NGO Activism via Websites
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Abstract

Research on companies’ decision to disclose social and environmental information in annual reports and elsewhere has regularly referred to various influences on that decision. In particular, stakeholder groups have been the subject of a number of studies which have shown different stakeholders to be quite powerful in influencing reporting behaviour. Various stakeholders have been considered, including, investors, consumers, employees, NGOs, the media and the community. This study concentrates on one of these groups, NGOs, and provides an investigation into how NGOs engage in activism through highlighting corporate activities using their Web pages, thus facilitating analysis of any subsequent response and reporting by corporations.

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Introduction
Prior literature on has cited various influences on the decision of companies to disclose social and environmental information in annual reports and elsewhere. In particular, stakeholder groups have been the subject of a number of studies (Roberts, 1992; Mitchell, et al., 1997; Neu, et al., 1998) which have shown different stakeholders to be quite powerful in influencing reporting behaviour. Various stakeholders have been considered, including, investors, consumers, employees, NGOs, the media and the community (Tilt, 1994; Azzone, et al., 1997; Cormier & Magnan, 1999; Owen, 2001; Mattingly & Greening, 2002; O’Dwyer, et al., 2005; Deegan & Blomquist, 2006). The subject of this study is one of these groups in particular – NGOs. The amount of influence that NGOs have on corporate activity is not well understood as research in the area is limited. There have, however, been a number of calls for NGOs to be held more accountable for their actions, inferring that their influence is being felt at some level. Much of the NGO literature discusses NGO influence on governments and policy, but little is known about NGO influence on corporations or other business entities.

In one of the few studies in the area, Tilt (1994) found that most NGOs do not attempt to influence companies directly, but rather use techniques such as lobbying governments, or campaigning to consumers, to try to change companies’ practices. Her study was undertaken before the pervasiveness of the internet however, and this paper is part of a larger research project that attempts to complete the picture of NGO influence by examining their use of the Web. The analysis presented here provides a framework within which further research can be conducted into how NGOs highlight corporate activities using their Web pages, and thus facilitating analysis of any subsequent response by corporations.

The primary research question posed in this paper is: are NGOs using their Web pages to identify, criticise or discuss corporate activities and, in particular, corporate social and environmental reporting? The paper is structured as follows. First a review of the literature on NGOs and Corporate Social Disclosure (CSD) is presented, followed by a description of website usage both generally and by NGOs. The method used is then outlined including background on the analysis of websites. The results are then described and this is followed by discussion of those results, conclusions drawn and suggestions for further research.

Prior Literature
First, it is important to clearly state the scope of this paper. Defining what is meant by an NGO is a difficult task (Martens, 2002) as variety of NGOs exist in terms of size, issues and power (Ginsburg, 1998; Hudson, 2000). In this paper, while the term NGO is used, the sample under investigation comprises 8 large, high-profile, international organisations that operate in the areas of human rights, environmental protection and social justice (see Table 1 below). There is no attempt made to generalise the finding to other types of NGOs.

The NGO sector is growing worldwide (Lewis, 2005) and membership numbers are increasing. In 1975 there were just under 9,000 members in Australia, and this had increased to 168,000 by 1991 (Deegan & Gordon, 1996). In 1996 there were approximately 250,000 members of various broad issue groups, and 320,000 if specific issue groups are included. NGOs are also becoming more professional, with often well educated members who have knowledge across a number of areas (Müller & Koechlin, 1992).

Deegan and Gordon (1996) found a positive relationship between increases in membership of environmental organisations and environmental disclosure by companies, and international
NGOs, such as Amnesty International, Friends of the Earth, Greenpeace and Oxfam, have had “…notable influence on developments in [CSD]” (Gray, et al., 1996, p.128).

Research on NGO influence on corporate reporting is limited, but there have been instances where NGOs have been shown to influence company practices. Deegan and Blomquist (2006) found that one of the major environmental organisations in Australia, the World Wide Fund for Nature (WWF), was able to influence environmental disclosure by mining companies by publishing a scorecard, rating mining companies’ environmental reports. This scorecard was published and distributed in hard copy, reported on in various newspapers, and was also made available on the WWF website. O’Dwyer et al. (2005) interviewed lobby groups in the Republic of Ireland about CSD and found that while there is a demand for social disclosure information by these groups, they viewed current reporting with scepticism and noted that there is predominantly an antagonistic relationship between corporations and NGOs.

In a survey of NGOs, Tilt (1994) found that the tactics used to influence company behaviour concentrated on lobbying campaigns rather than direct action against individual firms. The reliance of NGOs on the media to publicise their causes is an important aspect of their campaigning and media attention has in turn been shown to influence corporate social and environmental reporting practices (Ader, 1995; Brown & Deegan, 1998; Patten, 2002). This traditional relationship between companies and NGOs can be demonstrated as shown by the solid lines in Figure 1.

This paper postulates that with the pervasiveness of the Internet as a form of communication, NGOs have an additional avenue to use to highlight elements of their causes and campaigns. It could be speculated that reliance on the media may diminish (although the authority that media attention brings with it, and the reach of newspaper, television and radio, makes such a
suggestion difficult to substantiate). The availability of information on NGO websites also provides a source of information for journalists, and the dashed arrows in Figure 1 indicate this. It is not the purpose of this study to test the level of media coverage versus Internet coverage, but to simply document the level of use of the internet to cover issues relating to companies, as a starting point for future research.

In addition to the WWF scorecard discussed above, other NGOs have been involved in various schemes that assess corporate behaviour in terms of the social and environmental agenda, including assessments of firms’ reporting. In Australia, *The Age* newspaper produces a *Company Reputation Index (CRI)*, which rates the top 100 Australian companies according to six measures that include environmental, social and ethical performance (Age, 2000). The criteria used to produce the measures are developed by representatives from social and environmental NGOs with each company then being rated (out of 100) by these same representatives. NGOs have also been involved in the development of an international standardised framework for sustainability reporting, the Global Reporting Initiative (GRI), under the auspices of the NGO Coalition for Environmentally Responsible Economies.

While there has been some research on NGOs’ influence on corporations, both directly, and indirectly through media attention, there are almost no studies that consider NGOs’ use of websites. Unerman and Bennett (2004, p.702) investigated the internet as a mechanism for stakeholder dialogue, and examined Shell’s ‘web forum’ as a means of “giving previously unheard stakeholders a voice in the determination of corporate responsibilities”. After examining 471 postings by external stakeholders on the web forum over 2.5 years, they concluded there was little evidence of the forum being used for ‘discourse or debate’ but that it was more a place to express a particular viewpoint. They also concluded, however, that the views of many stakeholders were ignored by the company. While many of the stakeholders who posted on the web forum may have been member, or representative, of NGOs, this was not identified in the study. The utilisation of company web forums or other web-based feedback/dialogue mechanisms by NGOs would be an interesting area for future research.

One change that has come about relatively recently, is that NGOs are now working with organisations to find mutually beneficial outcomes rather than engaging in adversarial relations (Crane, 2000; Friedman & Miles, 2002; Lawrence, 2002; Adams & Frost, 2003; LaFrance & Lehmann, 2005). Elkington and Fennell (2000) outline the various types of company-NGO relationships ranging from hostile to strategic joint ventures. Some examples of collaborations include the Conservation Law Foundation’s collaboration with public utilities, and Royal Dutch/Shell Group’s stakeholder engagement program (Bliss, 2002). Even Greenpeace, whose reputation is for confrontation and conflict, have entered into alliances recognising that “both parties have something to gain from this relation” (Friedman & Miles, 2002, p.14).

In Australia, Fiedler and Deegan (2002, p.30) investigated some interactions between NGOs and businesses in the construction industry. While recent studies indicate that the adversarial nature of the relationship has softened somewhat, the research has been concentrated mostly in the area of environment and has been limited to a few large, high profile, NGOs. In addition, while there are a number of collaboration initiatives currently in operation (Crane, 2000), most concentrate on environmental management practices, rather than on reporting.
NGO Websites and Website Activism

The use of websites by commercial enterprises is a significant global phenomenon. In Australia, use of the internet is one of the highest in the world with 68.4% of the population being connected to the internet, representing a growth of 115% over the last five years (IWS, 2006). This compares with around 69% of the population in North America and 36% in Europe (IWS, 2006). Over half the users in Australia use the Internet as consumers (34% made an online purchase in the six months to September, 2004). While data are not available on the public use of NGO websites, there is evidence that websites are instrumental in promoting political agendas, with an increase in the number of Americans using the internet to acquire political information (McGann, 2005) and over 50% of political donations in the US being made online in 2006 (Burns, 2006). Warkentin (2001, p33) states that the Internet is an “effective tool for establishing and maintaining social connections that contribute to global civil society”. He goes on to explain how the Internet facilitates the ability of NGOs to pursue their goals by facilitating internal communication, disseminating informational resources, and encouraging political participation.

Research into how NGOs use their websites is limited, but the use of the internet as a tool for social change and activism has been investigated (Rutherford, 2000; Rodgers, 2001). The Association for Progressive Communications (APC) is an international network of civil society organisations dedicated to “empowering and supporting groups and individuals working for peace, human rights, development and protection of the environment, through the strategic use of information and communication technologies (ICTs), including the internet” (APC, 2006, homepage).

Examples of internet advocacy groups include Community Communications Online (c2o), a member of APC. They are a not-for-profit web hosting and online publishing systems provider and “a gateway to emerging online networks for the environment, labour, peace, womens and human rights movements” (c2o, 2006). Other examples are Electronic Frontier Foundation and NetAction.

A Canadian survey of NGOs undertaken in 2003 however, found that NGOs used websites predominantly to provide information to the community, volunteers and clients, but also for advertising, networking and fundraising (TerraKOR, 2003). The websites of the sample of NGOs considered in this paper were analysed generally for common attributes and a summary is provided in Table 2 in the following section. They were then analysed for reference to Australian corporations as outlined next.

Method

The sample comprised 8 large NGOs that have head offices in Australia, and have an Australian Website. These are listed in Table 1. The entire website for each NGO was downloaded on the first Friday in September 2005 using the software package Offline Explorer Pro. The sites were downloaded rather than analysed live because of the dynamic nature of websites. By downloading all sites at a single point in time, consistency can be achieved and more accurate comparisons made. The analysis is not affected by changes to the sites during the period of analysis as would be the case if the analysis was done directly online. Such an analysis does have its limitations however. It was necessary to limit the

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1 http://www.eff.org/about/
2 http://www.netaction.org/
3 This paper represents the preliminary stage of a much larger study which is investigating the change in NGO websites over time, and comparing them with corporate responses.
download to a certain number of ‘levels’ within the site, which resulted in some links in the website being rendered inactive, however, without this restriction some downloads were caught in an indefinite loop (such as when trying to download calendars). In this study therefore the downloads were limited to ten levels resulting in some minimal loss of data.

Table 1  
NGO Websites Analysed in the Study*

<table>
<thead>
<tr>
<th>NGO</th>
<th>Web Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oxfam Australia</td>
<td><a href="http://www.oxfam.org.au">www.oxfam.org.au</a></td>
</tr>
<tr>
<td>Care Australia</td>
<td><a href="http://www.careaustralia.org.au">www.careaustralia.org.au</a></td>
</tr>
<tr>
<td>Greenpeace Australia</td>
<td><a href="http://www.greenpeace.org.au">www.greenpeace.org.au</a></td>
</tr>
<tr>
<td>WWF Australia</td>
<td><a href="http://www.wwf.org.au">www.wwf.org.au</a></td>
</tr>
<tr>
<td>Australian Conservation Foundation (ACF)</td>
<td><a href="http://www.acfonline.org.au">www.acfonline.org.au</a></td>
</tr>
<tr>
<td>Friends of the Earth Australia (FoE)</td>
<td><a href="http://www.foe.org.au">www.foe.org.au</a></td>
</tr>
<tr>
<td>Red Cross Australia</td>
<td><a href="http://www.redcross.org.au">www.redcross.org.au</a></td>
</tr>
<tr>
<td>World Vision Australia</td>
<td><a href="http://www.worldvision.com.au">www.worldvision.com.au</a></td>
</tr>
</tbody>
</table>

* the study originally intended to include Amnesty International’s Australian website, however, due to the size of their website the software was unable to complete the download, and therefore this NGO had to be excluded.

The websites of the 8 NGOs were first analysed for common attributes in terms of how their websites are organised. This facilitated the analysis of the use of websites for activism and/or reporting on corporations. The analysis was conducted by preparing a list of all links appearing on each homepage and looking for commonalities. All 8 NGOs had large websites, the total download for the 8 websites totalled 1.7GB and over 36,400 files. The smallest of the sites contained a minimum of 6 links on the homepage (ACF and Greenpeace), the maximum being over 30 links (World Vision). A summary of the major attributes of the websites appears in Table 2 listing them from least to most common.

Table 2  
NGO Website Attributes

<table>
<thead>
<tr>
<th>Home Page Link</th>
<th>NGOs with Link on Home Page (n = 8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate support / sponsorships**</td>
<td>3</td>
</tr>
<tr>
<td>Campaigns</td>
<td>4</td>
</tr>
<tr>
<td>Direct link to Donate</td>
<td>5</td>
</tr>
<tr>
<td>Description of Programs/Events</td>
<td>6</td>
</tr>
<tr>
<td>How to Support / Be involved / Volunteer</td>
<td>6</td>
</tr>
<tr>
<td>About Us</td>
<td>7</td>
</tr>
<tr>
<td>Media/News/publications</td>
<td>7</td>
</tr>
<tr>
<td>Other*</td>
<td>7</td>
</tr>
</tbody>
</table>

*FAQ, Search, resources, shop, links to local/national sites, links, contact us, jobs
**WWF, World Vision and CARE

The individual downloaded sites were read in their entirety, and searched for any references to Australian corporations or to companies, businesses or other corporate-related information. Each disclosure on the website was recorded on a coding sheet along with an indication of where it was found on the website (home page, corporate section, media release, etc.), the
company name referred to, and whether the disclosure was ‘positive’ or ‘negative’ in terms of what it was saying about the company. Any additional information was also recorded, such as whether it was a press release, whether it appeared more than once (i.e. linked to twice), and some examples were pasted into the coding sheet. References to companies other than Australian companies are excluded from the analysis presented here.

Results
The analysis showed that while 7 of the 8 NGOs in the sample had some reference to companies generally or to specific companies, there is little evidence that NGOs are using their websites as a major form of activism to influence the behaviour of companies. Specifically, 5 of the 7 NGO websites contained positive information outlining partnerships with business and/or corporate sponsors for their causes. Only half the NGOs included negative information. While full analysis was beyond the scope of this paper, cursory investigation does reveal that NGOs do see their websites as an activist tool, but the majority of the activism is in the form of action against governments, rather than corporations. Of the websites that did contain negative information only one involved direct action against a company (the site asked the public to fill in an on-line letter to the company Placer Dome regarding human rights). None of the NGOs referred to companies on their home page. Table 3 provides a summary of the types of information found.

<table>
<thead>
<tr>
<th>NGO</th>
<th>Positive</th>
<th>Details</th>
<th>Negative</th>
<th>Details</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oxfam</td>
<td>0</td>
<td></td>
<td>2</td>
<td>Action letter</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Press release</td>
<td></td>
</tr>
<tr>
<td>CARE</td>
<td>4</td>
<td>Press release</td>
<td>0</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2 paragraphs on partnerships</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>List of sponsors / Corporate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Council</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greenpeace</td>
<td>1</td>
<td>Partnership</td>
<td>5</td>
<td>5 Press releases*</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1 Fact Sheet</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1 Article</td>
<td></td>
</tr>
<tr>
<td>WWF</td>
<td>1</td>
<td>List of sponsors</td>
<td>6</td>
<td>3 press releases</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3 articles</td>
<td></td>
</tr>
<tr>
<td>ACF</td>
<td>0</td>
<td></td>
<td>0</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>FoE</td>
<td>0</td>
<td></td>
<td>2</td>
<td>2 articles</td>
<td>2</td>
</tr>
<tr>
<td>Red Cross</td>
<td>2</td>
<td>Partnerships</td>
<td>0</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>List of sponsors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>World Vision</td>
<td>4</td>
<td>Corporate relations (page with</td>
<td>0</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6 links)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Case studies of partnerships</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(links to 10 cases)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>List of sponsors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1 publication</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* includes 1 press release that appeared twice

Very few of the NGOs identified companies by name in negative terms on their websites. The exceptions were Greenpeace, who named Hazelwood Power Station (regarding climate change), Bayer (genetic engineering) and Mitsubishi (wood chipping), and Friends of the Earth named BP in relation to climate change. All other references to individual companies
were either in a list of sponsors/donors, or in relation to a partnership or alliance with the NGO. There was no reference on any sites to corporate reporting, even WWF who produced the environmental reporting scorecard in 1999 did not have any obvious link to this (WWF, 1999).

The positive information found on the websites, aside from simply listing the names of sponsors, emphasised the ‘mutual benefits’ of working with business. Such evidence supports research that has shown that alliances between business and NGOs is increasing (Polonsky, 2001; Deegan & Blomquist, 2006). Some examples of statements from the websites analysed include:

“CARE Australia's Corporate Council unites the Australian business community to support international humanitarian aid while developing business relationships that yield mutual benefits”. (CARE)

“We work with individual businesses to understand their goals, and identify which of our Australian conservation programs is the most suitable 'value match'. The sponsorship program raises sponsors' profiles, and adds value for shareholders, employees and the wider community”. (WWF)

“Australian Red Cross recognises the importance of developing and nurturing strong links with the corporate and philanthropic sectors in our efforts to effect positive change on the lives of vulnerable people. In partnering with corporations, trusts and foundations and other organisations, Australian Red Cross does not adopt an 'open-palm' philosophy but instead seeks to engage all partners in long-term, strategic and mutually beneficial relationships” (Red Cross)

One third of the 26 instances of information appearing on the websites, appeared in the form of a press release. All of the press releases named individual companies, and all but one were negative. This indicates that the use of websites as an alternative form of media exposure is important, and highlights the need for investigation of the relationship between the NGOs, the media and companies, identified in Figure 1.

From this, albeit brief, analysis it appears that environmental NGOs are more likely to include negative information on companies, although 2 of the 4 environmental NGOs included also reported on corporate sponsors and partnerships. Investigation of a wider sample of NGOs, across a broader range of sectors, will be important to corroborate this finding.

There are obviously some limitations to this study, including the small sample size, the single time point used, and the limiting of the analysis by the software used to download the sites.

Discussion and Conclusions
As indicated above, there are two areas of particular importance for future research that appear from this study. First, the relationship between NGO websites and media attention given that much of the information of the websites in this study were media releases, and second, the reaction of companies to NGO websites.

A number of studies have considered the effect of media reports on disclosure by corporations and Brown and Deegan (1998) argue that the media drives community concern about the
environmental performance of particular organisations and those organisations respond by increasing the disclosure of environmental information in their annual reports, thus supporting a legitimacy theory perspective. Given the findings of this study, increased attention by the media and the public reinforced by NGO reporting via the Internet could, particularly if viewed from a legitimacy perspective, produce increased disclosure aimed at secondary stakeholders. This may appear in annual reports, or may be disclosed elsewhere, such as in stand alone social or environment reports. Such a finding would be consistent with work undertaken by Roberts (1992) and Neu et al. (1998) who found that measures of stakeholder power and their related information needs provide some explanation about corporate social disclosures. While this study found little evidence of direct activism against companies via their websites, all of the NGOs investigated had substantial and professional sites that highlighted their activities and campaigns. Thus, as NGOs become more visible, it could be argued that they become more powerful – therefore, a second area of further research is an investigation of the response by companies to NGO website reporting to provide important insight into this issue.

Other areas of interest might include reporting and accountability by NGOs on their websites, interviews with NGO leaders regarding their use of the Web, and the relationship between activism the internet and companies. In conclusion, the words of Lewis (2005, p.262) express the importance of further research into NGOs:

Increased examination of nonprofits will not only allow us to more fully describe the field of organizational types ...and their communicative characteristics and dynamics but also will provide a wealth of opportunities to validate and/or question our current theoretical assumptions that have largely been based on the empirical picture presented in corporate organizations.

References


Warkentin, C., (2001), Reshaping World Politics: NGOs, the Internet, and Global Civil Society, Lanham Maryland, Rowman and Littlefield Publishers.