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## **Sustainability Reporting in the Italian Public Sector: Motives and Influences**

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### **ABSTRACT**

**Purpose** - This study investigates the sustainability reporting practices of organizations in the Italian public sector. **Design/Methodology/Approach** – Using New Institutional Theory, we conducted semi-structured interviews with key informants from nine Italian public sector organizations that were finalists at the 2011 Italian National Award. Thematic analysis was used to analyze the interview data. We also referred to the relevant sustainability reporting guidelines issued by the GRI, by organizations in Italy, and the European Commission Communications. **Findings** – We find that Italian public sector organizations face a number of pressures to produce sustainability reports, and as a result tend to legitimize their activities by have their reports evaluated by an independent and skilled third party. The internal push for reporting comes from individuals in prominent positions in the organizations who see the preparation of sustainability reports as a way of highlighting their achievements in bringing about change in the organizations. The external pressure for reporting comes from stakeholders (general population), who as a result of coverage of social and environmental topics on mass media have a better understanding of these issues. To enhance transparency, the preparation of these reports is therefore undertaken in a way where the key points can be easily communicated to stakeholders. Finally, we also find that the organizations that tend to be recognized for good reporting practices are those which were early adopters, thus highlighting the importance of experience and learning by the organizations. **Practical Implications** - For the public sector, the findings of the paper identify the various stakeholders that seek information, and the way the organizations respond to these needs (in terms of content of reports and the form of communication used). Our findings also have implications for governments that intend to introduce sustainability reporting by private and public sector organizations. The example of Italy shows that even though sustainability reporting is voluntary, initiatives, such as annual awards, can encourage private and public sector organizations to report and communicate their sustainable practices.

**Keywords:** Sustainability reporting, New Institutional Theory, Italy, Semi-structured interviews, Public sector.