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Social capital and integrated reporting

Losing legitimacy when reporting talk is not supported by actions

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Abstract

Purpose – To present the continuation of a case study by Beck *et al.* (2017) on an Australian bank (CBD) during the period 2004–2013 by examining whether integrated reporting affects relational capital and helps to repair an organisations' reputation. Both studies examine how a bank rocked by a major scandal in 2004 has attempted to repair its legitimacy through integrated reporting (<IR>). The paper aims to discuss these issue.

Design/methodology/approach – This study is a *post facto* analysis based on the original research from Beck *et al.* (2017). The research process involved a case study approach with an analysis framed by impression management theory to investigate whether the information in CBD's integrated reports is consistent with other information available to investors.

Findings – The authors find there is a gap between what CBD discloses in its integrated reports and what is publicly available in other media. CBD's talk and actions are not aligned, and that asymmetry translates into a decline of trust in CBD. The bank's integrated reports reveal how management discloses or withholds information to protect their own interests and at their own discretion. These conclusions indicate that the integrated reporting paradigm is being co-opted by IM strategies to improve legitimacy through trust, reputation and social capital.

Research limitations/implications – Future research needs to reach beyond the organisational boundaries and understand if <IR> adds value for society, or is just a new form of multicapitalism, being an ideology to help the rich become richer? The answers are important if we ever hope to see misconduct disappear from our corporations and for company reports to become documents bearing truth and not espouse rhetoric based on organisational hypocrisy.

Originality/value – The paper adds to the growing body of research investigating <IR> in practice to understand the impact of <IR> and whether it is a new and useful reporting tool or just another management fashion.

Keywords Australia, Reputation, Banking, Integrated reporting, Impression management, Social capital

Paper type Research paper

1. Introduction

This paper presents the continuation of a case study by Beck *et al.* (2017) on an Australian bank during the period 2004–2013. Referred to as CBD to preserve anonymity, both studies examine how a bank rocked by a major scandal in 2004 has attempted to repair its legitimacy through integrated reporting <IR>. Beck *et al.*'s (2017) study focused on the reasons why CBD began its journey towards <IR> and how it developed, finding that the need for cultural change was the impetus behind the shift in its reporting practices. However, since incorporating <IR> into its reporting strategy, CBD has become embroiled in even more scandals and has been openly criticised in the findings of an investigation into misconduct by the Australian banking, superannuation and finance industries. Hence, this study explores the period since 2013 and presents the latest findings regarding the impact of <IR> on information transparency for the providers of financial capital. We analyse how CBD opportunistically discloses or withholds information, which raises questions about the overall role of intellectual capital and <IR> in cultivating trust and reputation.

While Beck *et al.* (2017) use legitimacy theory to explain their findings, this paper draws on impression management (IM) theory (Brennan *et al.*, 2009; Melloni, 2015; Diouf and Boiral, 2017) to understand the disclosures in CBD's Annual Reviews (integrated reports). The use of IM helps to explore whether the bank's <IR> is steered by managers to achieve specific outcomes (Melloni, 2015). Specifically, we examine whether <IR> affects relational capital and helps to repair an organisation's reputation by analysing the latest news, investigations into banking misconduct and CBD's Annual Reviews.

We find there is a gap between what CBD discloses in its integrated reports and what is publicly available in other media. CBD's talk and actions are not aligned, and that asymmetry translates into a decline of trust in CBD. The bank's integrated reports reveal how management discloses or withholds information to protect their own interests and at their own discretion. These conclusions indicate that the integrated reporting paradigm is being co-opted by IM strategies to improve legitimacy through trust, reputation and social capital.

Initially, CBD was successful in this endeavour and did repair its legitimacy to some extent. However, the bank is still steeped in organised hypocrisy, where the underlying corporate culture and behaviour has not changed despite normalised accounts to the contrary in its integrated reports (Cho *et al.*, 2015). The corporate veil remains firmly in place, and even though <IR> originally helped to polish CBD's tarnished reputation, its new-found legitimacy collapsed like a house of cards once further scandals were exposed. Thus, our findings add to the growing body of research investigating <IR> in practice to understand the impact of <IR> and whether it is a new and useful reporting tool or just another management fashion.

The paper has the following sections. Section 2 presents a literature review on the nexus between IC and <IR>. Section 3 illustrates the research context, while Section 4 outlines the methodology and IM theory. Section 5 presents our findings and Section 6 provides the discussion and conclusions.

2. Literature review

An integrated report based on the <IR> framework represents a "concise communication about how an organization's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value in the short, medium and long-term" (IIRC, 2013b, p. 1). This section outlines the relationship between <IR> and IC by examining the IC-<IR> nexus (Guthrie *et al.*, 2012; de Villiers and Hsiao, 2018). <IR> critiques found in contemporary accounting literature are also considered (Flower, 2015; Thomson, 2015). Last, we highlight the role that corporate image or reputation plays in disclosures as an important component of relational capital (Dumay and Guthrie, 2017; Dumay *et al.*, 2019).

2.1 The relationship between <IR> and IC

<IR> discloses interactions between financial and non-financial information, with an emphasis on the company's future value-creation story (Montecalvo *et al.*, 2018). Specifically, IR refers to an organisation's strategy, business plan and the six capitals, i.e., financial, manufactured, intellectual, human, social and relationships and natural (IIRC, 2013b). IC is reflected in three of the framework's six capitals because, as de Villiers and Hsiao (2018, p. 485) point out, the "three intangible capitals defined in the <IR> framework as intellectual, human, and social and relationship broadly align with the three components of IC, respectively, structural capital, human capital, and relational capital". Additionally, both IC and the <IR> framework claim to communicate value creation (Dumay, 2016).

However, what is meant by value creation in both IC and <IR> is often vague (Dumay *et al.*, 2017).

Despite widespread interest in managing IC, companies do not typically disclose separate IC reports because of the sensitivity of the information (Schaper *et al.*, 2017). Additionally, there is little evidence of any company issuing stand-alone IC reports since at least 2012 (Dumay, 2016). However, the IIRC is actively promoting the <IR> framework, which has resulted in a resurgence of interest in IC, and since 2012 some companies issue integrated reports. However, the take-up is slower than the IIRC would like (Dumay *et al.*, 2017). Thus, given the nexus between IC and <IR>, studying <IR> practice enriches our understanding of how companies communicate the way they create value. <IR> extends the IC framework by aligning it with the resource-based view of the firm, and this arguably providing a more comprehensive schema for explaining value creation (Riahi-Belkaoui, 2003).

2.2 A critique of <IR>

<IR> was originally founded as part of the sustainability movement. However, the <IR> framework recognises financial sustainability rather than social or environmental sustainability (IIRC, 2013b). Even before the first <IR> guideline, there was academic criticism of its missing links to social and environmental sustainability (Brown and Dillard, 2014). Thus, researchers like Flower (2015) and Thomson (2015) warn us of the missed opportunities for sustainability accounting resulting from <IR>'s failure to embrace all forms of sustainability. The 2013 <IR> framework strays even further from its original sustainability purpose. As Flower (2015) states, <IR> fails to define value clearly – value is explained as value for investors rather than value for society, and the interests of stakeholders are set aside in favour of shareholders. Consequently, he predicts that <IR> will have little impact on corporate reporting practice.

Thomson (2015, p. 18) suggests that it is difficult to disagree with Flower's conclusions, recognising "a weak, diluted, business-as-usual reporting framework embedded within an explicit capitalist ideology". However, he indicates that even other initiatives, such as the more recent GRI, lack evidence of their ability to reduce the negative social impacts of corporations. Thomson (2015, pp. 19-20) acknowledges that:

> Integrated Reporting could create greater visibility and knowledge of the financial consequences of consuming capitals (financial, manufactured, intellectual, human, social and relationship, and natural) and provide a different lens to re-evaluate organisational practices[…] Integrated Reporting also intends to align reported information investor needs, provide accurate non-financial information, develop trust with key stakeholders […].

Thus, ideally <IR> could be used to serve the cause of building trust and, in turn, reputation and corporate image. However, he also warns not to assume that sustainable organisational change will occur simply because companies provide new information voluntarily.

Only changes in management can enhance richer corporate disclosure. Whereas <IR> can merely integrate the voices of different communities. As it stands, <IR> is too rooted "in the business case for sustainability rather than the sustainability case for business" (Thomson, 2015, p. 18). However, Thomson (2015) believes that <IR> creates greater visibility of capitals. Others, such as Broadbent (2016), support a similar idea in that <IR> enhances the visibility of non-financial issues and long-term thinking that could lead to positive social and environmental outcomes and even internal change.

2.3 Corporate reputation and relational capital

While <IR> is squarely focused on reporting information to financial capital providers (IIRC, 2013b), information is sometimes needed to respond to legitimacy threats or corporate image scandals caused by employee or Board misconduct (Beck *et al.*, 2017). Corporate image is an essential element of relational capital because if stakeholders cannot trust the corporation, then its reputation is damaged, as is its licence to operate in society (Petty and Guthrie, 2000). Moreover, if reputation is damaged, relational capital is compromised (de Castro *et al.*, 2004). Once the licence to operate is breached by a scandal, then the main providers of financial capital, namely shareholders, often sell their shares causing share prices to plummet. The consequences are inherently negative for those holding the remaining shares (e.g. Volkswagen, see Snyder and Jones, 2015 and Farneti *et al.,* 2018). Therefore, a good reputation helps to maintain value, whereas a bad reputation destroys value (Gatzert, 2015).

From an agency theory perspective, managers have incentives to withhold information from investors. When a disclosure leads to opposing interests, managers are often reluctant to disclose information about IC, especially commercially-sensitive information (Dumay *et al.*, 2017). The impression is that <IR> is becoming a panacea for IC disclosure and that managers often resort to IM techniques when reporting IC (Melloni, 2015; Dumay *et al.*, 2017). <IR> then becomes a means for managers to disclose what they want rather than a faithful representation of the firm's activities.

With the evolution of the media and new communication channels, an increasing amount of information is being disclosed against the will of managers, referred to as "involuntary disclosure". Such information can significantly and immediately impact a company's share price (Dumay and Guthrie, 2017). Despite increased public access to the traditional role of journalists, not all information is divulged. Not only does involuntary IC disclosure have an impact on corporate performance and corporate image, but it also affects people and society. Implicitly, information shared via the media can affect IC and increase or decrease the level of trust in the firm along with its reputation and relational capital.

This literature review highlights the potential contribution of <IR> to intellectual capital disclosure. To this end, changes at management level are needed to inform different stakeholders and enhance corporate reputation and trust. The latter is dependent on relational capital, being a corporate image and, in turn, corporate reputation. Hence, our research question is:

RQ1. Can <IR> impact relational capital by helping to repair an organisation's reputation?

3. Context

Our research is part of a longitudinal study that analyses corporate social responsibility reporting in a major Australian bank (CBD) stretching from 2004 to 2013 (Beck *et al.*, 2017). Thus, this paper continues to observe past and further events relevant to the case, as the bank continues its journey towards developing <IR>. What is interesting and novel is that CBD and other Australian banks have their reputations under threat as a result of a Royal Commission into misconduct by the banking, finance and superannuation industries. Given these circumstances, the Royal Commission's (2018) findings have shaken trust in the banking system and all Australian banks have suffered damage to their reputations. In this paper, we examine bank disclosures for the period 2011–2018 to help us understand how the bank uses <IR> to enhance its reputation, while also choosing not to disclose key issues that may have damaged CBD's reputation.

In this paper, we build on Beck *et al.* (2017) who explored the reasons why CBD began its journey towards <IR> by examining how their reporting developed over the years from 2004 to 2013. Beck *et al.*'s (2017) findings show that early CBD reporting practices mainly focus on investors and other stakeholders with the aim of repairing lost legitimacy, and therefore its reputation, in the wake of a 2004 scandal.

Earlier CBD reports showed that a change in culture was a key aspect of CBD's reporting activity, as its Chairman espouses in a corporate social responsibility report: "Culture change is now a high priority. In 2004, we developed a new set of Corporate Principles and behaviours as a first step in changing our culture. We are in the process of embedding these Principles into the way we do business every day" (CBD, 2005, p. 3). During the initial phases of repair (2004-2006), the company restored its legitimacy to operate in society by setting new objectives and striving to align itself with stakeholder expectations (Beck *et al.*, 2017). Beck *et al.'s* analysis of CBD's CSR, followed by integrated reports, reveal that the reporting journey helped CBD to repair its image and, for this reason, management wanted to send a strong message to stakeholders.

In the second phase (2007–2009), CBD had regained trust and improved its reputation, meaning that CBD had achieved strategic legitimacy, insofar as it was able to justify its strategy to the public and align it with shareholders' interests (Suchman, 1995; Dumay *et al.*, 2015). This accomplishment meant the bank was able to prepare more concise corporate social responsibility reports – reports that only contain selective and highly summarised information.

A third and crucial phase for CBD started in 2010 that combines financial and non-financial information into a single report. Here, "material CR performance issues were identified based on stakeholder engagement and business risks" (CBD, 2010, p. 41). Focus drifted from stakeholders to shareholders, and CBD entered the <IR> Pilot Programme in 2011. Adopting the <IR> Framework made CBD part of a movement that was looking to integrate financial and non-financial information. It was also in line with their existing reporting journey.

Over the years, CBD has repeatedly stressed its goal of becoming Australia's most respected financial institution (Beck *et al.*, 2017). Implicitly, this indicates that there has been no significant change in the organisation's culture over the last ten years and that its "respectable" ethos was already in place when the first scandals occurred. However, if there is one thing that is difficult to change in an organisation, it is culture. Moreover, evidence shows that it is difficult for <IR> to be a catalyst for cultural change (Dumay and Dai, 2017). According to Suchman (1995), the greater the disclosure of information relevant to stakeholders achieves more institutional legitimacy, which enhances reputation. However, CBD's culture did not significantly change in the wake of introducing <IR>. Rather, it became an instrument the bank used over the years to achieve institutional legitimacy in theory, but not in substance.

This paper extends Beck *et al.*'s (2017) case study on CBD in the wake of a Royal Commission conducted in 2017 and 2018. Established in December 2017, the Commission's crown duty is to investigate misconduct by Australia's Big4 banks. Among its key findings, this investigation revealed that some CBD staff had participated in serious misconduct resulting in multiple scandals. CBD's reputation is now under direct threat (Hutchens, 2018; Royal Commission, 2018).

4. Methodology and IM theory

This section covers the methodology and theory used to support the analysis and its limitations.

4.1 Methodology

In essence, this study is a *post facto* analysis based on the original research from Beck *et al.* (2017). Since completing that study, one of the authors, who is a resident of Australia, noticed that CBD continued to appear in news reports. When reading CBD's integrated reports, these scandals were notably absent. Thus, our research process involved a case study approach with an analysis framed by IM theory to investigate whether the information in CBD's integrated reports is consistent with other information available to investors.

While some findings were based on material analysed in the previous study, the specific data for this analysis was:

- CBD's Annual Reviews (integrated reports);
- press releases retrieved from the CBD website;
- newspaper articles; and
- data released by the Royal Commission.

Given that CBD is a pseudonym, we have assigned the following codes to data retrieved from CBD:

- CDB 2010 Annual Review.
- CDB 2011 Annual Review.
- CDB 2012a Annual Review.
- CDB 2012b Press release.
- CDB 2014 Annual Review.
- CDB 2015a Annual Review.
- CDB 2015b Press release.
- CDB 2015c Press release.
- CDB 2016 Annual Review.
- CDB 2017 Annual Review.

Our main aim is to examine IC disclosures; therefore, we specifically searched for information related to IC within CBD's reports and the Factiva database. However, we also sifted through the content for mentions of "scandal" associated with CBD. While scanning the data in the Annual Reviews and the media, we confirmed the relevance of three capitals to stakeholders: financial, human and social and relational (see Table I).

We analysed the information deemed material to each capital, and, if relevant, for the company based on a recent analysis of bank scandals by Karp *et al.* (2018). Material matters affect the organisation's ability to create value (IIRC, 2013b, p. 18), so we considered the number of customers and employees affected by certain issues as indicative of whether an issue is material or not. We also considered any scandal serious enough to warrant multiple news articles as material to include in an Annual Review. We excluded natural and manufactured capital, which is not significantly material in the review of CDB's reputation and are not the focus of CBD's Annual Reviews.

Capital type	CBD disclosure	Relevant
Financial	Financial	Yes
Manufactured	Not relevant	The core business of the bank is not directly interconnected with manufactured capital
Intellectual	For example employees and technology	Yes
Human	For example employees	Yes
Social and relationship	For example customers, society	Yes
Natural	Not relevant	The core business of the bank is not materially impacted by natural capital

Table I.
The six capitals and their relevance

The tone was assessed by the use of negative words, such as "worse", "adverse", "negative", "decrease" and "scandal". CBD tends not to use such words, especially when describing negative events. We then verified whether the description of events contained forward-looking sentences, referring to future actions and whether external factors are to blame.

As Yin (2014) advocates, we reviewed multiple data sources to triangulate our data and add construct validity to the case study. We also imported the data into a research database (NVivo) to maintain a chain of evidence. Specifically, we compared information contained in the Annual Review, with information from the media and the Royal Commission. The aim was to verify whether the information that was not voluntarily disclosed by the bank, such as press releases, management communications and information from third parties, was consistent with that in its Annual Reviews. More importantly, triangulating the information between CBD's disclosures and other sources provided a means for examining dubious and contested descriptions in its self-disclosures (Dumay and Lu, 2010). If the corporate veil keeps a scandal hidden or downplayed, then we need to uncover what is hidden for all to see. Thus, IM theory is deemed useful for explaining our findings (Brennan *et al.*, 2009).

4.2 IM theory

IM theory stems from sociology and describes the process of influencing peoples' perceptions and psychology, i.e., their impressions of other individuals (Leary and Kowalski, 1990). The concept of IM can also be extended to corporate reporting. As Leung *et al.* (2015, p. 277) state:

> In a corporate reporting context, impression management refers to managerial behaviour to strategically select, display and present narrative information in corporate documents in a manner that is intended to distort readers' perceptions of corporate achievements [...] and influence their impressions of firm performance and prospects[...] In addition to manipulating the presentation and content of voluntary disclosure, impression management can be reflected in the refusal to communicate (minimal disclosure or nondisclosure) in discretionary narrative disclosure.

Thus, companies can use narratives in a self-serving manner rather than as the objective of performance disclosures. Self-serving disclosure practices often lead to opportunistic disclosure practices (Guillamon-Saorin *et al.*, 2012). Boiral (2013), for example, conducted a study on the counter-accounts of claims made in A and A+ GRI reports. He finds that 90 per cent of negative events are not easily recognised in reports provided. Dingwerth and Eichinger (2010), in studying how information is disclosed using the GRI, find that qualitative data are not systematically provided nor fully reported. That is, narratives are used selectively.

When using selective narratives, qualitative data are unbalanced, making it difficult to understand sustainability impacts. For example, Leung *et al.* (2015, p. 276) warn about using selective narratives for IM because they can potentially impair reporting quality and note that "managers' motivations and strategies for discretionary narrative disclosures remain an important area of accounting research". Oppositely, corporations may "erase or deny the existence of information from the corpus of potential disclosure", providing an incomplete picture. Or "deliberately conceal corporate information through minimal disclosure" (Leung *et al.*, 2015, p. 278), including deliberately disclosing false information (Farneti *et al.*, 2010).

There is evidence that companies are more likely to disclose positive information in a quantitative format and negative information in a qualitative format. In particular, qualitative and quantitative forward-looking disclosures signal declining performance because they are not verifiable and hence easily prone to IM. Qualitative information and narratives tend not to be comparable, as can be done with quantitative information, and thus have the potential to alter a reader's impressions of a topic (Brennan *et al.*, 2009, p. 811). Clatworthy and Jones (2003) also find that both declining and wealthy companies disclose a similar amount of bad and good news, which arguably shows that IM is in use. In particular, managers usually attribute bad news to external factors, while accepting internal credit for good ones. Aerts and Yan (2017) find that companies tend to adopt a different type of approach when disclosing good or bad results. Management tends to give credit to their abilities for successful outcomes, thus conveying authority and a sense of control. A rhetorical style corresponds to negative financial performance (Aerts and Yan, 2017, p. 417).

Extending these conclusions to <IR> and IC is possible. For example, Melloni (2015) adopted Brennan *et al.'s* (2009) framework to verify how firms handle intellectual capital disclosures in <IR> and whether IM was practised to any extent, finding that manipulation is higher with this type of disclosure. Intellectual capital is not tangible and not as easy to assess as financial value, but knowledge, partnerships, procedures and reputation do create value for a firm. Melloni (2015) hones in on four different aspects of intellectual capital: disclosures (mostly relational capital); the quality of the information; time (forward-looking vs non-forward-looking); and tone. The results confirm a positive correlation between both declining performance and an optimistic tone, and the size of the firm and the value of its intangibles. Melloni (2015) concludes that companies use <IR> opportunistically to alter their public image. Therefore, our focus in this analysis is on intellectual capital disclosures in <IR>, which encompasses CBD's relationships with its customers (relational capital), its employees (human capital) and its business practices (structural capital) as part of intellectual capital.

5. Findings

This section presents our case study findings on coverage of some of the major scandals that affected CBD between 2012 and 2017 in comparison to the disclosures the bank made in its own reports. To further validate our results, we extended the analysis to involuntary disclosures in the news up until July 2018. A summary of the findings follows in Table II.

5.1 Class action

In 2012, CBD's investors undertook a class action for poor disclosure and a failure to promptly notify the market of AUD $1.2bn in financial securities exposure backed by US mortgages during the US subprime crisis (2007–2008). The class action was settled with an AUD $115m payment to customers negatively affected by financial losses.

Even though the event received extensive press coverage, CBD failed to mention any information on the scandal. Some disclosure of the class action would have been expected in their Annual Review, or at least its appendices; however, the issue was not mentioned at all. Even if class action involved actions that took place during the period spanning 2007–2008, the settlement involved millions of dollars and thousands of customers. In a subsequent report, CBD stated that it "is committed to doing more for their people – in building a values aligned culture and remaining focused on their broader role in society", which they saw as "key to them achieving sustainable success" (CBD, 2012).

After the settlement agreement in 2012, the CBD's secretary affirmed: "The settlement of the class action is a purely commercial decision made in the interests of our shareholders" (Hodge, 2012). The bank clearly saw the decision to settle as the best option available to shareholders and a way for itself to limit losses. Moreover, CBD did not interpret the settlement as an admission of liability and did not consider it material for the following year's earnings (CBD, 2012). Here, we find that financial and human capital were both affected, yet there was no disclosure in the company's reports.

5.2 Share price spike

During 2013, CBD faced allegations due to a lack of control over misconduct by one of its trading partners. The trading company's personnel operated in the market on behalf of CBD

Table II. Scandals and information

Year	Description of the scandal	Disclosure channels	Disclosure in Annual Review	Capital involved	Negative tone	Forward looking	Blame the system for failure
2012	CBD would pay $115m to settle a class action with shareholders. CBD was accused of poor disclosure of its investment in securities backed by subprime mortgages	Class action website Newspapers	No	Financial Human Relational	No		
2013	Share price spike of the ASX 200 following possible misconduct by trading personnel. Voluntary fine paid by CBD	CBD website ASX Website	Yes	Financial (not material) Relational (reputation)	No	Partly – not insightful	Yes
2015	Exchange trader sentenced to seven years jail for insider trading – the fraud amounted to $7m	Newspapers	No	Relational (reputation)	No		
2015	CBD UK bank received a $38.8m fine from Britain's for "serious failings" in handling complaints regarding payment protection insurance to up to 90,000 customers	Newspapers	Information partly provided	Financial (not material) Human Relational	No	No	Yes
2015	CBD compensated more than 750 of its financial advice customers a total of $14.5 m between January 2010 and September 2014 as a result of misconduct	Newspapers ASX	Yes	Financial (not material) Human Relational	No	Yes	Yes
2016	Former CBD adviser banned for seven years for engaging in misleading and deceptive conduct	Newspapers ASX CBD website	Yes	Financial Human Relational	No	No	Yes
2017/2018	Royal Commission established	Newspapers ASX CBD website	Yes	Financial Human Relational	No	Yes	Yes
2018	Two former CBD employees banned for providing financial services	Newspapers ASX CBD website	N/A	Relational Human	No		

and manipulated share volumes to be sold and bought to cover arbitrage positions, which caused share prices to spike. As a result, the traders were able to alter the stock buyback price the bank had to pay to cover its position in favour of CBD (Durkin, 2013).

The Australian Securities and Investments Commission (ASIC), Australia's main financial regulator, investigated the incident and discovered that this might not have been the first time traders had engaged in this activity. This unsavoury practice was revealed by both newspapers and ASIC and, once made public, investors were unhappy about the trivial fines and the delay in announcements (Tay, 2013), resulting in negative public opinion (Boyd, 2014). CBD publicly declared that it would enforce a more efficient control system over contracted personnel and made a voluntary contribution to some social projects as a greenwashing gesture (ASIC, 2013).

However, the subsequent Annual Review contained very little information on the settlement. For example, there is no mention of the effect the practice had on shareholders: "In December 2013, [CBD] was subject to an enforceable undertaking from the Australian Securities and Investment Commission relating to potential market misconduct. We agreed to adopt specific monitoring and control systems and made a voluntary contribution of $2m to fund independent financial literacy projects" (CBD, 2014). While investigating CBD, we found that the Swiss bank handling the swap operation had also made an AUD $1m voluntary contribution to social projects. Hence, CBD's focus was on corrective actions to appease the public and make up for its actions.

Donating money to a good cause was accepted without hesitation by ASIC (Durkin, 2013), but investors were disappointed, and the settlement was hurriedly accepted just a few days before Christmas. However, shareholders also complained that announcements were issued just before market closure and bemoaned the lack of transparency on CBD's behalf, as the timing did not allow for traders to evaluate and assimilate the quantum of fines. The consensus was that the bank had tried to hide part of the event (Durkin, 2013). In this case, we find that, despite its impact on relational capital, there was little disclosure of the incident or the bank's actions in its reports.

5.3 Trader sent to jail and fraudulent activities perpetrated in the UK

In 2015, CBD was in the spotlight again concerning two counts of financial market fraud: a former foreign exchange trader was sentenced to seven years in jail for insider trading (Percy, 2015), and CBD received an AUD $38.8m fine from Britain's Financial Conduct Authority, for failing to provide payment protection insurance for up to 90,000 customers of its UK subsidiary (Ferguson, 2015).

The Annual Review includes vague information about the insider trading charge: "This year most of the breaches investigated by Workplace Relations regarded workplace behaviour issues." In one example, an employee was found to have engaged in insider trading, unrelated to his work at CBD. The CEO of CBD strongly condemned the activity, which was in breach of "our Code of Conduct, and the employee's employment was terminated" (CBD, 2014, p. 28). The tone is vague. CBD does not explain the role of the person who was involved in the scandal, nor whether it was an isolated case. As was standard practice, CBD responded to the breach of conduct by firing the employee. That year's Annual Review invites readers to consult the bank's website for information on its codes and breaches. While there is a dedicated section on the website, it talks more about potential breaches and the system developed to respond to them rather than disclosing its code of conduct.

The 2015 review also provides some information on the misconduct issue: "In October 2014 further provisions were announced by the CBD Group about Payment Protection Insurance and the UK conduct issues. These charges were taken within the Corporate Functions and Other division of the [CBD] Group" (CBD, 2015a). However, nothing is said about the type of misconduct, the number of people involved or the impact of the provisions. Therefore, CBD did not disclose any information of worth in favour of a vague reference to “issues that were to be taken care of”.

In his overture message, the Chairman also speaks about the increase in provisions: “The increase in the UK conduct provisions followed a number of new developments in relation to payment protection insurance and interest rate hedging products. These include the run rate of new complaints, the implementation of a new complaints-handling process and the need to re-examine records dating back to pre-2000 periods, which are likely to result in increased payments for both new and closed complaints. While this is an issue facing all UK banks, it is a disappointing outcome”. CBD clearly sees the event as important because it was included in the Chairman’s message. However, it is palpable how CBD is trying to attribute the problem to the system, rather than explain what went wrong internally.

Although the scandal involved the UK branch, doubts about the firm’s practices were rife in the media (Ferguson, 2015), especially since the bank faced allegations almost identical to those in Australia. Not surprisingly, following this event, and after considering the losses incurred by the UK branch over the year, CBD demerged from the UK Group (CBD, 2015a).

The issues that were covered in the media are disclosed in the Annual Review. However, it is difficult to ascertain just how many customers were affected and why such problems arose. Here, we find that human and relational capital was affected.

5.4 The investigation into fraudulent activities

In April 2015, a leak of confidential documents to Fairfax Media led to formal investigations into suspected fraudulent activities by CBD personnel (Ferguson and Williams, 2015). In front of the Senate Economics Reference Committee, CBD declared that a refund campaign was underway to return U$14.5 million to its customers (approximately 750 individuals) as compensation for poor financial advice (CBD, 2015c). Upon conclusion of the investigations, approximately 40 advisors who had given inappropriate financial advice to customers were banned by ASIC (CBD, 2015b). CBD dedicated a paragraph to the issue in its Annual Review: “The vast majority of our employees, more than 1,600 financial planners are doing the right thing. They are providing good advice to everyday Australians concerned about their retirement. Also, with more than 1.7 million customers, our complaint rate of $< 1\%$ is small. However, we don’t always get it right” (CBD, 2015). The bank also explains the remediation it wants to implement in response to government scrutiny.

In addition to the AUD $14.5m paid over a four-year period, CBD states that: “Since February 2015, we have paid $1.8 million to 90 customers to resolve their compensation claims” (CBD, 2015). Following the investigation, the bank increased its compensation for complaints, which may be due to its awareness and fear of further issues arising during its time in the spotlight.

5.5 Computer network issues

CBD also faced network issues, which affected 62,000 customers between 2001 and 2015. For over 14 years, the system miscalculated income and tax allocations to customers. The errors were caused by improvements to the system so was not fraudulent activity, but a payment of US$25m to affected customers was levied. However, concerns by the public arose due to the sheer number of customers affected over 14 years (ASIC, 2015). CBD’s response was to focus on the implementation of a new transaction and support platform for customers, but no information was reported on the network issues that had affected the bank during that 14-year period, although a formal announcement to the ASX was made (ASIC, 2015). Despite the effects of this error on financial, human and relational capital, the issues were only addressed superficially. In contrast, much more information was provided through other media.

5.6 The Royal Commission

The incidence of fraudulent activity and cases of misconduct in Australia's banking, financial and superannuation industries saw a marked increase over the years, resulting in many formal investigations by ASIC. Bowing to public pressure, a Royal Commission was established under the Turnbull government in December 2017 on misconduct perpetrated by the industry. Unfortunately, misconduct is not new to the financial services sector in Australia. Rewards are often based on sales and profits and not on quality outcomes for customers, which encourage personnel to take bigger risks.

In 2018, the CEO of CBD made an announcement to the press, admitting that the bank was not focused on customers: "Well, I think this has been a drift over time where banks have become so complex, maybe so hierarchical, so focused on compliance, rather than truly understanding the client and doing the right thing" (Bianchi, 2018). Thus, an important stakeholder group, its customers, have not been the focus of the bank's activities, which meant it put profits before customers.

A few months before the release of this statement, CBD released its 2017 Annual Review, and the Chairman's message did not contain any trace of a potential issue with its stakeholders (CBD, 2017):

> The acceleration of our strategy is ambitious – and it is necessary and key to the bank's sustainability. Without it, we could not continue to deliver for all our stakeholders and achieve our vision of becoming Australia and New Zealand's most respected bank […]. At [CBD], our culture is fundamental to our ability to deliver for our customers and shareholders, and our people are key to how we deliver. Our people are passionate, have deep relationships with our customers and are motivated by living our five core values each day. They are guided by our purpose to back the bold who move Australia forward. And, they are determined to achieve our vision of being Australia and New Zealand's most respected bank.

Not all employees were involved in the scandal, and not all customers were affected. However, the Chairman's message does not hold up with the later announcement made by the CEO regarding objective facts and the bank's behaviour.

Since the scandal erupted, changes are underway to move incentives from product-based sales to group incentives based on performance (Durkin, 2018; Roddan, 2018a). For the first time, we see these disclosures emphasised. The potential impact on reputation and major financial relevance has resulted in the need for change. Thus, issues associated with financial, human and relational capital were reported in the 2017 and 2018 Annual Review, but richer information was found from other sources.

5.7 Systemic issues resulting in a lowering of trust

The Royal Commission's charter is to investigate misconduct in the banking industry perpetuated over many years. Even though each case of misconduct can be isolated, so far over 500,000 customers have been affected, and more than 50 organisations and individuals have been banned from providing financial services (Hutchens, 2018). CBD's CEO recognises that, if all fraudulent behaviour accusations were to be confirmed, it would affect the level of public trust in CBD (Roddan, 2018b). For example, CBD's reputation among employees has already lowered according to the latest results. Its 2017 Annual Review shows an engagement score of 59 per cent and a slump to 48 per cent in March 2018 (Gluyas, 2018). Employees feel that CBD's reputation in the community has also lowered over the last few months. Thus, the misconduct lowered both public and internal trust in CBD.

Moreover, the bad news continues to pour in for employees. According to the Chairman, "There will be areas of CBD that will need fewer people and areas that will need different skill sets. This will result in a net reduction in employees currently targeted at approximately 4,000 people by the end of the 2020 financial year, which is expected to give rise to a restructuring provision of $0.5–0.8bn in the first half of the 2018 financial year" (CBD, 2017). Later reports escalate that number to 6,000 (Gluyas, 2018).

Morgan Stanley signals that a decline in earnings is expected over the next few years (FN Arena, 2018). Therefore, even though financial outcomes have been stable over the years, the latest announcements and the level of trust have affected CBD'S value (Gatzert, 2015) as evidenced by its lowest share price since 2016. While intellectual capital and < IR > disclosures could be used wisely to divulge information to stakeholders, the disclosures seem to have been manipulated simply to improve the company's image, resulting in the opposite effect.

In the CEO's latest announcement, he argues that these problems are due to the banking system as a whole, not just CBD: "Financial incentive systems inside banks have encouraged poor behaviour and are 'seriously overrated' as a positive motivational tool for staff" (Dunckley, 2018). He believes that people were encouraged to take higher risks in exchange for higher bonuses (Roddan, 2018a) and announced a change in the way bonuses would be calculated for this reason. The new bonus system will take customer advocacy, risk compliance and process improvements into account (Durkin, 2018).

However, despite all the evidence, CBD's CEO still denies the issues are systemic. As a banker, he was "disappointed" by the revelations from the Royal Commission and believes "we need to be more authentic about saying sorry". Without any indication of future action to prevent these issues, he still insists there is "hope" (Durkin, 2018).

In conclusion, in June 2018, in the ambit of ongoing investigations, ASIC banned two employees from providing financial services. They were found guilty of accepting false documents to support loan applications (ASIC, 2018). The investigation stemmed from an announcement made in November 2017 by CBD. The bank announced a remediation programme for home loan customers, as more than 2,000 home loans might have been submitted with inaccurate information since 2013 (ASIC, 2018). Thus, concerning 2018, we find that human and relational capital issues were disclosed in CBD's review. But more information was revealed through the media, and those disclosures affected company trust and reputation.

6. Discussion and conclusion

Our analysis into *RQ1* began with Beck *et al.* (2017), where we explored how CBD had begun to restore their legitimacy by rebuilding "trust" through reporting. The results of this study show that CBD, along with all the other major players, has constantly been stricken by scandals since 2012 (Table I).

CBD recognised its culture needed to change as far back as 2004. However, < IR > research demonstrates that organisational cultures are slow to change, especially when that culture is strong. For < IR >, or any other form of disclosure, to induce any major impact is a fraught task (Dumay and Dai, 2017) and < IR > is not an instrument that can be used to change a culture overnight (Beck *et al.*, 2017; Dumay and Dai, 2017). That said, Beck *et al.* (2017) recognise that CBD did achieve some level of strategic and institutional legitimacy (Suchman, 1995). However, if this was through < IR >, the lack of coherence between CBD's reports and the disclosures made by others suggests that IM has been used for many years.

Through our comparison of Annual Reviews and publicly available information, we show a lack of coherence between the disclosures reported in the media and the information presented in CBD's integrated reports. Using the techniques in Brennan *et al.* (2009) and Melloni (2015), we find evidence of IM. Table II shows that information was selectively included in CBD's Annual Reviews whereby CBD mentioned or failed to include either qualitative or quantitative disclosures on events that involved its reputation. Comments by the CEO that attempted to downplay the severity of the scandals are further evidence of a corporate veil.

Readers may argue that < IR > focuses on the financial sustainability of a firm (IIRC, 2013b, p. 3). Nevertheless, even if CBD practice dictated only disclosing financially-relevant information, it failed to describe the interactions and contributions of the six capitals, and their effect on value creation, especially when it destroys, rather than creates value (de Villiers *et al.*, 2014; Flower, 2015). For example, reimbursements to customers reduce financial capital, which have already destroyed value for customers and thus society (relational and social capital). Additionally, this has flow on effect to employee engagement (human capital) and their and the public's trust in CBD and is detrimental to CBD's reputation (relational capital). These practices have continually reflected in CBD's lack of material human, relational and structural capital disclosures (Roddan, 2018a). In turn, confidence in CBD was lowered and their share prices are also down. Thus, CDB's Annual Review disclosures do not add to its financial sustainability.

Also, the Royal Commission is investigating misconduct for which banks were partly condemned in the past. The CEO of CBD claims that misconduct is not systematic (Durkin, 2018), and this might be so. However, misconduct seemed to be accepted practice during the years in which CDB was re-establishing its legitimacy through reporting. Thus, CBD has failed to address the risks connected to misconduct and has not divulged particularly relevant issues that might further damage its reputation. The consequence is that CBD's reputation is now compromised, especially because of Royal Commission's (2018) findings and despite any information found in its integrated reports.

We find that management adopted IM to present information had already been revealed through non-organisational channels. In general, the Chairman's and CEO's messages are characterised by a positive tone and avoids discussing issues (Clatworthy and Jones, 2003), with the notable exception of the explanations about the remediation implemented after the ASIC 2015 and 2017 investigations. The rhetorical discourse is observed when bad events happen (Aerts and Yan, 2017). Phrases such as "We don't always get it right" (CBD, 2015, p. 10), "Our commitment to improve transparency and openness" (CBD, 2016, p. 12) and "We are committed to the industry initiatives" (CBD, 2015, p. 13) are just a few examples. Thus, CBD has tried to paint a positive picture of itself rather than accept and overcome its misconduct.

Not surprisingly, CBDs financial results for the first half of 2018 were positive (Hill, 2018). Investors are interested in the bottom line and given that certain practices seem entrenched in the system, it is relatively difficult for investors to look for alternatives when other institutions behave similarly. However, more negative signals have arrived as recently as 2018 from investment advisor Morgan Stanley, who forecast a decrease in earnings as a result of declining reputation and trust in the system (Muldowney, 2018). Consequently, there has been a sharp drop in CBD's relational capital (Gluyas, 2018; Roddan, 2018b).

There has also been a drop in trust because the agent (CBD) has acted against the agency rules dictated by its investors and customers. The CEO of CBD also admitted that they had lost focus on their customers and relied on performance-based incentives that induce employees to accept higher risk, thus leading to misconduct (Bianchi, 2018; Roddan, 2018a). This apology is somewhat accepting that the damage is done, and the only way to start rebuilding reputation is to come clean. However, it also reflects the same sentiment the public heard from CBD after the 2004 scandal (Beck *et al.*, 2017). Are we to believe this admission again, or is it just another way of giving the impression of being sorry while CBD's culture continues unabated?

As Suchman (1995, p. 597) outlines, a strategy to repair one's legitimacy and come clean is to offer normalised accounts, restructure by removing the offending employees, and "not panic". Repairing legitimacy is what CBD is doing on the outside to create the impression that all is OK on the inside. But what about the inside? We argue that all is not well. Negative information was known then, and more is still being revealed, yet CBD has consistently failed to promptly disclose that information or provide a proper explanation – and that practice continues to this day. By doing so, CBD demonstrates how it is continually concerned about its reputation by not disclosing negative information (Hodge, 2012; Durkin, 2013). Thus, CBD has failed to change for the better over the years despite incorporating <IR> into its Annual Reviews. The bank has seemingly attempted to repair its image as a trusted corporate citizen, but not its culture despite anything written to the contrary in an integrated report.

6.1 IM's effect on reputation

What happens to reputation when bad news is disclosed? In the case of Australian banks, the investigations and the establishment of a Royal Commission resulted in a decrease of trust and relational capital (Roddan, 2018b), even though the misconduct initially led to an increase in share prices. After the Royal Commission was established, the media reported information about suspected fraudulent activities almost every day.

The above helps further to answer our research question, "Can <IR> impact relational capital by helping repair an organisation's reputation?" We conclude that <IR> has helped the firm restore an external sense of legitimacy (Beck *et al.*, 2017; Muldowney, 2018). However, the Royal Commission's findings are eroding trust in the banking system, and the revelations are damaging CBD's reputation; hence, CBD is losing its licence to operate. While <IR> can help restore reputation, it is clear that the reports need to contain data that is relevant, truthful and complete. This was not the case with CBD.

Only recounting good news only, and in a positive tone, is a strategy to improve reputation. However, the ethical dilemma is whether or not to include bad news along with the good. If it is included, it will undoubtedly have a negative impact on reputation and relational capital. Therefore, there is certainly no motivation for CBD to admit to a scandal before it has become publicly known. As described in Sections 5.1 through 5.7, CBD has often cherry-picked information for release and has disclosed information in a way that limits impact. For instance, in December 2013, CBD disclosed that market manipulation had occurred just before Christmas, at market closing, which limited the amount of time available for investors to decide how to react to the news (Durkin, 2013). Our results also show that there is no evidence to support that <IR> has changed CBDs' corporate culture (Dumay and Dai, 2017; Feng *et al.*, 2017). Thus, we argue that the Annual Reviews are nothing more than an exercise in rhetoric.

This rhetoric is needed because exposing the truth undermines trust. If managers undertake actions that undermine trust, which is a source of social capital (Shapiro, 2005), they can destroy value (Gatzert, 2015). When investors and other stakeholders demand that companies adopt new forms of disclosure, such as <IR>, they want companies to divulge sensitive information which was previously unknown. By doing so, firms should increase the quality of disclosure and consequently the level of trust. However, it is not likely that companies will divulge sensitive information about how they create value over time, especially if the misconduct that disadvantages customers is a source of value creation for the managers and bank (Dumay *et al.*, 2019). Therefore, the use of legitimising strategies will backfire and perpetuate a dishonest corporate culture when managers are encouraged to engage in misconduct to the benefit of both managers and investors.

The 2015 scandal is an example of customers being disadvantaged and managerial misconduct aligning with corporate profit objectives. At the time, CBD did not mention that its incentives policies played a part in the poor financial advice. Rather than focusing on the issues, CBD downplayed its misconduct with terse comments: "We don't always get it right" (CBD, 2015, p. 10). The real problem is that managers are driven by self-interest as performance-related bonuses incentivise them. Therefore, the bonuses for profits driven corporate culture reinforces such misconduct.

As a voluntary instrument, firms do not disclose any negative information unless the need to in the process of becoming clean agian to, and they perceive there is a benefit in doing so. For example, the CEO of CBD admitted that the financial incentive systems encouraged poor behaviour only after the results of the Royal Commission investigations (Dunckley, 2018). < IR > is voluntary disclosure framework and, as such, managers take advantage of their high degree of discretion by avoiding introducing substantial changes to reporting practices. Rather than increasing the quality of information disclosed, < IR > presents something that is already available on the internet and in the media. Hence, there is ample opportunity to adopt IM practices in CBD's integrated reports to attempt to repair legitimacy.

6.2 Contribution

A limitation common to most studies is that they do not answer the question "Does IM matter?" There is no evidence on whether investors are interested in IM strategies or whether this is a given. Unsurprisingly, even when investors discover a stark rift between company reports and company behaviour, they tend not to alter their investment decisions much (Solomon *et al.*, 2013, p. 210). Also there is evidence that firms fall into organised hypocrisy, characterised by an inconsistency between action, talk and decisions (Cho *et al.*, 2015). Our analysis confirms this, showing that reality is distant from normalised accounts depicted in the integrated reports. The CEO of CBD publicly admitted that the bank lost its objective, namely, the customers (Bianchi, 2018):

> Well, I think this has been a drift over time where banks have become so complex, maybe so hierarchical, so focused on compliance, rather than truly understanding the client and doing the right thing.

This admission is an example of inconsistency between talk and action, as CBD's integrated reports repeat time and again that the bank's objective is to be Australia's most respected bank by engaging customers and improving its relationship with them. Thus, our analysis reveals a continuous misalignment between talk and action has weakened the credibility of the system where employee misconduct in pursuit of profits is not only considered acceptable but the norm, and is ingrained in CBD's corporate culture.

When considering publicly listed companies, the most representative stakeholders are shareholders who are mainly interested in financial returns. Therefore, managers normally act in the interest of the most important stakeholders being shareholders, which means reinforcing the bonus contracts that led to dishonest behaviour (Dumay *et al.*, 2019). The misalignment of interests is acknowledged by CBD's CEO, who confirmed that the bonus system encouraged poor behaviour and that the bonus systems need rethinking to prevent future misconduct (Dunckley, 2018).

Prior studies have not analysed what happens to firm reputation when IM collapses due to scandals. However, bad news can destroy the firm's reputation and once trust is compromised, it takes much time, effort and money to rebuild it (Dumay *et al.*, 2019). However, arguably CBD cannot rebuild trust, reputation and social capital unless it changes a corporate culture that puts employee rewards before customer outcomes, which is all the more difficult considering that Royal Commission has uncovered that the profits before people culture extends to CBD's competitors.

A company can attempt to improve its reputation, but it is difficult, and perhaps even impossible, if all players in the industry are tarred with the same brush. The timeline we present shows that the number of scandals has only increased over the years. Weak interventions and sanctions by regulators have allowed banks to continue operating without implementing effective ways to stop the misconduct. More specifically, voluntary or mandatory <IR> cannot increase trust or change employee behaviour and corporate culture if it is in the employees' and the bank's interest to keep information to themselves (Dumay *et al.*, 2019). In the end, even though <IR> may increase or repair legitimacy, if the underlying culture and behaviour do not change, the new-found legitimacy collapses like a house of cards once the misconduct is exposed.

Arguably, it is necessary for CBD to make a shift towards different types of communication channels that provide honest and transparent information in an appropriate and timely manner. However, it is unlikely to happen because as Leung *et al.* (2015, p. 278) indicate:

> Obfuscating discretionary disclosure has the advantage of hiding adverse information through difficult to read or less transparent disclosures, which can be difficult for investors to detect. It is consistent with the incomplete revelation hypothesis […] that managers have incentives to reveal less information when firm performance is poor.

Thus, when behaviour is bad, managers steer clear of providing stakeholders with transparent disclosures. The evidence shows that <IR> did not change corporate culture at CBD, and while legitimacy and, hence, CBD's reputation may have temporarily restored (Beck *et al.*, 2017), it comes crashing down because eventually when the talk does not match the action, the misconduct inevitably comes to light (Dumay and Guthrie, 2017).

Will a cultural change in CBD and the banking industry occur? It is possible, but if it does, it will come from an internal revolution in CBD bent on organisational survival, not evolution in the form of new laws, sanctions and penalties. And even that scenario is questionable because the misconduct of CBD is not an isolated event in corporate history, nor are enquiries like the Royal Commission. That there will be a regulatory response is not new in Australia, but when reporting requirements change, the new regulations often have little impact on changing organisational behaviour or culture and business-as-usual prevails (Dumay and Hossain, forthcoming). Hence, new laws, sanctions and penalties do not threaten organisational survival and the IM story in corporate reports will continue to advocate that CBD is a legitimate corporate citizen with the best interest of its customers in mind. Any other storyline would not be acceptable to shareholders.

7. Implications for future research

Understanding the nexus between IC and <IR> is important because IC reporting as a legitimate management practice has already failed (Dumay, 2016). Likewise, <IR> is under the same threat if it does not show that it adds value to companies and other stakeholders, not just managers, Directors and shareholders. If all <IR> does is to reinforce information asymmetry, rather than reduce it, then it too will fall by the wayside as just another management fashion, as did IC reporting.

Future research needs to investigate how applying <IR> in practice has the potential to change organisational culture and behaviour. Similar to the third stage, practice oriented intellectual capital research (Guthrie *et al.*, 2012), more studies examining the reporting journey of companies are needed to understand if <IR> creates value for customers and other stakeholders, as opposed to managers and Directors receiving bonuses for profits and shareholders who reap the rewards.

A further step is to understand the impact of <IR> on society. As can be seen in the CBD case, while customers and employees are losing trust in the bank, this is part of a wider loss of faith in the Australian banking system, and thus society also suffers from <IR> for self-interested purposes. As Dumay *et al.* (2016) argue when advocating fourth stage <IR> research, if "value is purely financial and leveraging capital allows an organisation to deplete any of the capitals in a primary pursuit of profit by ignoring environmental externalities and its responsibilities to society, then all <IR> has achieved is to further deplete, rather than enhance, capital". Thus, we need to reach beyond the organisational boundaries and understand if <IR> adds value for society, or is just a new form of multicapitalism, being an ideology to help the rich become richer? (see Howitt and Thurm, 2018). The answers are important if we ever hope to see misconduct disappear from our corporations and for company reports to become documents bearing truth, and not espouse rhetoric based on organisational hypocrisy.

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