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Social Human Resource Management Transparency in Europe: a Cross-Country Analysis

La Transparencia Social en la Gestión de los Recursos Humanos en Europa: un Análisis Entre Países



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I. INTRODUCTION

Corporate social responsibility (CSR) is becoming increasingly important for managers and academics as a result of changes in values in developed countries (deterioration of the environment, respect for human rights, non-discriminatory practices, etc.). More and more, consumers are demanding that companies be responsible for the consequences of their actions. This generates greater involvement in CSR activities by companies trying respond to the demands of different groups (stakeholders) interested in the organization in order to obtain legitimacy, a position known in the literature as stakeholder theory (Sen and Cowley, 2013). However, this legitimacy is not achieved if the organization does not communicate its socially responsible actions to its stakeholders. The academic literature underlines transparency and, more specifically, social transparency—disclosure of information regarding companies' socially responsible behaviour—as a crucial aspect for achieving this legitimacy (Baraibar-Diez and Luna-Sotorrió, 2012).

CSR encompasses many business activities and stakeholders, but according to authors like Zadek et al. (2001), the relationship with employees must be considered as a precondition for CSR. If a company does not assume a high level of responsibility for its own workers, it is not likely to become involved in responsible actions for the environment or the social community in which it operates. Considering that employees constitute a key stakeholder



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HUMAN RESOURCES



EXECUTIVE SUMMARY

Currently, companies have become increasingly concerned with demonstrating their social engagement with their stakeholders, including their employees. Responsible management of workers and the transparency of that management is the subject of analysis in this paper. Because there are differences in the reporting requirements in European countries, this study analyses social transparency as determined by national institutional characteristics. The research is focused on a sample of 195 companies listed on the main stock exchanges of Germany, Spain, Sweden, and the United Kingdom. The results show quantitative differences in information about responsible human resource management practices as well as homogeneity in the employment of reference standards, with the exception of companies in the United Kingdom.

RESUMEN DEL ARTÍCULO

En la actualidad, las empresas están cada vez más preocupadas por mostrar su compromiso social con sus grupos de interés, incluyendo sus empleados. La gestión responsable de los trabajadores y su transparencia son el objeto de análisis de este artículo. Dado que existen diferencias en los requisitos de información en los países europeos, este estudio analiza la transparencia social determinada por las características institucionales nacionales. La investigación se centra en una muestra de 195 empresas cotizadas en las principales bolsas de valores de Alemania, España, Suecia y Reino Unido. Los resultados muestran diferencias cuantitativas en la información sobre prácticas de recursos humanos socialmente responsables, así como homogeneidad en cuanto al empleo de determinados estándares de referencia, a excepción de las empresas de Reino Unido.

in organisational success, socially responsible human resource management (SR-HRM) has become a crucial aspect for companies (López-Cabrales et al., 2006). As Baraibar-Diez and Luna-Sotorrió (2012) indicate, it is not only important to develop SR-HRM but also to communicate these actions to employees and other interested parties. Therefore, social transparency becomes a relevant issue in achieving desired legitimacy for companies. This social transparency can be different depending on the country in which a company operates due to institutional pressures, specially the coercive and normative mechanisms that exist in each country (DiMaggio and Powell, 1983). Hence, the levels of transparency and the mechanisms used to disclose SR-HRM information may be different.

If a company does not assume a high level of responsibility for its own workers, it is not likely to become involved in responsible actions for the environment or the social community in which it operates.

This research aims to explore social transparency in the field of human resource management (HRM) in the European context, particularly in countries with marked institutional differences. The levels of transparency of SR-HRM will be analyzed in a sample of 195 benchmark companies listed in the major stock exchanges of Germany, Spain, Sweden and the United Kingdom. Furthermore, initiatives such as the Global Reporting Initiative (GRI) and the United Nations Global Compact (UNGC) play a key role in disclosing information about CSR because they provide guidance for reporting on responsible organizational practices in social, labour, economic, and environmental areas, and adherence to these standards increases the credibility of companies (Du et al., 2010). Secondly, this research will analyse whether there are differences in the standards those companies use to report their SR-HRM policies and practices.

The study will provide significant information, firstly, about how institutional context influences the level of engagement of companies with the disclosure of their policies and practices in the SR-HRM field. Secondly, it will improve understanding of the differences in reporting practices in the field of SR-HRM from a comparative perspective within Europe. And thirdly, it will provide empirical evidence about the similarities and differences of the main mechanisms used by companies from different European countries to report their information on SR-HRM. The study's conclusions will be helpful in discerning companies' general commitment to CSR in each country. Further, it will contribute useful practical implications and may serve

as a guide for firms concerned about social transparency in the countries under study that want to prepare a report in order to adopt a behaviour that follows reference companies with regard to the publication of responsible HRM information.

In order to meet the objectives of the research, the relationship between the institutional environment and social transparency in the field of HRM is first explored. Next, the main international reporting initiatives on CSR in the field of employees' management are described. The procedure to be followed for the analysis of the reporting trends on SR-HRM and the sample of the study is then detailed to show the results of the study. Finally, the discussion, conclusion, and the paper's main contributions at the theoretical and practical levels are presented.

KEY WORDS

Human Resource Management, Corporate Social Responsibility, social transparency, Europe, Global Reporting Initiative.

PALABRAS CLAVE

Gestión de Recursos Humanos, Responsabilidad Social Corporativa, transparencia social, Europa, Global Reporting Initiative.

2. THE LINK BETWEEN THE INSTITUTIONAL ENVIRONMENT AND SOCIAL TRANSPARENCY IN HUMAN RESOURCE MANAGEMENT

The literature underlines how a country's unique characteristics, specifically the national institutional environment, largely influence the activities companies develop (Lock and Seele, 2015). This premise is based on so-called institutional theory, which states that the institutional context, determined by the political, financial, educational, and cultural systems of each territory, determines an organisation's structures and behaviour. This theory is useful when international comparisons are made because it posits that the characteristics of the external environment account for differences in organisational practices across countries. Regarding CSR, both the management of the workforce and the greater and lesser likelihood of implementing CSR actions will depend, among other aspects, on the institutional characteristics of the country in which the company operates.

When analysing the elements that shape the institutional context, each has a direct relationship with the CSR of the company (see **figure 1**). Related to the influence of the financial system in the CSR of the company, the literature states that it will depend on its importance as a funding mechanism. In those countries such as United States in which the financial system becomes the main source of financial resources, companies are said to show a greater concern for the satisfaction of their shareholders' interests. However,

when organizations have few large shareholders, including financial institutions, as in Europe, companies tend to also pay attention to other stakeholders, such as employees. Consequently, the implementation of SR-HRM will be different in shareholders' and stakeholders' economies (Jamali and Neville, 2011).

The education and employment system is also a determining factor in the propensity of firms to develop CSR practices. The role of trade unions and employee representatives in Europe encourages the existence of a stakeholder-centred approach where not only the shareholders' interests are considered, but a collectivist approach prevails in which other stakeholders such as employees, local communities, etc., are taken into account in organizational management (Gooderham et al., 2006).

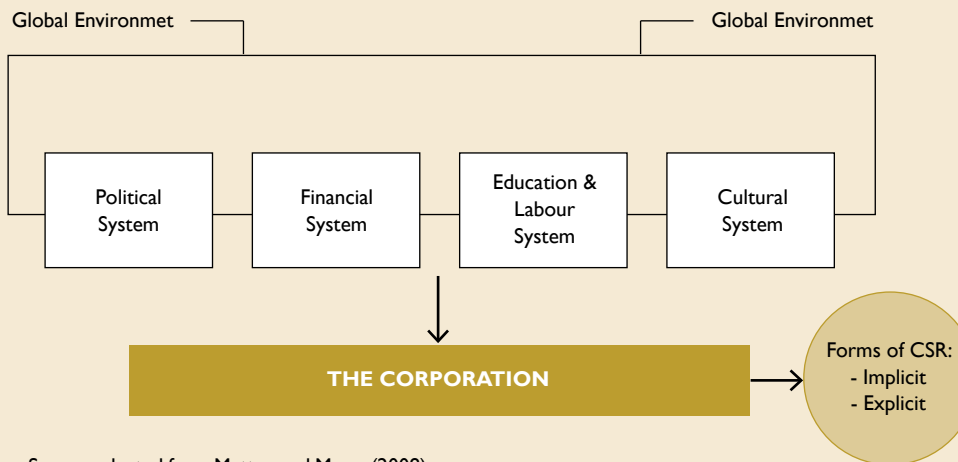
Regarding the cultural environment, some authors consider it as part of institutions and others see institutions as determinants of culture. For example, according to Hofstede and Hofstede (2001) the political and legislative environment can be understood as a reflection of the cultural context and the socially accepted values in each country. The cultural environment determines the concept of social responsibility, what is socially legitimized and what society expects from companies. These socially accepted values influence the behaviour of organizations, including SR-HRM policies and practices.

Finally, a relevant aspect of the institutional context is the role played by the state in the economy, which is determined by the national political system. Given that organizations are immersed in an environment that is highly influenced by the actions of the state, different styles of capitalism—called in the literature as varieties of capitalism—determine different ways to manage companies' resources, including human resources (Sparrow et al., 1994). Comparing HRM implemented in Europe and the United States, a greater influence of state regulations is observed in European countries. In the United States, companies have greater autonomy in employment practices such as recruitment, dismissal, training, and development. Morley (2004) explained that HRM in Europe is affected by different institutional market forces such as government intervention, legislation, trade unions, and the prevailing dialogue between social agents while, on the contrary, in the United States the interests of shareholders take precedence. Although there are regulations that affect all member countries of the European Union



in employment such as legislation against discrimination, there is great diversity of business systems due to cultural, political, and institutional differences within each country. Therefore, business structures and HRM in European countries will also differ.

Figure 1. Institutional framework for CSR



Source: adapted from Matten and Moon (2008)

Most of these studies are centred on the institutional differences between countries and group them into blocks according to their similarities at the institutional level. Among other authors, Midttum et al. (2006) identified four groups of European countries according to their institutional characteristics: Anglo-Saxon (United Kingdom and Ireland), Central European (Sweden, Holland, Germany, Austria, and Belgium), Latin (Spain, Portugal, France, Italy, and Greece), and Nordic (Sweden, Norway, Finland, and Denmark). The main aspects they use in making classification are the power of shareholders, the dispersion of ownership, the level of stock market development and the coordination level of wages. According to Jackson and Apostolakau (2010), this classification adequately represents the collective capacity of employees and investors to influence the adoption of SR-HRM practices by companies. However, they added two dimensions of legal regulations to measure the influence of national institutions in personnel management policies: the level of protection of employees and investors. Therefore, speaking of national approaches to HRM involves some generalization. It

is important to note the existence of differences in HRM between countries that follow the same economic model due to specific cultural and institutional characteristics (Brewster, 2007).

The literature also shows that the role of the state greatly determines whether CSR is voluntary or regulated (Matten and Moon, 2008). On one side are the least regulated countries, so-called liberal market economies, including Anglo-Saxon countries. These are based on the rules of the free market and are governed by rules or private codes. At the other extreme are countries where the state intervenes more actively, so-called coordinated market economies. In countries where there is greater government regulation, companies are said to tend to comply with laws and implement policies and practices of CSR less widely than in liberal market economies. By contrast, in the latter, where there is less presence of coercive elements, organizations become more involved with CSR in order to achieve legitimacy in society (Jackson and Apostolakou, 2010).

These authors propose that countries classified as liberal market economies present distinctive features in their level of information and content of CSR with respect to countries with coordinated market economies. Matten and Moon (2008) state that firms in countries with low levels of state regulation—liberal market economies—explicitly articulate their socially responsible policies and practices (*explicit CSR*). In more regulated countries—coordinated market economies—firms adopt an implicit focus on CSR. That is, in liberal market economies, firms show a higher propensity for discretion in their CSR practices and articulate these as corporate social responsibility. These economies have more incentives and opportunities for firms to undertake CSR explicitly because there are fewer coercive elements than in more regulated economies, where companies develop implicit CSR. Implicit CSR is not conceived of as a voluntary and deliberate choice, but as a reaction of organizations to the institutional environment, while explicit CSR is the result of a deliberate, voluntary, and strategic choice.

Therefore, state regulations become important coercive pressures that influence companies' socially responsible behaviour. The pressures prevailing in each territory will determine differences in social transparency in countries' HRM that depend, among other aspects (such as cultural characteristics), on the institutional setting of each territory. Hence, on the basis of these arguments the first research question is advanced:



Research question 1: *Are there significant differences in the level of transparency of SR-HRM among companies in European countries that are distinct in terms of their institutional environment?*

In addition to studying the patterns in the publication of information on socially responsible aspects of HRM, it is of great interest to analyse the way companies in the European territory report on these aspects. For this, the main international standards employed by companies for reporting on their responsible management of employees are reviewed.

3. SOCIAL TRANSPARENCY OF HUMAN RESOURCE MANAGEMENT IN REGARD TO THE MAIN INTERNATIONAL STANDARDS

As the literature indicates, there are several initiatives such as standards, principles, and certifications used by companies worldwide to report on their CSR activities. This homogeneity is explained by the existence of elements that affect organizational structures such as laws and regulations binding organizations' behaviour regarding the disclosure of CSR information (*coercive isomorphism*). However, as DiMaggio and Powell (1983) argue, there are other pressures that, without being laws, allow organizations to achieve the necessary legitimacy (*normative isomorphism*). According to Guler et al. (2002), authorizations, accreditations, or certifications by external agencies are likely to provide benefits to those companies that adhere to them since they increase their prestige in society. As a result of these pressures for CSR reporting, a number of national and international institutions such as the International Organization for Standardization were developed to facilitate the achievement of this objective, echoing the need for organizations to respond to these requirements. Hence, it is possible to find a series of internationally accepted CSR standards that, upon compliance, certify—as is the case with OSHAS18001 and SA8000—the inclusion of aspects related to CSR in their business management.

Focusing on HRM, **table 1** shows some of the most relevant initiatives in the area of employees' management. The GRI and UNGC are the main international initiatives companies worldwide use to report on their CSR activities (Nikolaeva and Bicho, 2010).



Table 1. Main international initiatives driving SR-HRM

INITIATIVE	CONTENT
Global Reporting Initiative (GRI) ²	Standard that provides a complete framework of reference for sustainability reporting about economic, environmental, social, and corporate governance results.
United Nations Global Compact (UNGC) ³	Ten principles universally accepted in the area of human rights, employment, environment, and anti-corruption.
International Organization for Standardization 26000 (ISO26000) ⁴	Guidelines (unlike other ISO standards, they cannot be certified) that establish socially responsible behaviour in the areas of governance, human rights, labour practices, the environment, fair operating practices, consumer affairs, and active participation in a community's development.
Occupation Health and Safety Assessment Series for health and safety management systems (OSHAS18001) ⁵	Certification system in the field of occupational health and safety in organizations.
Assurance Standard 1000 (AA1000) ⁶	Standard based on principles referring to aspects related to governance, business models, and business strategy as well as guiding sustainability assurance and engagement with stakeholders.
International Standard on Assurance Engagement (ISAE3000) ⁷	Standard employed by firms for the verification of information about environmental aspects, corporate governance, internal compliance, engagement with stakeholders, and other key areas of CSR.
Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ⁸	Recommendations (non-binding principles) made by governments to multinational companies operating or based in OECD countries.

These initiatives are employed by organisations worldwide, so companies from different countries tend to rely on them to report information on their behaviour toward employees. Additionally, there are national indices that guide reporting practices in this field. According to the literature, in most European countries the tendency to report information employing the aforementioned standards prevails (Hąbek and Wolniak, 2016). Accordingly, the second research question is formulated:

Research question 2: *Are there significant differences in the standards companies use to report on SR-HRM in European countries that are distinct in terms of their institutional environment?*

In order to delve deeper into the relationship between the institutional environment and the disclosure of SR-HRM information in quantitative and qualitative terms, a sample of European companies that have their main operations in countries with marked differences in the institutional environment has been selected, as detailed below.

4. SAMPLE AND METHOD OF RESEARCH

Following the literature on varieties of capitalism, the selection of countries was made following the classification of Midttum et al. (2006). The research consisted of an in-depth analysis of 195 sustainability reports, which were considered the main tool for legitimizing companies' behaviour and safeguarding their reputation (Larrán et al., 2013), as well as annual reports and websites—when they did not have a specific sustainability report or annual report—of the total number of companies listed on the main stock exchanges of Germany, Spain, Sweden and the United Kingdom. Companies listed on the main stock markets were chosen because, being subjected to continuous scrutiny by investors, customers, and other social actors, these are organizations that have a high degree of commitment to disclose information.

In the case of Germany, information for each of the 30 companies listed on the DAX30 was analysed. In Spain, a detailed study was undertaken for each of the organizations in the IBEX35. For analysis of companies from the United Kingdom, the FTSE100 was chosen. Finally, the companies studied in Sweden are listed in the OMX Stockholm 30 index.

A comprehensive analysis of the documents we studied allowed us to identify specific actions of CSR related to the management of employees in the companies from the sample. To extract information, a content analysis was developed. This is a method of codifying the text into different groups or categories depending on selected criteria (Weber, 1990). The technique has been widely used to determine the extent and nature of corporate social reporting (e.g., Gray et al., 1995). In this study, to measure the level of transparency, the information was classified in three categories according to the degree of detail given by the firm: detailed (specific section in the sustainability report or the annual report dedicated to comprehensive information about socially responsible human resource policies and practices); brief (presenting synthesized information about the way the company conforms with CSR in the field of HRM without specifying particular policies and practices of socially responsible human resources), and non-existent (no mention in the sustainability report, the annual report, or the website on SR-HRM).

Regarding the standards employed by companies in the sample, they also formed a variable divided into seven categories (GRI,



UNGC, OSHAS18001, ISAE3000, AA1000, ISO26000, and the OECD Guidelines for Multinational Enterprises).

In order to explore the levels of transparency and the standards employed by companies in Europe, both quantitative and qualitative analyses were developed.

5. RESULTS OF THE ANALYSIS OF SOCIAL TRANSPARENCY IN HUMAN RESOURCE MANAGEMENT

In order to explore differences in corporate social transparency in Europe, a descriptive analysis was developed. As can be observed in **table 2**, the patterns in the transparency of social information in the area of HRM in the organizations under study do not demonstrate a great divergence in the amount of information disclosed, with the exception of firms in the United Kingdom. The vast majority of companies (97% in Germany and Sweden and 91% in Spain) present detailed information about their responsible HRM practices. Only 58% of organisations in the United Kingdom present detailed information about their activities in the field of responsible management of employees.

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Table 2. Percentage of organisations that report SR-HRM information

INFORMATION REPORTED	COUNTRY			
	Germany (%)	Spain (%)	United Kingdom (%)	Sweden (%)
Detailed	97	91	58	97
Brief	0	9	40	3
Nonexistent	3	0	2	0

A chi-square contrast was implemented in order to investigate the existence of significant differences in the transparency of the companies in the sample. The results achieved (Pearson chi-square = 37.031; $p < 0.01$) showed differences in terms of the country in the levels of transparency in organizations with respect to human resources policies and practices with a CSR orientation (research **question 1**).

From the above results, we can see that companies from the United Kingdom present significantly lower levels of transparency than the

rest of the firms in the sample, contradicting the arguments shown in the literature that state that companies in liberal market economies conduct CSR more explicitly than firms in more regulated market economies. The argument is that the need to communicate to society the company's commitment to its stakeholders is more urgent in those countries where state intervention is lower due to the existence of fewer restrictive elements that require companies to act responsibly (Matten and Moon, 2008). The results of the present research regarding the United Kingdom are not in line with these arguments. This should not be surprising considering that the literature also shows that most of the social transparency efforts of companies in the United Kingdom focus on environmental and economic aspects and do not pay special attention to SR-HRM (Holland and Foo, 2003). One of the reasons underlying this pattern could be the standards companies in that country rely on to disclose sustainability information.

In order to delve more deeply into the reasons for the low levels of transparency in this area by organizations in the United Kingdom, the study of the main indicators employed by firms to report on SR-HRM is of great interest. This may provide explanations for such differences between countries. Apart from the quantitative analysis focused on the study of the level of engagement of companies with the disclosure of SR-HRM information across countries, a qualitative analysis to compare the standards that companies use as a reference when reporting CSR information was developed.

As can be seen in **table 3**, in line with the literature, this work provides evidence that GRI is the most widespread international standard used by companies in the sample to publicly communicate their commitment to sustainability in the HRM field. We found that 80% of the companies in Germany and Spain, 76% in Sweden, and 41% in the United Kingdom reported according to this index, specifically its 3.1 version. It is important to mention that the use of several initiatives is complementary when reporting CSR activities. The GRI is complemented with the the companies' in the sample high adherence to the UNGC. Its greatest use in disclosing information on SR-HRM practices is observed in Germany (87%), followed by firms in Spain (60%). GRI and UNGC are followed by OSHAS18001 and ISO26000. OSHA18001 is more widespread in Germany and Spain (46% and 40%, respectively) than in the other countries. ISO26000 is not highly employed by the companies in the sample.



Table 3. Percentage of companies that disclose information according to the main international initiatives by country.

INITIATIVE	COUNTRY			
	Germany (%)	Spain (%)	United Kingdom (%)	Sweden (%)
GRI	80	80	41	76
UNGC	87	60	26	52
OSHAS18001	46	40	7	28
ISAE3000	23	20	1	7
AA1000	11	60	0	6
ISO26000	3	6	3	7
The OECD Guidelines for Multinational Enterprises	3	9	0	21

Finally, it is interesting to note that Swedish companies present CSR information more concisely than Spanish and German firms, but according to the international standard GRI very comprehensively. They stand out for their tendency to provide data about their failures in their CSR objectives and plans to achieve them, something that was not observed in the other countries of the sample. This pattern, together with the high levels of transparency observed in Sweden (see **table 2** above), where all the companies in the sample present detailed or brief CSR information (97% and 3%, respectively), positions Sweden as a reference country in reporting practices in the field of socially responsible employee management. This can be explained by the great importance of the GRI in this country, where since 2009 the government has established the obligation to report sustainability based on this indicator for all state-owned firms (Visser and Tolhurst, 2010). Considering the relevance of transparency to gain legitimacy with different stakeholders, the Swedish model becomes a benchmark for those firms that are concerned about improving the image they project in society with their employees, investors, customers, etc.

Once the qualitative aspects related to social transparency in the different countries of the sample have been descriptively analysed, it is of interest to explore whether the discrepancies found are significant. For this purpose, a chi-square test was implemented

that showed the existence of significant differences in the use of GRI, UNGC, OSHAS18001, ISAE3000, AA1000, and the OECD Guidelines for Multinational Enterprises across countries. The test did not show any differences in the case of ISO2600 between countries (see **table 4**).

Table 4. Chi-square contrast (differences of initiatives across countries).

INITIATIVE	VALUE	DF	ASYMP. SIG. (2-SIDED)
GRI	32.783	3	.000
UNGC	39.647	3	.000
OSHAS18001	30.239	3	.000
ISAE3000	23.198	3	.000
AA1000	88.217	3	.000
ISO26000	1.087	3	.780
The OECD Guidelines for Multinational Enterprises	24.485	3	.000

According to the results, companies in different countries engage differently in the use of the analysed standards to report about CSR information (research question 2). The low levels of adherence of companies from the United Kingdom to the different standards analysed here can explain these results, marking the observed differences between countries extracted from the chi-square test. In contrast, in view of the descriptive analysis (see table 3 above), the rest of the companies in the study present a high homogeneity in the use of these indices. Those similarities may be due to normative pressures that lead organizations to adapt to the norms of the country in which they operate, reporting extensively according to the most widely used international standards.

6. DISCUSSION AND CONCLUSIONS

Social responsibility becomes a strategic choice that allows companies to gain legitimacy with their stakeholders. Developing responsible actions has become a key issue for organisations. Social responsibility in HRM becomes very important for organizational

success because it is considered a precondition for CSR due to the key role played by employees in the achievement of companies' competitive advantage. Social expectations press organizations to increasingly perform their operations according to CSR criteria. This trend is growing as society evolves, which makes transparency stand out as one of the aspects that most concern employees, investors, consumers, and society in general. A firm's responsibility toward its stakeholders is made explicit in different ways, the most common being the use of sustainability reports. Therefore, such reports become an important tool for disclosing information about the corporate commitment to social responsibility.

Although there are studies in the literature that analyse reporting, most studies are mainly focused on environmental aspects. This article presents empirical evidence in the specific field of HRM about the differences and similarities in transparency levels and standards employed by companies in Europe. This research presents an important contribution by allowing academics and managers to compare the level of engagement with SR-HRM between companies from countries with marked institutional differences, as well as the main reference initiatives employed in each country. Our results showed that Germany, Spain, and Sweden present similar high levels of commitment to social reporting. In the United Kingdom companies tend to show lower levels of disclosure in this field.

Although information regarding SR-HRM can be expressed in many different ways, a widespread use of GRI to communicate this information is observed, with the exception of firms in the United Kingdom. Although this standard cannot be certified thus far, there is an increasing trend toward presenting information about it, which is generating a standardization of criteria for social transparency in Europe. This result is in line with many studies of the level of social transparency of companies in Europe that point to the GRI as the best-known framework of voluntary CSR reporting worldwide.

These conclusions are very interesting, on the one hand, for the academy because on the basis of the results of the research, it cannot be argued that there is a greater tendency to disclose information by firms in countries with less state regulation since all countries of the sample, except the United Kingdom, show similar levels of transparency regarding SR-HRM. On the contrary, the results point to the opposite argument, showing that in that country, despite being in the cluster of liberal market economies, firms exhibit



lower levels of reporting SR-HRM practices in comparison with the rest of the countries in the sample. Nevertheless, as indicated in the literature, the United Kingdom is a country with a long tradition in the transmission of information about CSR (Gray et al., 1995), focused mainly on the environmental, economic, and local community support dimensions, but not paying as much attention to socially responsible behaviour in the field of HRM in comparison with the other fields of CSR. This can be due to the guidelines that the companies of that country mainly employ to elaborate their sustainability reports: the Association of British Insurers (ABI), the Business in the Community's Corporate Responsibility Index, the FTSE4 Good Index and the London Stock Exchange's Corporate Responsibility Exchange (CRE), which place special emphasis on the aforementioned dimensions of the CSR, with HRM playing a less relevant role.

The great adherence of companies in the United Kingdom to predominantly national indexes instead of international standards can explain the reduced levels of transparency of those organizations in the specific field of SR-HRM. Along the same lines, taking into account the great adherence of the organizations in Germany, Spain, and Sweden to the GRI, it is logical to assume that quantitative analysis also shows similar levels of transparency in the area of SR-HRM. As a consequence, firms in those countries pay special attention to the aspects related to the responsible management of employees, showing a high degree of normative isomorphism.

Therefore, at the theoretical level, our research emphasizes a specific aspect of corporate social reporting and HRM practices, linking two areas that are, according to Jamali et al. (2015), under-researched, and providing empirical evidence regarding the main standards that organizations in Europe rely on to disclose information on the area of SR-HRM. Furthermore, these results contribute to the field by providing conclusions that are not in line with previous research about the level of transparency in liberal market economies, which can enrich the literature and raise the call for further investigation in the area of SR-HRM reporting across countries.

Regarding practical contributions, firstly, the outcomes of the research can be used as a reference by organisations concerned about social transparency (not only large multinationals, but also



small and medium enterprises) that operate or plan to operate in the countries under study in order to adopt an isomorphic behaviour, following benchmark organizations regarding the disclosure of information on SR-HRM. Secondly, Sweden appears to be a reference model where firms adopt a very comprehensive style of reporting, including not only current achievements in terms of CSR, but also reporting on non-fulfilments and future commitments in the field of management of employees. And thirdly, this article presents evidence of the differences in the paradigm of social communication of benchmark companies in different countries in Europe, modifying a traditional approach to communication based on general information about CSR to a more specific framework focused on particular human resources policies and practices. Identifying key stakeholders, learning the intrinsic characteristics of the various groups, and committing to developing a social communication strategy appropriate to each stakeholder within the company's overall social communication strategy is a significant challenge that managers will have to continue addressing if they want to achieve greater social transparency and perceived legitimacy within the environment in which they operate.

Taking into account that the scope of this research was limited to a small number of countries, a future study could include more territories based on not only their institutional characteristics but also cultural aspects that influence personnel management in each country. Future cross-cultural research in this domain by including more countries would contribute to improving the understanding of the differences in the reporting behaviour on SR-HRM of European companies. Furthermore, this analysis could be extended with the analysis of policies and practices that organisations actually implement, allowing the comparison of what they report or disclose in the SR-HRM field with what they do in practice.



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