help ensure that 'what is reported is acted upon' (Adams & Harte, 2000, p. 20). However, given our finding of their weakness here (see also Grosser & Moon, 2005b), government could invest in the capacity of civil society organisations working on gender equality to better engage with business and employer organisations. Such action could facilitate women's voice being heard in new governance systems, in line with gender mainstreaming practices. It could also help companies to respond to civil society expectations. This would be consistent with our view that governments can contribute by enhancing wider drivers of more responsible company behaviour, beyond simply mandating the reporting of gender equality in the workplace which appears unlikely at the present time.

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