

CHAPTER TWELVE

CSR REPORTS IN OUR GLOBALIZED ERA: BALANCING NATIONAL CULTURE AND GLOBAL TRENDS

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1. Introduction

In present times it is particularly important for companies to manage their public relations instruments effectively, as much of their success depends on the relevant stakeholders' perceptions of their reputation and image.

Until the 1970s, practitioners used the term “public relations” to describe communication with stakeholders. This public relations function largely consisted of communication with the press. When other stakeholders, either internal and external to the company, started to demand more information, organizations created multiple specialized groups who were in charge of communicating with them. This paved the way for a fragmented communication system that – when not strategically coordinated – might affect the consistency of external and internal corporate communication. In recent years, therefore, organizations have realized the importance of improving the coordination of their communication activities and tend to rely on ‘integrated communication’ (Cornelissen 2011; van Riel and Fombrun 2007).

Corporate Social Responsibility (CSR) reports have recently become an increasingly important part of a company's integrated communication instruments. In general terms, the concept of CSR refers to the belief held by growing numbers of citizens that modern enterprises have responsibilities to society that extend beyond their social obligations to their stakeholders. The obligation to investors is obviously to generate profits for the owners and maximize the long-term wealth of shareholders, but other obligations exist towards consumers, employees, the community at large and the natural environment. In other words, in response to rising

public awareness about the impact of their performance, companies have started to report publicly on various aspects of their social and environmental performance, thus giving rise to this new genre of corporate reporting.

This small-scale study is based on the analysis of the CSR reports of three airlines with different cultural backgrounds, published on their corporate websites between 2011 and 2013. The airlines are Delta, Etihad and JAL, and their CSR reports are part of a larger corpus, which includes altogether eight airlines. The cross-cultural analysis mainly relies on corpus linguistics tools, in search of patterns of variation. In the first place, the study has focused on the main semantic areas and key words contained in each corpus of CSR reports. Secondly, the co-text and the collocations of the main keywords have been investigated with a view to shedding some light on the interplay between globalization and local culture. In this respect, the airline industry represents a particularly suitable area of investigation because of the major airlines' ever-growing need to communicate on a global level. In fact, despite the traditional importance of 'nationality' in this sector, in recent times airlines have been acquiring a wider global presence thanks to more liberalized regulations. As a consequence, global carriers are currently adopting English as a common means of communication to address multiple and multicultural audiences, thus facing the challenge of balancing their local cultural identity and global appeal.

2. CSR

Although CSR emerged as a field of study only in the 1950s in the United States, business practices which could be termed socially responsible go back for centuries. However, it is Howard R. Bowen who is often referred to as the 'Father of Corporate Social Responsibility'. Bowen argued that several of the largest businesses of his time were vital centres of power and decision-making with a great influence on society and on the lives of citizens (1953). For this reason they had to take into account the social impact of their activities. Accordingly, the philosophy driving CSR discourse in the 1950s was aimed at cultivating civic virtue in corporations, on the grounds of the fundamental assumption of the 'enlightened self-interest'. The decade from the 1960s was marked by an increasing number of attempts to define the meaning of CSR underlining the acceptance that some costs might be involved for which there were no economic returns.

In the 1970s companies actually started to acknowledge that business had moral effects and that economic and social goals could not be easily separated. As a consequence, they started looking at social responsibility as a strategy to do well in business, a development that promoted CSR as an integral part of strategic management. From the 1980s onwards, a growing body of literature developed new or redefined definitions of CSR (cf. Banjaree 2007; Carroll 1979, 1991, 2008; Brown and Craig 1998), as the focus shifted from CSR as an obligation (“doing good to do good”) to CSR as a strategy (“doing good to do well”), underlining its close link with alternative or complementary themes such as: corporate social performance (CSP), stakeholder theory, business ethics, sustainability and corporate citizenship. In particular, the concept of sustainability attracted significant interest in the 1990s, initially referring only to the natural environment and then evolving into a more encompassing concept which includes the larger social and stakeholder environment.

The concept of sustainability is strongly related to the concept of “sustainable development”, which was first defined in the Brundtland Report *Our Common Future* (1987) as a development which meets the needs of the present without compromising the ability of future generations to meet their own needs. It is considered a key text in this area, involving the three pillars of economic development, social development and environmental protection.

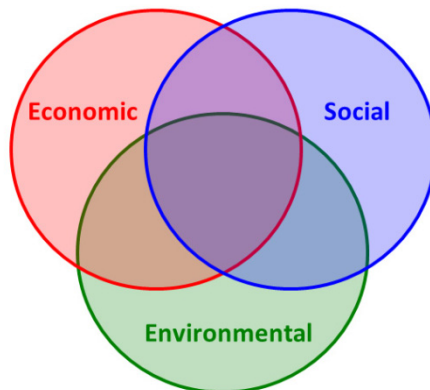


Figure 12.1 Overlapping circles of sustainability¹

¹ Web reference: <http://www.elsevier.com/connect/economic-growth-and-sustainability-are-they-mutually-exclusive>

The same principles underlie also the ‘triple bottom line’ (TBL) concept, coined by Elkington in 1997. In fact, he argued that companies should not take into consideration only their economic value, but also their social and environmental responsibilities. The TBL concept extended the narrower focus on the financial to a wider environmental and social performance (Visser et al. 2007: 466).

3. Globalization and culture

Globalization is a widely discussed and studied topic in many different disciplines, generally defined as the increasing interconnectedness of human activities all around the world. According to Schmidt et al. (2007: 4-6) the causes of globalization have been extensively investigated and usually ascribed to the improvement of transportation systems and advances in technology. Increasing speed in transportation and in accessing the internet have deeply influenced how international business is conducted, as enterprises are more and more engaged in international business in order to increase profits in sales and distribution of services. Besides, multinational corporations are moving operations to new locations, often overseas, because of lower labour costs, tax breaks and relaxed environmental regulations. As a consequence, the growth of international business requires highly effective global communication (Martin and Nakayama 2010: 18), which will take into account the presence of possible cultural differences. In an attempt to account for the impact of globalization on cultural diversity, Pieterse (2009) outlined a tripartite model which encompasses: cultural standardization, cultural differentialism and cultural hybridization.

Cultural standardization advocates the ever growing similarity of cultures headed by the dominant groups and societies in the world. The current basic assumption is that the globalization of the economy is breaking down cultural differences, thus contributing to the emergence of a world culture emphasizing the commonality of human needs (Schmidt et al. 2007: 39). The other two models have been labelled: *cultural differentialism* and *cultural hybridization*, and each of them is grounded in a different perspective of cultural differences. *Cultural differentialism* conceives cultures as single wholes, as separate and impenetrable units strongly related to language, territory, biology and religion. Cultural differences are perceived as immutable and generating rivalry and conflict. Finally, *cultural hybridization* emphasizes the mixing of cultures across countries and identities, resulting in new and hybrid cultures which are no more reducible to the original ones. This implies also increasing heterogenization rather

than homogenization, reflecting the post-modern idea of a ‘travelling culture’. Globalization is seen as a creative process out of which new cultural realities emerge at different levels.

4. Objectives, data and materials

In the past the relationship between an airline and its country of origin was there for everyone to see since, especially in Europe, most airlines were state-owned. When it came to booking their flights many people often chose them on the basis of the airline operating them. For instance, many people used to favour Lufthansa on the grounds of its being the German national carrier and as such symbolically charged with the typical traits that everybody tends to associate with this country: high performance, robustness, quality, trustworthiness (Viale 2012). Nowadays, however, most airlines have been privatized and have been involved in mergers and global alliances.

The primary objective of this exploratory work is to investigate to what extent some of the major global players within the airline industry balance their cultural identity and the need for cosmopolitanism when communicating to a variety of audiences worldwide.

In particular, the analysis will try to ascertain which, out of the three different theoretical models devised by Pieterse (2009) to account for the effect of globalization on cultural diversity, is the prevailing one in the case study under scrutiny here. For the purpose of the analysis, a small-scale corpus of 541,839 tokens was collected. It includes the CSR reports published between 2011 and 2013 by British Airways (56,783), Delta (64,650), Etihad (26,500), JAL (31,292), Korean Air (88,742), LATAM (27,832), Lufthansa (144,931) and SAS (101,109). Only the CSR reports issued as PDF documents were taken into consideration for two main reasons. Firstly, PDF documents are usually longer, thus providing a larger quantity of data for empirical analysis. Secondly, they are a ‘frozen’ genre and therefore less volatile and subject to change.

The airlines taken into examination were selected as representatives of different cultures among the world’s top 50 airlines by seats², in order to focus the attention on those airlines that are operating in a wider, more global context or at least addressing a greater variety of audiences. In this respect, a major constraint in the selection was posed by the format of the

² Web source: CAPA, 2013. Established for over 25 years, CAPA delivers market analysis and data that support strategic decision making at many of the world’s most recognized organizations.

CSR reports because most of the airlines have not published the PDF version of their disclosures in recent years. For this reason, as in the Arabian region no company included in the CAPA list presented the PDF version of its CSR reports, Etihad was chosen as the representative for this area. In fact, this United Emirates' airline was rated the Middle East's 2014 top airline by Skytrax³, a United Kingdom-based consultancy which runs an airline and airport review and ranking site. Low-cost airlines have been excluded from this selection mainly because they are less imbued with the idea of "nationality" than full service network carriers⁴, and also because their operations are usually restricted to a more limited area. Also, the African region was not taken into consideration because "aviation on the continent is however beset by a range of impediments to growth"⁵. For this reason, no African airline has been considered suitable for analysis.

The great difference in the number of tokens⁶ of the sub-corpora depends on the quantity of material which was accessible on the individual websites, according to the criteria previously described. Therefore, it should be noted that a lower token number does not imply that the airline publishes less about CSR, since it might have produced CSR disclosures in the html format for some of the years within the time span under consideration.

The present study focuses on the comparison among three airlines: Delta, Etihad and JAL. In the first place each country where the airlines are headquartered was investigated on the basis of Hofstede's taxonomies for the analysis of culture, with a view to establishing its most relevant features. Then the three corpora were scrutinized by means of the software Wmatrix, developed by Paul Rayson⁷ at the University of Lancaster, to perform a comparison between the key domain (semantic areas) and key word clouds of each sub-corpus against the larger corpus of the eight airlines. Later on, the linguistic software suite *AntConc*, a freeware corpus analysis toolkit for concordancing and text analysis developed by Lawrence Anthony was also employed to investigate the most meaningful collocates of the main key words of each sub-corpus, as well as the

³ http://www.worldairlineawards.com/Awards_2014/Airline2014_top20.htm

⁴ As a matter of fact, the most important full-service network carriers were also the former national carriers, at least in the European Union (German Aerospace Center, 2008: 5).

⁵ Web reference: <http://centreforaviation.com/about-capa/updates/capa-world-aviation-yearbook-2013-country-airlinedata-in-a-comprehensive-1000-page-report-109509>

⁶ Delta (64,650), Etihad (26,500) and JAL (31,292). The data for the corpora were collected by SC, a former MA program student, under the author's supervision.

⁷ <http://ucrel.lancs.ac.uk/wmatrix/>

clusters in which they typically tend to occur. By employing these two corpus-analysis tools it was possible to unveil those terms which are not only statistically more significant but also ‘emblematic’ of the attitude displayed by each airline. The analysis of the key word and key domain clouds will be performed by referring to Elkington’s ‘triple bottom line’ (TBL) concept (1997), which has defined economic development, social development and environmental protection as its main three pillars. Finally, the findings from the analysis of the corpora will be cross-referenced with the data from Hofstede’s studies, to determine which among Pieterse’s three models is the prevailing one.

4.1 Hofstede’s contribution

Hofstede’s impressive study of cultural differences in value orientations is still seen by many scholars as the most useful one for mapping different cultures. He describes cultural differences between nations by using a series of bipolar dimensions. Every single nation under analysis is rated on each of these dimensions on a scale from 1 to 100 and the scores assigned allow for predictions to be made on the way their societies operate (1997: 89).

The first four dimensions originated from preliminary theoretical considerations and the analysis of empirical data derived from the responses to a survey conducted in sixty-four national subsidiaries of the same multinational, namely the IBM corporation, by interviewing employees of all hierarchical levels, with various qualifications and working in different countries in the period between 1967 and 1973. Since “the survey questioned only individuals employed at subsidiaries of the same company, there is a high probability according to Hofstede that the determined differences are actually the result of national differences and the ‘mental program’ of the employees” (Dowling et al. 2013: 26).

The analysis of the answers provided by the informants revealed that there are similar issues with which different countries have to cope:

- social inequality and the attitude to power,
- the relationship between the individual and the group,
- masculinity and femininity, and
- uncertainty.⁸

⁸ A fifth dimension, relating to time perspective was added later, on the basis of a study of the values of students in twenty-three countries carried out by Michael Harris Bond (Hofstede et al. 2010).

Each society's reaction to these needs can be measured along a cline which ranges from one extreme to the other, which have become known as bipolar dimensions.

1. Power distance is the extent to which the less powerful members of organizations and institutions accept and expect that power is distributed unequally.
2. Individualism vs. Collectivism refers to the degree to which individuals are supposed to look after themselves or remain integrated into groups.
3. Masculinity vs. Femininity. Masculine-oriented cultures pursue goals such as assertiveness, financial success and heroism, whereas feminine-oriented ones value life quality and interpersonal relationships.
4. Uncertainty Avoidance refers to the extent to which a culture programs its members to feel either uncomfortable or comfortable in unstructured situations.
5. Long-Term vs. Short-Term Orientation represents the extent to which a culture programs its members to accept delayed gratification of their material, social and emotional needs (Hofstede and Hofstede, 2005).
6. Indulgence versus Restraint. Indulgent societies allow relatively free gratification of basic and natural human desires related to enjoying life and having fun. Restrained ones control gratification of needs and regulate it by means of strict social norms.⁹

Since Hofstede's model of cultural dimensions assumes a high degree of cultural homogeneity within a country, it has not escaped criticism (Tung 2008).¹⁰ However, despite this criticism, Iles and Zhang have

⁹ Minkov's World Values Survey data analysis of 93 representative samples of national populations finally led Hofstede to identify a sixth and last dimension: indulgence versus restraint.

¹⁰ The most recurring criticism is that the IBM research was conducted many years ago and it may no longer be able to provide an updated view of the current situation. Moreover, it was restricted to the data collected within a single company, whose members all shared a common corporate culture which distinguished them from the wider population. Furthermore, some scholars (Gerhart and Fang 2005) argue that even if there are differences within and across countries which should not be underestimated or ignored, the actual impact of national cultural differences on the practices of organizations should be reconsidered also in relation to the role played by organizational culture.

confirmed that Hofstede's work has had an enormous impact on the field, because:

- (1) by adopting nation/state culture as the basic unit of analysis, he succeeded in narrowing the concept of culture into more concise and measurable components;
- (2) he established culture values as a key impact on organizational behaviour;
- (3) his theory enhanced the awareness of cultural variations; and
- (4) his culture paradigm inspired other scholars and practitioners in large-case studies (2013: 30).

In fact, Hofstede's categories have been used by several scholars to investigate the communication styles adopted by different countries (cf. Gudykunst and Ting-Toomey 1988; De Moji 2014).

The decision to adopt Hofstede's taxonomies in the present study is closely connected with the relevance of 'nationality' in the airline industry, which is definitely an exception in global business. Despite recent mergers and take-overs (such as the consolidation of Air France and KLM in 2004 and of British Airways and Iberia in 2010), the ownership and control rules which still dominate the aviation industry make them in any case much less common than in a "normal" industry.¹¹

The association of an airline with a 'nationality' is a practice which stems from the traditional state ownership of airlines and it has remained unchanged throughout the modern history of air transport. In fact, having an airline was considered an essential requirement for a nation for several reasons: besides matters of prestige and the fondness for the notion of 'flag carriers', a national carrier would bring benefits in terms of employment, balance-of-payments and tourism income (Shaw 2011: 63). As a result, until the privatization of British Airways in 1986, Swiss Air was the only flag carrier with no state ownership in the European area.

As already stated, the first step of the analysis entailed applying Hofstede's bipolar dimensions to the investigation of the three countries where each airline is headquartered.

¹¹ Apart from Australia, Chile and New Zealand, the vast majority of states still limit foreign ownership of domestic airlines. An example is provided by the US, which not only limits foreign ownership to 25 per cent of the shares but also require two-thirds of the members of the board of directors to be US nationals.

5. Hofstede's bipolar dimensions

Country	PDI	IND	MAS	UAI	LTO	INDUL
Japan	54	46	95	92	88	42
UAE	90	25	50	80	Not available	Not available
USA	40	91	62	46	26	68

Table 12.1 The ratings of the three countries on the basis of Hofstede's bipolar dimensions.

On the grounds of what has been already discussed, it is clear that the above data should be considered as providing some general indications rather than prescriptive information. However, also with the necessary provisos, it seems possible to pinpoint the main features which characterize each different country.

Country	Main features inferred from Hofstede's categorization
Japan	<p>Society:</p> <ul style="list-style-type: none"> • is prepared to accept both equality and inequality in the distribution of power; • attaches a slightly higher degree of importance to the relationship between individuals and the group than to individualism; • wholeheartedly values financial success and assertiveness over life quality and interpersonal relationships; • feels remarkably uncomfortable in unstructured situations and has little tolerance for deviance from the norm; • willingly accepts delayed gratification of material, social and emotional needs; and • accepts that gratification of needs may be regulated by means of strict social norms.
UAE	<p>Society:</p> <ul style="list-style-type: none"> • strongly believes that inequality in the distribution of power is unavoidable; • strongly believes that individuals have to remain integrated in groups; • values both life quality and interpersonal relationships, as well as financial success and assertiveness; and • feels highly uncomfortable in unstructured situations and has little tolerance for deviance from the norm.

USA	<p>Society:</p> <ul style="list-style-type: none"> • is strongly in favour of social equality; • people’s self-image is defined in terms of ‘I’; • pursues financial success and assertiveness; • feels comfortable in unstructured situations and is prepared to accept innovations; • prefers to maintain time-honoured traditions and norms while viewing societal change with suspicion; • expects results to be routinely and scrupulously checked and is not prepared to accept delayed gratification of material, social and emotional needs; and • allows relatively free gratification of basic and natural human desires.
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Table 12.2 The main distinguishing features of each of the three countries

5.1 Investigating the corpora

The second step of the analysis entailed the use of corpus linguistic tools. In the first place the key word and domain clouds were investigated.¹² Then the collocates of the main key words were taken into account, as well as the clusters in which they tend to occur.

5.1.1 Delta

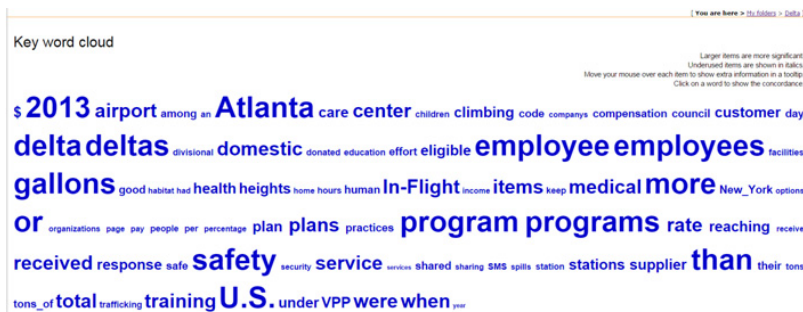


Figure 12.2 Delta’s key word cloud

¹² The data were processed with the help of Esterina Nervino, PhD Candidate at the Department of English of The Hong Kong Polytechnic University.



Figure 12.3 Delta's key domain cloud

5.1.1.1 Social development

A preliminary look at Delta's key domain and key word clouds provides significant evidence of the central role played by the semantic areas of *work* and *employment*, which is also reflected in the presence of *employee/employees* in the key word cloud. The most frequent right collocate of *employee* is *network*. In fact, the analysis of the different occurrences unveils the existence of different employee networks, such as the *Asian Pacific Employee Network*, the *Black Employee Network*, the *Gay Lesbian Employee Network*, the *Latin American Hispanic Employee Network*, the *Veteran's Employee Network* and the *Women's Employee Network*. This feature strongly relates to a key value of Delta's commitment to CSR - *diversity* and *inclusion* - overtly advocated in the following statements:

- (1) Delta fosters a safe, professional workplace *that does not tolerate discrimination* and one that promotes *teamwork and trust*. Delta recruits, hires, trains and promotes employees without regard to a person's race, colour, religion, sex, age, national origin, sexual orientation, gender identity, veteran status, citizenship status, marital status, parental status, political affiliation or disability (Delta 2013).
- (2) Diversity is a part of our DNA. At Delta, we understand that fostering *an inclusive work* environment where all voices are heard makes us a better company (Delta 2013).

The above extracts suggest that Delta strives for creating a work environment where each person is valued for his or her distinctive skills, experiences and perspectives and where everyone can fully participate in creating business success, as the respect of individual rights and specificities is considered an opportunity for better performance. Other references to this culture of respect are conveyed by the insistence on *employee surveys*:

- (3) Over the years, the employee survey has been an important tool for us to better understand employee perceptions of our company, *in turn helping us make decisions* with the goal of making Delta a great place to work.

Another frequent right collocate of *employee* is *engagement*:

- (4) Continue building a great place to work, including an environment that promotes employee engagement. (listed as one of the goals of the company)

Other important semantic areas connected with social development are *medicines* and *medical treatment*. By looking at the collocates of *medical*, it is possible to realize that it often refers to the medical benefits for the employees and is part of Delta's employees travel health programs. However, it can also be connected with passengers' safety.

- (5) Delta partners with STAT-MD, a division of Emergency Services of the University of Pittsburgh Medical Center, to provide ground-based medical support at 30,000 feet. Services include passenger fitness-to-fly screenings and emergency medical treatment recommendations during flight. The STAT-MD physician assists the captain and onboard medical volunteers in evaluating the necessity of a medical diversion.

Safety is another important key word (and key domain). A closer scrutiny of its concordances shows that Delta has an entire Department dedicated to safety:

- (6) Delta supports nearly 650 safety representatives throughout the company. These individuals, along with management, provide guidance and enforcement of safety programs throughout Delta.

Many of these safety representatives participate voluntarily in a safety committee at a local level.

In addition, Delta administers voluntary safety programs, such as the *Aviation Safety Action Program (ASAP)* and the *Flight Operational Quality Assurance Program (FOQA)*, for pilots, load planners, dispatchers, and maintenance technicians. Finally, Delta strongly emphasizes its compliance with federal safety policies, regulations and standards set by the most authoritative institutional organizations of the airline industry, such as the *International Civil Aviation Organization (ICAO)* and the *Federal Aviation Administration (FAA)*. It also takes great pride in claiming to collaborate with the *OSHA*,¹³ the main federal agency charged with the enforcement of safety and health legislation, by taking part in its *Voluntary Protection Programs (VPP)*:

- (7) Delta was the first airline in VPP and is one of only five companies in OSHA's VPP corporate program. [...] VPP principles validate and reinforce Delta's safety programs by helping facilities achieve and exceed regulatory compliance, minimize occupational injuries and illnesses and lower business costs (Delta 2012).

5.1.1.2 Environmental protection

The semantic area of *measurement: volume* is connected with environmental protection. The term *gallons* is quite prominent in the key word cloud, even though, strictly speaking, its frequency is not outstanding as it ranks 101st in the word list generated by AntConc. Another term connected with environmental protection, i.e. emissions, ranks 45th, but does not appear in the key word cloud, in consideration of the fact that it is probably quite common also in the sub-corpora of the other airlines.

The word *gallon* is invariably connected with the idea of limiting possible environmental damages:

- (8) Delta aircraft are 100 percent compliant with Stage 3 criteria as required by the Federal Aviation Administration. 4. Class II = non-emergency, greater than 5 gallons and less than 25 gallons and does not reach soil/water.

¹³ Web reference: <https://www.osha.gov/>

Gallons very often collocates with *million* and (of) *fuel*:

- (9) Delta saved approximately 70 million gallons of fuel in 2011, a reduction of more than 670,000 metric tons of CO₂ emissions.
- (10) In 2012, Delta consumed 3.8 billion gallons of fuel, an average of 120 gallons per second. In addition to replacing older aircraft with planes that have lower emissions per seat, Delta **aggressively** pursued and tracked the impact from almost two dozen fuel savings initiatives. These initiatives have resulted in a reduction in fuel consumption, savings and decrease in Delta's carbon footprint.

Technology is considered a valuable tool to reduce environmental impact:

- (11) The airline industry plans to achieve these targets through technology enhancements that include alternative fuel research, operational efficiencies, air traffic management and improved infrastructure and positive economic measures.
- (12) Delta partners with airframe and technology manufacturers to increase fuel efficiency and reduce environmental impact.

and to identify possible threats:

- (13) Delta uses the latest security technology to identify threats as well as monitor and trend data in an effort to predict arising threats.
- (14) Delta's threat assessment and risk mitigation program continues to evolve as an industry-leading program, particularly through the integration of multiple intelligence sources to address a wide range of threats. Delta has also served as the first U.S. airline to implement new government-sponsored technology for the controlled sharing of intelligence information, as part of a strategy to prioritize the collection, analysis, and utilization of intelligence information to assess risk and mitigate security-related impacts to customers.

5.1.1.3 Economic development

Financial ranks 87th in the general word list, but the analysis by means of Wmatrix does not highlight it, so it does not seem to be particularly relevant for Delta, in comparison with the other airlines. As we look more closely at the corpus, and at the most common collocates of *financial*, i.e. *measures*, *assistance*, *resources*, *performance* and *planning* we realize that

the main objective seems to be the one of delivering value to Delta shareholders, customers and employees, rather than merely safeguarding the company's interests:

- (15) Because the achievement of operational and financial performance goals is essential to Delta's success, these goals are also incorporated into our management incentive plans. For example, goals that drive payouts to our employees under the Profit Sharing and Shared Rewards Programs are some of the goals included in our annual management incentive plan. Additionally, if no profit sharing is paid to Delta employees in a given year, payouts under our annual plan will be capped at target award levels and our executive officers would receive these capped payouts in restricted stock (rather than cash) that generally will not vest until there is a payout under the Profit Sharing Program. This structure provides management with incentives to deliver value to Delta shareholders, customers and employees, and aligns their interests with those of our employees.

5.1.2 Etihad



Figure 12.4 Etihad's key word cloud

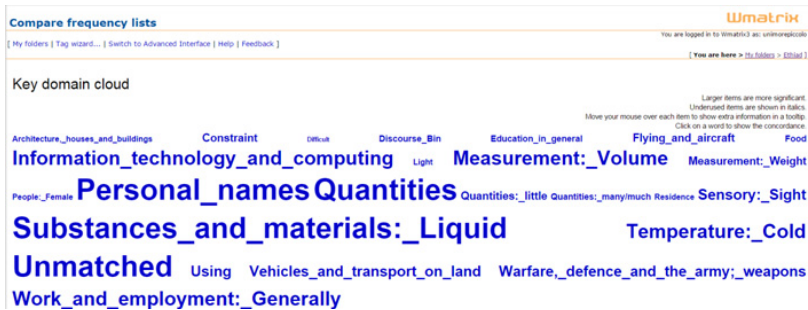


Figure 12.5 Etihad's key domain cloud

5.1.2.1 Environmental protection

As can be seen from the figures above, environmental concerns play a substantial role in Etihad's CSR reports, as attested by the presence of key words like *consumption*, *cooling*, *reduction* and *saving*, and confirmed by the key domain areas referring to *quantities*, *temperature*, *substances and materials* and *measurement*. Quantities are measured here in *tonnes* rather than *gallons*. The range of the substances which are measured includes: *cooling water*, *carbon footprint*, *carbon dioxide*, *fuel*, *e-waste*, etc.

- (16) It is estimated that the modification process will save more than 3,000 tonnes of fuel and reduce our carbon footprint by more than 10,000 tonnes per year.
- (17) In 2012, 11.5 tonnes of e-waste were collected for processing by the Enviroserve team.

Another important key word is *awareness*, whose most common collocates are: *raising* (on its right) *raise*, *promote*, and above all *environmental*:

- (18) Etihad Airways celebrated World Environment Day in June as part of the airline's environmental awareness program. World Environment Day is the most widely supported annual event aimed at promoting positive environmental action.

The above example and also the two following ones reveal the company's attitude to environmental protection:

- (19) “the dedicated intranet site, emails and staff news for environmental matters; Green Champions who promote environmental awareness among the staff”;

which seems to be all-encompassing. In fact, rather than limiting itself to expressions of commitment, the airline proves to be aware of the need to work and live in a sustainable society and tries to share this awareness with its employees and stakeholders:

- (20) In the Etihad Plaza offices, bathroom modifications, and awareness raising contributed to a reduction in water use of over 23 per cent per employee.

Reading on, it looks like there is a certain degree of attention to the sustainability of society as a whole:

- (21) The headquarters, which includes the Training Academy, is located close to Abu Dhabi International Airport, adjacent to land that is considered to be of no significant biodiversity value. Airline property is not close to any desert preservation areas designated in the Abu Dhabi 2030 Plan.

At the same time, despite its commitment to sustainable living and working, Etihad openly acknowledges the fact that certain measures might cause problems for the companies implementing them:

- (22) While recognizing emissions trading as one of a range of potential market-based measures in a many tiered approach to reducing carbon emissions, we view the EU ETS¹⁴ and any other national or regional emissions trading scheme, as counterproductive and contrary to the terms of the Chicago Convention. [...] The ultimate hope is for a fair and equitable global system which results in genuine emissions reductions without causing competitive distortion within the industry.

In a way, it looks like Etihad is more outspoken than other airlines in mentioning the pros and cons of environmental protection. The same attitude emerges when it comes to stating its objectives. In fact, in addition

¹⁴ European Union Emissions Trading Scheme.

to highlighting the accomplishment of some of its set targets, the airline also refers to targets which have NOT been met:

- (23) Five per cent reduction in energy consumption TARGET NOT MET.
- (24) Reduction targets Outcome Five per cent reduction in potable water consumption at Etihad Complex TARGET EXCEEDED.

The word reduction ranks 39th in the word list generated by AntConc. Its most common collocates are: emissions, waste and carbon, not dissimilarly to what can be found in the corpus of Delta CSR reports, even if statistically it looks like this word has a higher keyness index in the Etihad corpus than elsewhere.

Another important key word is water, which ranks 35th in the wordlist devised by means of AntConc. Its most common collocates are: potable, cooling, fresh and drinking.

- (25) Five per cent reduction in cooling water requirements at Etihad Complex compared to 2011.
- (26) Reducing potable water. Potable, that is, fully treated, water in Abu Dhabi, is primarily derived from desalinated seawater. At our main facilities it is used for bathrooms, canteens, cleaning purposes and for irrigation.
- (27) In Abu Dhabi, Etihad Airways is working through the Sustainable Bioenergy Research Consortium and other avenues to review the range of potential opportunities for this region. The desert environment creates its own unique challenges not the least of which is a lack of fresh water.

5.1.2.2 Social development

Apart from its commitment to environmental issues, Etihad also devotes a lot of attention to *training* and *encouraging staff* to take part in a variety of initiatives or adopt specific courses of action:

- (28) our employees have the utmost in quality care, training and professional services available to them.

Once again, a more focused investigation of longer passages of the reports reveals how the airline's commitment to its employees is embedded in a broader commitment to society at large, exemplified by its efforts towards

building up and supporting the national workforce through meaningful job creation and training, thanks to the implementation of numerous programs:

- (29) Emiratization – a national imperative. In 2011 Etihad Airways employed 1,000 UAE nationals through a variety of programs and direct entry initiatives, and by year end they constituted 21 per cent of the employee base to become the second largest nationality grouping, compared to fifth in 2010.

The word *program*, which ranks 62nd in the list generated by AntConc, collocates with terms like: *schools, Buddy, induction*:

- (30) the three-day Marhaba induction program for new staff includes a section on environmental awareness. With a focus on preparing for life in Etihad Airways, the Buddy Program links new joiners with established staff members. Before a new staff member joins the company, the buddy contacts him or her to answer any questions about the company. For those employees joining from overseas, this level of contact provides an opportunity to ask questions not only about work but also about life in the UAE.

5.1.2.3 Economic development

The issues connected with economic development do not seem to have special relevance in the Etihad sub-corpus. In fact, the analysis of the concordances of *financial* reveals that the term is mostly used to refer to the *financial burdens* faced by Etihad:

- (31) In March, despite strong reservations, Etihad Airways submitted its emissions report in compliance with the requirements of the European Union Emissions Trading Scheme (EU ETS). The decision in October by the European Court of Justice to uphold the legality of the EU ETS was disappointing. In addition to the potentially significant financial burden on our industry, the scheme is divisive and ineffective in addressing the real issue of emissions reduction.
- (32) In 2011 Etihad Airways received notification of its entitlement of free carbon allowances. The remainder will need to be purchased on the carbon market or through auction. The financial exposure on this is likely to be significant, and heavily influenced by fluctuating carbon prices and the growth of our traffic into Europe.

5.1.3 JAL

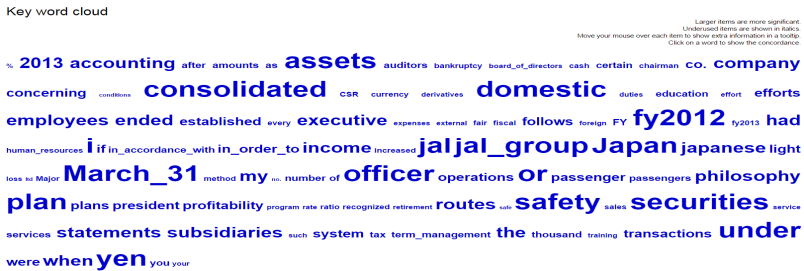


Figure 12.6 JAL’s key word cloud



Figure 12.7 JAL’s key domain cloud

5.1.3.1 Economic development

From the data in Figure 12.7, it can be seen that by far the majority of keywords of JAL refer to the first of the three pillars of CSR, i.e. economic development, as attested by the prominence of the word *money*. The company’s ‘voice’ as a producer of economic wealth relies extensively on the terminology of accounting (see, for instance: *operating revenues*, *operating expenses*, *operating profit margin*, *operating results* and *operating income*), accompanied by a great number of data related to financial performance in the different fiscal years (FY). This is confirmed by a more focused investigation of the concordances of *consolidated* and *financial*, which reveals the pervasiveness of terms such as *consolidated financial statement* and *consolidated balance sheet*, along with a great variety of collocates for *financial* (*condition*, *information*, *instruments*, *forecasts*, *position*, *policies*, *results*, *stability and risk*) and of adjectives

co-occurring with *assets (leased assets, deferred tax assets and liabilities and net assets)*.

Looking at the content of the sub-corpus we learn that for a year the company put forth concerted efforts to demonstrate the ability to keep its promises to its stakeholders. Accordingly, it was able to relist on the First Section of the Tokyo Stock Exchange on September 19, 2012, repay the capital injection of 350 billion yen to the Enterprise Turnaround Initiative Corporation of Japan, and start anew as a private company.

- (33) The JAL Group is now similar to a first-year company with a long way to go. We can never let down our guard, even when business results are positive, and we will do our best to further improve business performance by ensuring flight safety and providing unparalleled services. We must never forget our remorse and regret for past failures or our gratitude to all who have helped bring us to this point.

In addition, the great importance placed on *risks, term* and *plan* clearly signals JAL's preoccupation with the company's future economic performance. A more detailed inspection of longer portions of text entailing the keyword *risks* reveals a forward-looking and exhaustive listing of all the possible risks posed to business performance, which the airline aims to *assess, manage, mitigate* and *minimize*:

- (34) The JAL Group manages risks by dividing them into three categories: (1) operational risks associated with aviation safety, air navigation safety and other issues related to air transportation; (2) corporate risks associated with management in general, excluding risks related to air transportation; and (3) strategic risks associated with business management that may have a material impact on corporate revenue and expenditures.

Assets, yen, profitability are some of the main key words, while *business, money in general* and *debts* feature prominently in the key domain cloud.

- (35) Repayment of long-term loans and lease obligations progressed compared to the end of the previous year, and the balance of interest bearing debts decreased by 48.3 billion yen to 160.1 billion yen.

The keywords *term* and *plan* usually co-occur in the expression *Medium Term Management Plan*. As an important tool for project planning, the Plan contains important management directives regarding the direction that the company may take:

- (36) With the goal of establishing a high profitability structure in FY2012, FY2013, FY2014 onwards, which is the latter half of the Mid-Term Management Plan, represents the next stage for achieving sustainable growth. *This will be the period in which we steadily achieve the management targets in the Medium Term Management Plan while leveraging business opportunities [...] We will polish human services, from reservations and sales to airports and in-flight services, without overdependence on hardware (e.g., aircraft, seats, airport facilities) or software (e.g., in-flight entertainment, in-flight meals), and provide ever-refreshing, unparalleled services to secure high profitability by continuously minimizing costs through enhanced productivity and demonstrate that the Medium Term Management Plan is JAL's firm promise to its stakeholders.*

Moreover, the word *term* emerges also in compound adjectives such as *long-term*, *mid-term* and *short-term*. *Long-term* is accompanied by *loans*, *borrowings*, *debt*, *business* and *lease*. *Short-term* instead always collocates with financial terms like *debt*, *borrowings*, *payables* and *investments*.

5.1.3.2 Social development

Although the report under consideration prioritizes financial issues, it also concentrates on other fields of concern, i.e. *employees*. Particular emphasis is placed on human resources development, signalled by the insistence on *employee education* and *training*. These appear to be key initiatives aiming not only at providing employees with specific skills and qualifications, but also at *instilling the JAL Philosophy*:

- (37) In the area of Group management, we are aiming to foster a management mentality among all Group employees [...] *by firmly instilling the JAL Philosophy* and developing the divisional profitability management system. [...] *As for instilling the JAL Philosophy*, we continued to provide JAL Philosophy education in FY2012.

5.1.3.3 Environmental protection

In contrast with the CSR reports analysed previously, environmental issues play only a marginal role in the JAL CSR reports. Keywords clearly hinting at the company's attention to the environment are to be found only further down in the list, like the word *fuel* (61st in ordinal rank), *biodiversity* (69th) and *emissions* (81st). Whereas the item *emissions* usually points to the company's achievement in gas emissions reduction, *fuel* rarely refers to fuel-efficiency, but rather to the rising price of fuel as a potential threat to economic performance:

- (38) We conduct a variety of hedging strategies using commodity derivatives of crude oil or jet fuel to minimize the risks posed by fluctuating fuel prices.

Biodiversity instead is a clear signpost of the airline's concern for environmental protection. More specifically, the Japanese company endeavours to project an image of itself as a supporter of a number of initiatives promoted to prevent nature from being harmed and to preserve the ecology of the environment, all grounded on the widespread recognition of *the importance of living in harmony with nature*:

- (39) We formulated the JAL Group Policy on Biodiversity in recognition of the fact that the JAL Group's air transport business may indirectly impact biodiversity. We take part in the United Nations Decade of Biodiversity initiative. In addition, we promote activities that convey the importance of protecting the natural beauty of Japan, including cranes, etc.

6. Discussion of findings

The discussion of findings will be organized into different sub-sections, each dealing with one of the main topics that emerged during the analysis, i.e. environmental protection, and social and economic development.

6.1 Environmental protection

A feature common to all carriers is the emphasis on their proactive role in the preservation of the environment, highlighted by a long list of measures. Delta particularly insists on the respect of norms (see examples no. 6 and 9) and the idea that results should be routinely and scrupulously

checked (example no. 7), which seems to be in line with the fact that the USA is characterized by short-term orientation. At the same time, the pursuit of assertiveness (example no. 9 “aggressively pursued and tracked...”) can be well-reconciled with the country’s level of masculinity. Finally, the USA’s low UAI (Uncertainty Avoidance Index) can explain the inclination to accept new ideas and methods, and the willingness to try out innovative solutions (example no. 13).

Etihad’s environmental strategy seems to be based on *environmental awareness* and *communication*. The UAE display a high collectivistic index and as a consequence it only seems natural that everybody should take responsibility for the fellow members of their group. In this case the group is society, or the world as a whole (see examples no. 19 and 20). Moreover, since the UAE has a lower masculinity index than the USA and Japan, it is to be expected that people show respect for and value the quality of life. Finally, the country’s high UAI can explain why there seems to be an emotional need for rules, even if these rules never seem to work (see examples no. 21 and 22). Time is money and precision is the norm.

Along different lines, JAL focuses essentially on *the importance of living in harmony with nature*.

6.2 Social development

All three airlines underline their commitment to employees. On the one hand, Delta places emphasis on individuals by focusing on personal rights and needs (such as the right of *collective bargaining*, *equal treatment* or the possibility of *more flexible working hours*). Furthermore, Delta claims to be highly committed to the concept of *diversity and inclusion*, thus valuing individual capacities and specificities as essential contributions for creating business success. In particular, Delta highlights the importance of *individual duties* and the offer of *reward schemes* in order to adequately compensate outstanding performance. On the other hand, Etihad, and JAL focus much more on the notion of *training and education*, thus highlighting the need for employees to be provided with the skills and qualifications necessary to successfully fulfil their job duties. Consistently with the high degree of individualism of American culture, Delta stresses the importance of individual rights. In this specific case, reference is made to the employees’ rights (see example no. 1). The low PDI (Power Distance Index) makes it possible for all voices to be heard (see example no. 2). Surveys are administered and are used to bring forth a better understanding of the employees’ perceptions when it comes to making

decisions (example no. 4). Etihad and JAL, instead, are communitarian cultures where all members have to contribute to the success of the group (company). Etihad focuses on the training of its employees, in line with the high PDI of the UAE, and the assumption that those who are in charge are supposed to take care of the education of the less-experienced members of staff (see examples no. 27 and 28).

As far as society is concerned, Etihad focuses on its direct impact on society (see, for instance, its ‘Emiratisation’ program. On the other hand, Delta encourages customers and employees to take part in a range of social contribution activities that allow them to volunteer their time and donate to charity funds. These results can be explained by referring once again to the cultural dimensions of *individualism versus collectivism*. If in collectivistic cultures social engagement is rooted in their group-orientation, in individualist cultures it is based on “the individual’s voluntarily addressing the needs of a larger group”. Indeed, Delta, which has a strong individualist cultural background, emphasizes the importance of volunteerism, whereas Etihad places more emphasis on the organization’s overall contribution.

6.3 Economic development

As far as economic issues are concerned, the analysis has shown that Delta and Etihad do not focus primarily on the economic aspect of their performance, but rather on environmental and social performance. The only exception to this general trend is represented by JAL. In fact, in 2010 Japan Airlines filed for bankruptcy protection, in one of the country’s biggest corporate failures.¹⁵ For this reason, it is understandable that the company focuses the greatest part of its corporate communication on economic results, with the aim of establishing legitimacy and credibility in the minds of stakeholders. This can also be interpreted in the light of the countries’ high MAS index, which makes society highly praise the pursuit of financial success. Finally, the high UAI is connected with the need to plan everything in detail.

Conclusions

Over the last 40 years the airline industry has undergone remarkable changes. Despite the relevance that ‘nationality’ has always had in this sector, the recent developments following deregulation and the emergence

¹⁵ <http://news.bbc.co.uk/2/hi/business/8466997.stm>

of global alliances represent a new challenge for global carriers. According to Thurlow and Aiello (2007), on the one hand new regulations, 'open skies' agreements, more frequent mergers and acquisitions together with global partnerships have had a de-nationalizing effect, thus emphasizing the need for the major international carriers to establish new forms of cooperation in order to confront the demands of global capitalism. On the other hand, many carriers still need to represent their nations and give them special attention because, regardless of the frequently excessive costs of running an airline, governments continue to place enormous symbolic value on national carriers, limiting foreign ownership and adopting protectionist policies. Hence, the concept of a 'national' carrier continues to this day, especially because it implies a certain degree of emotional involvement when it is associated with a country's name.¹⁶ As a consequence, airlines inevitably try to balance national identity and global appeal, in order to strengthen their status as a national carrier and their image as major global players when communicating to a wider audience in the multicultural, global marketplace.

The investigation of content-related features has unveiled the existence of common values underpinning CSR practices, thus showing that the globalization of business has indeed brought about elements of homogenization. At the same time, CSR reports have shown a pattern of variations which can be mainly related to differences in their cultural backgrounds. In other words, global communication in the airline industry is still deeply influenced by values related to the carriers' cultural identity, which, albeit in part, seems to overshadow the need for cosmopolitanism and for reaching out to a global audience. This would confirm the hypothesis advanced by Garzone (2007) that "there continues to exist a tension between the original cultures of the people who use English for transnational communication and their identity as global interactants, i.e. between the local and the global dimension". Taken together, these findings suggest that, despite a few hints at aspects of *cultural standardization* connected with the globalization of the economy, cultural features continue to shape communicative practices, and their underlying values, in the global marketplace.

However, because of the limited sample of the corpora under scrutiny here, there is still much need for future research both in the airline and in other industries, in order to achieve a more comprehensive vision of the

¹⁶ Web reference: <http://centreforaviation.com/analysis/american-airlines-goes-broke-can-a-national-airline-be-allowed-to-fail-63802>

impact of globalization on intercultural communication and local cultures in business settings.

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