



Impression Management and Legitimacy in an NGO Environment

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ABSTRACT

The Indian Ocean tsunami in 2004 left a trail of destruction throughout South Asia. Overseas aid agencies, overwhelmed by donations, committed to manage the funds responsibly. Criticism of the relief effort soon followed, potentially threatening the credibility or perceptions of legitimacy for these organisations. The for-profit sector uses impression management in annual reports in response to legitimacy threats. This study anticipated a similar reaction from non-profit organisations. Annual reports of Australian overseas aid agencies were analysed for any change in the use of impression management tactics prior to and post the event. The results indicate there was no significant difference.

1.0 Introduction

On 26 December 2004 the Indian Ocean tsunami swept through South Asia leaving behind an unprecedented trail of destruction and human calamity. The world was quick to respond. In Australia major overseas aid agencies were overwhelmed by contributions from the public (ABC News, 2004a, 2004b). One organisation closed their fundraising program within days of the event, having raised the targeted amount of \$1 million (ABC News, 2005a). The top six aid agencies had closed their appeals by March, 2005 having collected \$243 million (Hannan, 2005). Overall contributions from business and the general public in Australia in 2005 exceeded the record amount of \$375 million (Bell, 2005). Following a relief planning meeting with the Australian Governor General the major agencies committed to reduce overheads, provide fully audited reports and maintain accountability (ABC News, 2005b, 2005c, 2005d, and 2005f).

Almost immediately complaints about the quantity and quality of aid provided in the region emerged (ABC News, 2005e). In Sri Lanka, six weeks after the event, many had not received the basics of food, water or shelter while others received unsuitable clothing and inappropriate aid. Many of the criticisms were directed at larger aid agencies (The Age, 2005, The Associated Press, 2005). Over the next six months the tsunami aid effort continued to receive bad press. In April, two major agencies were connected to the loss of large sums of money through corruption and graft (The Associated Press, 2005). In June 2005 a review by Oxfam found that the poor had been further marginalised with most of the aid going to businesses and landowners (BBC News, 2005). Twelve months later reports still questioned the effectiveness of the aid agencies and of the aid provided (ABC AM, 2006).

Overseas aid agencies, like all non government organisations (NGO), are highly dependent on projecting a vital image and sound reputation to maintain legitimacy and access to funding bases (Bennett and Gabriel, 2003). The negative publicity associated with the tsunami relief effort posed a threat to the credibility of the operations of overseas aid organisations. This loss of legitimacy has the potential to impact on future financial support (Abraham, 2007). A number of studies have linked the use of impression management tactics to sustaining or maintaining organisational legitimacy, especially after negative events (Elsbach and Sutton, 1992, Ogden and Clark, 2005, Arndt and Bigelow, 2000). Prior research concerning the “for-profit sector” indicates that if an organisation’s legitimacy is threatened it will influence the content and tone of the voluntary disclosure sections of annual reports (Deegan, 2000). Australian overseas aid agencies, dependent on government funding, are now required to provide an annual report considered the “principal window of organisational performance, activity and accountability” (ACFID, 2004). This research questions if Australian overseas aid agencies have responded to the criticism and media scrutiny associated with the tsunami relief effort through disclosure in the voluntary sections of their annual reports.

The paper is structured as follows. Firstly the paper will discuss legitimacy and the implications it holds for non government organisations. It will then consider why these organisations may have perceived this criticism as a threat to legitimacy, what impression

management options were available to them or how they may have responded to the perceived threat. The study will then review the annual reports of organisations nominated by the Australian government as providing assistance for the tsunami affected areas. The voluntary disclosure section will be analysed in an attempt to identify if impression management techniques were used to repair legitimacy. The research will focus on the Chief Executive Officer (CEO) letter as this is considered the most widely read section of annual reports. It is generally used to promote a corporate image and build credibility in the for-profit sector (Hyland, 1998, Prasad and Mir, 2002).

2.0 Literature Review

Organisational Legitimacy

Legitimacy theory is a system-based theory that has been developed over the past three decades. It is based on the concept that an organisation is assumed to be influenced by, and have influence upon, the society in which it operates (Deegan, 2000). The theory asserts that organisations wish to ensure their activities are perceived as legitimate and so attempt to operate within the bounds and norms of their respective society. According to Suchman (1995:574) legitimacy is “a generalised perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions”.

There are many different reasons why an organisation may seek legitimacy. Legitimacy affects how people act towards and understand organisations. A legitimate organisation is seen as more worthy, meaningful, predictable and trustworthy (Suchman, 1995). Organisations that are perceived to be legitimate will find it easier to attract resources and support, both social and political. Organisations exist to the extent that society considers they are legitimate (Deegan, 2002). The theory relies upon the concept of a “social contract” and the organisation’s survival will be threatened if it has breached this contract. Such a breach may result in a decline in demand for the product of the organisation, a decline in investment in the organisation, suppliers eliminating supplies to the organisation and increased government taxes or fines.

Legitimacy and NGOs

Much of the previous research concerning legitimacy theory has involved studies of corporations and for-profit organisations (Ogden and Clarke, 2005, Campbell et al, 2003, Deegan et al, 2000, O’Donovan, 2002). However legitimacy is also of particular importance to NGOs. In a study on the image and reputation of charities, Bennett and Gabriel (2003) questioned 161 members of the general public about their perceptions of major UK charities and what influenced donor behaviour. The results of their study suggest that charities need to project an image based on being caring and compassionate, non-political, dynamic and of devoting their resources to beneficiaries rather than spending on administration. These expectations about how these organisations should conduct their operations relate to the “social contract” concept. There is an expectation that the organisation should prove themselves legitimate and relevant to society providing socially desirable benefits to the community at large (Deegan, 2002). Abraham (2007) referred to Morgan and Hunt’s commitment trust model which supports the above concept by contending that “commitment to give is driven by trust and that trust itself is driven by

shared values and communication”. If the “social contract” is challenged, as in the case of NGOs receiving negative publicity, it has the potential to impact on the resources available to the sector (Abraham, 2007:6). Failure to comply with the expectations of society may lead to withdrawal of support and the limiting of donations and government assistance.

Financing for NGOs is heavily reliant on fund raising through voluntary contributions of time or money and funding through government grants (Lyons, 2001, National Roundtable of Non-profit Organisations, 2004). Recent research conducted for the Department of Family and Community Services (2005) found that Australians overall are contributing more than ever both in financial contributions and hours of volunteering. However, this increased contribution is shared between an estimated 700,000 non-profit organisations. As government funding is generally allocated on a competitive basis and a lack of resources is a major constraint on the provision of services, the NGO sector is highly competitive (DFaCS, 2005, AusAid, 1999). This competition for resources combined with the need to meet society’s expectations means that legitimacy is just as relevant for NGOs as it is for corporations.

Legitimation Tactics

There is a range of different legitimation techniques that can be employed depending on whether the organisation is attempting to gain, maintain or repair legitimacy. New organisations and those undergoing restructuring or launching a new product will need to gain legitimacy and will generally use a proactive approach (Suchman, 1995). Managers wishing to gain legitimacy have the benefit of advance knowledge of their plans and can assess their needs for legitimacy. An established and well regarded organisation may have already gained legitimacy and therefore maintaining legitimacy should be less problematic. However legitimacy cannot be taken for granted. Community expectations change and what was once deemed as acceptable may no longer be tolerated. Organisations therefore need to perceive changes in society’s views and protect their past accomplishments (Suchman, 1995).

Repairing legitimacy strategies are usually reactive and in response to unforeseen events (O’Donovan, 2002). “Bad news” events can create a legitimacy gap. A legitimacy gap is a breakdown of the “social contract” which occurs when the actions and activities of the organisation differ from society’s expectations and perceptions of how the organisation should conduct its business (O’Donovan, 2002).

Managers can use a range of strategies to repair legitimacy. They may compile a normalising account that separates the threatening event from other “big picture” assessments of the organisation (Suchman, 1995). Prior research into the impact of negative media coverage of environmental issues by Brown and Deegan (1998) found that, in most industries, higher levels of media coverage on an issue were significantly associated with higher levels of voluntary disclosure about those topics in annual reports. Deegan et al (2000) examined the annual reports of Australian firms in industries associated with major social incidents including the Bhopal gas explosion, the Moura Mine disaster and three major oil spills (two directly affecting Australia and one overseas, Exxon Valdez). They found that the firms increased the social information in their reports post the

events for all the incidents in the study except one – the incident that did not attract a great degree of media attention.

Alternatively the managers may deny, excuse, justify or explain the event and their involvement. They may even disassociate themselves from the delegitimising event (Suchman, 1995). These behaviours are known as impression management tactics.

Impression Management

The term impression management refers to the study of behaviours or strategies put in place by an individual in order to be perceived favourably by others (Hooghiemstra, 2000). It may be a conscious or unconscious action to control or manipulate impressions formed by others. In accounting literature impression management theory has been adopted and applied to explain the response of organisations dealing with legitimacy challenges. Impression management can contribute to a firm's reputation and, when faced with a predicament, effectively handle legitimacy threats that could affect this reputation (Hooghiemstra, 2000).

Mohamed, Gardner and Paolillo (1999:109) reviewed prior studies in this area to compile a taxonomy of organisational impression management tactics (OIM) or behaviours used to manage "perceptions of performance" or used for "projecting a favourable image". Firstly the taxonomy differentiates between direct and indirect techniques:

- Direct OIM refers to how information is presented about one's own traits, abilities and accomplishments.
- Indirect OIM relates to the management of information about associates to protect one's image.

They further classify OIM tactics as either assertive or defensive. Assertive tactics are opportunistic in nature and take advantage of a situation to boost one's own image. Defensive tactics are adopted in response to difficult predicaments (Mohamed et al, 1999). A summary of the direct assertive and defensive strategies is attached; see Appendix A. When legitimacy is threatened an organisation will attempt to both maintain, and in particular repair, legitimacy through communication strategies, making use of both assertive and defensive tactics in annual reports (Suchman, 1995, Arndt and Bigelow, 2000). Mohamed et al (1999) identified a variety of media techniques used by organisations to manage corporate image, including corporate advertising, publicity events and annual reports. This communication or disclosure represents a means whereby organisations attempt to manage the impressions they make.

This is supported by Suchman (1995:586) who states "legitimacy management rests heavily on communication – in this case communication between the organisation and its various audiences." Similarly Deegan (2002) determined that legitimacy theory is based on perceptions and to have effect, any remedial strategies must be accompanied by disclosure of some type. In their study on the reaction of Australian firms to major social incidents, Deegan et al (2000:127) believe their results "highlight the strategic nature of voluntary social disclosures and are consistent with a view that management considers that annual report social disclosures are a useful device to reduce the effects upon a corporation of events that are perceived to be unfavourable to a corporation's image". This and other

research into legitimacy and impression management has targeted the disclosure in the voluntary section of annual reports (Deegan et al, 2000, Arndt and Bigelow, 2000, Ogden and Clarke, 2005, Campbell et al, 2003).

Prior studies of voluntary disclosure in the for-profit sector have focused on the content of the CEO letters (Amernic and Craig, 2004, Prasad and Mir, 2002, Hyland, 1998). This section of the annual report is considered a very important tool for organisations to communicate with shareholders/stakeholders. As Prasad and Mir (2002:95) state “letters to shareholders occupy pride of place and are the most widely read part of the report.” Amernic and Craig (2004:328) agree describing the CEO letter as “a form of sense making”. They chose to study the content of CEO letters because of the importance placed on the construction of the letter, the personal commitment representation of the CEO and the insight provided into the organisation’s strategic direction. Hyland (1998:224) also agrees describing the CEO letter as a tool for “building credibility and imparting confidence” used to promote a corporate image to a wide range of stakeholders including regulatory agencies and the investing public. Therefore it is considered that the CEO letters from the annual reports involved would be an obvious place for impression management to occur if it was being applied.

The Tsunami Aftermath

The significant media attention and subsequent bad press concerning inaction and misdirected funds following the tsunami represented a major threat to the legitimacy (and future support) of the Australian overseas aid organisations. We propose that one method by which these organisations may have attempted to repair their legitimacy would have been through the use of impression management tactics in the voluntary disclosure sections of annual reports, in particular the CEO letter.

Overseas aid agencies accredited by AusAid must sign the Australian Council for Overseas Aid (ACFOA) Code of Conduct prior to receiving government assistance (AusAid, 1999). The Code stipulates the production of an annual report and specifies that the report discuss current activities/achievements plus provide indications of future directions or planned activities. However neither the Code nor the Guide to the Code of Conduct specifies the format of the annual report. The CEO letter is optional (ACFID, 2007a, 2007b).

Previous studies have found that organisations facing a legitimacy crisis have used predominantly defensive tactics. In their study on impression management, Arndt and Bigelow (2000) found that hospitals in Massachusetts undergoing restructuring exclusively used defensive impression management tactics such as excuses, justifications, disclaimers and concealment when discussing their new corporate structure. Therefore the following hypothesis is proposed:

H1: Following the threat to legitimacy concerning tsunami funds, CEO letters in Annual Reports of aid agencies will contain more defensive impression management tactics after the tsunami than before.

The defensive strategies identified by Mohamed et al (1999) in their taxonomy include accounts, apologies, disclaimers, organisational handicapping, restitution and prosocial

behaviour (see Appendix B for an explanation of these terms). It is not anticipated that strategies such as disclaimers and restitution would relate to, or appear in, annual reports. Given that the organisations concerned are socially responsible the prosocial category is not relevant and we do not anticipate finding organisational handicapping. The bad press concerning tsunami aid was not aimed at specific agencies but was general in nature. Therefore we anticipate the defensive tactics applied will be accounts or apologies.

O'Donovan (2002) in a quasi-experimental study on legitimacy tactics found that the tactics employed by a firm in repairing legitimacy are related to the level of legitimacy held by the firm in the first place. The more an organisation relies upon its legitimacy the more vigilant it needs to be against potential threats. A charity's image and reputation have a "strong influence on donor behaviour" (Bennett and Gabriel, 2003). Therefore it is assumed that the not-for-profit sector is very reliant on legitimacy.

When legitimacy is threatened not all the tactics employed may be repairing tactics. Tactics for gaining legitimacy can be used following a crisis provided that the organisation still has some credibility (Suchman, 1995). Arndt and Bigelow (2000) found the use of defensive tactics to defend a new hospital structure. They also found assertive tactics in the information provided on services and technology. The authors believe that the hospitals saw restructuring as potentially damaging to organisational legitimacy and therefore used defensive tactics. The presentations on their services and technology were simply maintaining legitimacy they had already gained in these areas and therefore warranted the use of assertive tactics.

One would expect to see mostly defensive tactics when tsunami relief organisations attempted to repair legitimacy. However Suchman (1995) suggested legitimacy building strategies may be used following a crisis if the organisation still has some credibility. Many of these organisations would still retain credibility as major charitable organisations and so it is likely that some tactics to gain legitimacy may also be employed. This would involve assertive impression management tactics. Therefore a further hypothesis is proposed:

H2: Following the threat to legitimacy concerning tsunami funds CEO letters in Annual Reports of aid agencies will contain more assertive impression management tactics after the tsunami than before.

Given the type of organisations involved, it is expected that the organisations would not use all the assertive tactics listed by Mohamed et al (1999) and defined in Appendix A. It is anticipated that ingratiation, organisational promotion and exemplification tactics will be evident. However we do not expect to identify intimidation or supplication.

3.0 Research Method

Sample Selection

The sample selected for this study has been chosen from the list of overseas aid agencies accredited by the Australian Government through AusAid; see Appendix B. The AusAid accreditation process aims to ensure that funding is directed to "professional, well

managed, community based organisations that are capable of delivering quality development outcomes”. Membership of ACFID and the Code are voluntary and self regulatory unless the organisation is seeking government support (ACFID, 2007a, AusAid, 2007). Shortly after the tsunami the Australian government provided a list of agencies offering support to those affected by the tsunami on the government website Tsunami Assist. However not all the agencies were accredited with AusAid (Abraham, 2007). Therefore this research has selected agencies listed under Tsunami Assist and also accredited by AusAid. These agencies are identified in the listing at Appendix B and number twenty-two in total.

It is anticipated that if the agencies intended to respond to the legitimacy threat the response would have occurred in the annual reports immediately after the event. This study compares the narrative content of the CEO letters for accredited organisations produced prior to and post 26 December 2004. The selection was based on the premise that annual reports take up to three months to produce. Therefore the prior reports are those with a financial year end of 30 September 2004 or earlier. This preliminary study is based on the eleven organisations with the appropriate annual reports available immediately through relevant websites on the internet. All the agencies tested had a financial year ending 30 June except World Vision whose financial year ends 30 September.

Given that overseas aid agencies work in a contentious area, each agency was checked for adverse publicity in the twelve months prior to the Indian Ocean tsunami. A search of the ABC news website was undertaken for each of the selected agencies. The search revealed that most agencies had enjoyed positive press over the last year. However Australian Red Cross had come under considerable criticism and was the subject of an inquiry in relation to the disbursement of aid for the Bali bombings (ABC News, 2003, 2004c). While the organisation was cleared of any wrong doing it was considered that the agency may have felt challenged and could have responded to this legitimacy threat in the annual report prior to the tsunami. This may have confounded the results of the study. Therefore this organisation was excluded from the study. This left only ten organisations.

3.0 Data and Method

Data

Content analysis consists of dividing the text into meaningful subdivisions and of coding the divisions according to defined rules. Content analysis can be both subjective “meaning orientated” and objective “form orientated” (Smith and Taffler, 1999:627). This research applied a subjective analysis in which we focused on identifying the underlying message or impression management tactic indicated in the texts under investigation.

For this research the narrative was subdivided into text-units or t-units. In research on readability, Sydserff and Weetman (1998:463) make use of this established linguistic text analysis tool. They define a t-unit as “one independent clause with all subordinate clauses attached to it”. The t-unit generally relates to a sentence. However if the sentence contains conjunctives such as “and” and if the subject matter changes it may form two or more t-units. This approach is similar to Smith and Taffler’s (1999) analysis of themes and phrases.

Each t-unit was analysed to identify if any impression management tactics had been applied (see Appendix C for an example of a coded letter). The coding scheme is based on the taxonomy of organisational impression management tactics developed by Mohamed et al (1999) (see Appendix A). Indirect impression management tactics relate to the information provided or managed by an organisation about other associated organisations. It is not anticipated that this strategy would be exercised in CEO letters. Therefore for the purposes of this study we examined direct impression management tactics only.

In some cases the surrounding units were used to provide context to a particular t-unit to disambiguate the meaning. As it is possible that more than one tactic may be present in a t-unit a decision was made to adopt or classify according to the dominant impression management strategy. For example in the following statement ADRA is claiming a successful achievement (organisation promotion) but also articulating the social policy of the organisation (exemplification).

By creating opportunities, empowering people and sharing hope, ADRA Australia is making a difference to peoples' lives in many countries (ADRA, 2005).

This t-unit was assessed as “organisational promotion”.

Method

The coding of the CEO letters progressed as follows:

Stage One

- (1) Independent identification and coding of t-units in CEO letters by two coders,
- (2) This was followed by the comparison of the individual coding results and resolution of disagreements, and
- (3) Provision was made that if agreement was not reached, final arbitration would be made by an independent coding supervisor. This step was not required for identifying the t-units.

Stage Two

- (1) Once the t-units were agreed upon the next step involved independent identification and coding of the impression management tactics in each t-unit in the CEO letters by two coders,
- (2) The results were compared and disagreements resolved, and
- (3) If agreement was not reached, final arbitration was sought from an independent coding supervisor.

Prior to assessment, a pilot study was conducted on four reports for non government agencies not included in the research sample. This process enabled clarification of the characteristics for identification of impression management tactics.

The actual study itself involved two coders with a third coding supervisor available if needed for arbitration. At the first stage, the initial differences in identifying t-units were resolved by the two coders. Disagreements occurred in less than 1% of total t-units.

At the second stage initial differences in identifying impression management tactics accounted for 3.9% of the t-units (or 23 of the total 590 t-units). The coding supervisor arbitrated in 35% of the disagreements (8 in total). While the arbitration percentage

appears high the disagreements were in fact very low. In view of these coding parameters, we concluded that the reliability of the coding could be considered very high.

The number of instances of the use of each impression management tactic was totaled for the CEO letter and apportioned to the total number of t-units in each CEO letter. This provided a relative measure of frequency of occurrence for each organisation. The defensive and assertive impression management tactics were also totaled and apportioned to the number of t-units per CEO letter. The results for the reports prior to the event were then compared to the results for the reports post the event.

5.0 Results and Discussion

The results of the analysis are attached; see Appendix D. Table 1 provides a comparison of the means of the impression management tactics relating to the sample. The total defensive impression management tactics decreased post tsunami. The only defensive tactics found were accounts; no apologies appeared in the CEO letters. On average the total assertive impression management tactics increased post the tsunami due to increases in the use of ingratiation and organisational promotion.

Table 1 – Means of Impression Management Tactics

	Mean		Standard. Deviation	
	Prior to event	Post event	Prior to event	Post event
% Accounts	.026	.014	.0534	.0436
% Apologies	.000	.000	.0000	.0000
% Total Defensive	.026	.014	.0534	.0436
% Ingratiation	.033	.086	.0309	.0423
% Org Promotion	.104	.135	.0798	.0532
% Exemplification	.072	.059	.0638	.0609
% Total Assertive	.210	.279	.1106	.1338
% Impression Mgmt	.236	.293	.1275	.1156

Table 2 contains the *Mann-Whitney U* score (designed for non-parametric samples) and level of significance for each type of defensive and assertive tactic as well as for the total defensive, total assertive and total impression management tactics used. These figures were calculated as a percentage of the total t-units contained in the CEO letters.

**Table 2 – Comparison of rankings and significance
(Grouping Variable: Year)**

	<i>Mann-Whitney U</i>	<i>Asymp. Sig. (1-tailed)</i>
% Accounts	40.500	0.152
% Apologies	50.000	0.500
% Total Defensive	40.500	0.152
% Ingratiation	14.500	0.0035
% Organisation promotion	30.500	0.070
% Exemplification	43.500	0.308
% Total Assertive	35.500	0.1365
% Impression Mgmt	39.000	0.203

Accounts, apologies and total defensive all show no significant difference between pre and post reports and therefore Hypothesis 1 is rejected. The average use of defensive impression management tactics actually decreased after the tsunami. Although the results for ingratiation show a significant change between the pre and post letters (based on a one-tailed test with .05 level of significance), organisational promotion, exemplification and total assertive do not show a significant difference between the pre and post reports and therefore Hypothesis 2 is rejected.

These results are not consistent with legitimacy theory which suggests that firms would increase their defensive and /or assertive impression management tactics after a threat to their legitimacy. Some previous studies have found that firms do increase disclosure following a bad news event (Deegan et al, 2000, Ogden and Clark, 2005, Arndt and Bigelow, 2000). However, other studies have not supported this proposition (Campbell et al, 2003). One possible explanation for the results in this study compared to previous studies is the type of organisation involved. Previous studies have mostly concerned for-profit, corporate type organisations. This study involves charitable aid agencies, a different type of organisation altogether with different goals, motives and stakeholders. It is possible that the CEOs of these organisations come from a different background to CEOs of for-profit organisations and may react in a different manner to perceived threats.

Another explanation may be that some of the CEOs may not have perceived there to be a legitimacy gap. Whether management reacts and how they react is based on their perception of a legitimacy gap. Deegan (2002) believes that when confronted with the same facts, not all managers might perceive that a legitimacy gap exists. Most of the publicity was not aimed at any agency in particular (although two agencies were named specifically) so CEOs may have thought it better to avoid the issue altogether. Avoidance of an issue is, in itself, an impression management tactic. Some agencies did not even mention the tsunami in the CEO letter despite the fact that they were a registered relief agency for the disaster. It is interesting to note that there were only eleven defensive tactics identified in all the sample which contained a total of 590 t-units. Of these eleven, seven were pre tsunami. Only four “accounts” appeared post tsunami and all of these were in the letter from the Annual Report of Caritas. This is the one CEO letter that seemingly

addressed the bad press concerning funding of tsunami victims. The CEO mentioned the media statements that questioned the way money had been distributed. Justifications were then used to put the case forward for how Caritas donations were disbursed. Therefore the agencies may have responded to the legitimacy threat in some medium other than the CEO letter. They may have responded through press releases, letters to the editor, letters to supporters, newsletters or in other sections of the Annual Report.

6.0 Limitations and Future Research

This study analysed the CEO letters from the annual reports pre and post the Boxing Day 2004 Tsunami to investigate the use of impression management tactics. As mentioned above there may have been other mediums used to address the bad press received by these organisations. This study did not look at press releases or newsletters issued by the agencies, nor did it investigate other areas of the Annual Report. Some agencies devoted a special section of their Annual Report to the tsunami and future research could involve a qualitative analysis of these special “Tsunami Reports”.

As mentioned earlier, a search of the ABC News Website was undertaken for each of the selected agencies to identify negative press that may have affected the content of the CEO letters prior to the tsunami. However this may not have been sufficient to identify issues relevant to the agencies involved. For example, ADRA had five defensive t-units prior to the tsunami which all related to an internal restructure. While this was not reported in the press it was obviously of considerable concern to the organisation. Excluding these five defensive tactics would have affected the results significantly.

The number of agencies involved in the study is small and this has implications concerning its external validity. As mentioned in the data section only accredited agencies registered on the Tsunami Assist web site were included. These numbered twenty-two in total. We were unable to obtain the annual reports for some of these agencies in a timely enough manner to include them in this study. Some agencies were also discounted for other reasons discussed earlier. This left us with a sample of only ten agencies. Future research could involve a more complete analysis with all agencies involved.

The use of t-units also presented some problems in the study. Although the amount of disagreement was very low between the coders, the use of t-units as stand alone measurement units sometimes presented a challenge when deciding on whether a particular unit involved impression management. Sometimes a unit on its own was ambiguous and seemingly did not contain impression management but when read in conjunction with the surrounding units it became less ambiguous.

7.0 Conclusions

This study investigated CEO letters in the Annual Reports of overseas aid agencies involved in tsunami relief. It was believed these agencies faced a threat to their legitimacy following bad press concerning the use and distribution of tsunami aid. The letters were examined to determine if the agencies responded to this threat in terms of increased impression management tactics.

The results show that the organisations did not significantly increase the amount of either assertive or defensive impression management tactics post tsunami. In fact the amount of defensive tactics used decreased post tsunami. These findings are inconsistent with legitimacy theory. Legitimacy and Impression Management theory assert that organisations will increase their reactive or defensive disclosure in response to a threat and also attempt to maintain the legitimacy they already have by using more proactive or assertive tactics. This study did not find this to be the case. This research has important implications as far as the development of these theories is concerned as it is one of few studies that look at a specific type of non government organisation where the stakeholders are different to the for-profit sector and profit is not the main concern. More research on this sector, especially charities and social welfare organisations, needs to be conducted to see if these theories are applicable to this sector of the economy.

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APPENDIX A

Direct and Defensive

Behaviour	Definition	Example	Demonstration
Accounts	Explanations of a predicament-creating event which seek to minimise the apparent severity of the predicament. Four basic accounting tactics: a) denials and defences of innocence b) excuses c) justifications	a) State the outcome never materialised or that the organisation had nothing to do with outcome b) Provide information which indicates a lack of control and therefore shifts the blame to the environment c) Admit responsibility but disputes the negative consequences by minimising the negativity, comparison to other equally negative events or interpretation in a larger set of values or goals	Many did not realise that once the initial emergency expenditure had been disbursed that there would be a program of gradual disbursement that would take place over many years (Caritas, 2005).
Disclaimers	Explanations offered prior to potentially embarrassing situation	For example putting on record limits to the service to be provided	
Organisational Handicapping	Efforts to make task success seem unlikely in order to provide an excuse for failure	For example explaining that immediate outcomes were unlikely due to long term strategy	
Apologies	Admissions of blameworthiness for a negative event including expressions of remorse and asking for a pardon	This occurs when the organisation accepts responsibility with no justification/excuse	Demonstration not available as no examples appeared in the reports
Restitution	Offers of compensation to the offended or injured audience	Offer of complimentary goods	
Prosocial Behaviour	Engaging in prosocial actions to compensate for an apparent transgression and convince that the organisation merits a positive identity	For example putting in place controls to prevent reoccurrence of previous criticisms, such as use of donations to cover overheads	

Direct and Assertive

Behaviour	Definition	Example	Demonstration
Ingratiation	Behaviours used to make the organisation appear more attractive	“Corporate advertising” - promoting the organisation as a whole rather than its activities. “Conformity” - mimicry of specific practices, such as mention of accreditation	Eg But the strength of Oxfam, as has been demonstrated over the last 12 months, is, to quote our founder Father Tucker, to be both practical and visionary (Oxfam, 2005). Caritas Australia conforms with the highest of accounting standards (Caritas, 2005).
Intimidation	Behaviours that present the organisation as powerful and dangerous willing to inflict harm on those that frustrate its efforts	Threat to withdraw services or activities	
Organisational Promotion	Behaviour that presents the organisation as highly competent, effective and successful. Can be present as either “entitlement” or “enhancement.”	“Entitlement” evidenced by “acclaiming” possibly biased explanations of successful events “Enhancement” is putting a positive spin on unclear outcomes	It humbles me as I present you the report on the outstanding results we achieved in 2005 (World Vision, 2005). We had an impact – attracting world-wide media coverage and, importantly, helping to ensure the voices of developing countries were heard loud and clear within the WTO (Oxfam, 2004).
Exemplification	Behaviour that projects images of integrity, social responsibility and moral worthiness	Emphasises social and aesthetic qualities that usually demonstrate commitment to cause no matter the adversities	We believe that education should and can be provided to all children, even in the most difficult circumstances (Save the Children, 2005).
Supplication	Behaviour that portrays an image of dependence and vulnerability for the purpose of soliciting assistance from others	Identifying internal weaknesses or dependence on others to solicit aid generally depicted as a short term condition	

Extract from Mohamed et al (1999) “A Taxonomy of Organizational Impression Management Tactics”

APPENDIX B

List of Accredited NGOs

Full Accreditation

- Adventist Development and Relief Agency (ADRA) *
- Anglican Board of Mission Australia (ABM)
- Anglicans Cooperating in Overseas Relief and Development (AngliCORD) *
- Australian Lutheran World Service (ALWS)
- Australian People for Health, Education and Development Abroad (APHEDA)
- Australian Red Cross (ARC) *
- Australian Volunteers International (AVI)
- Australians Caring for Refugees (AUSTCARE) *
- Baptist World Aid Australia *
- Burnet Institute
- CARE Australia (CARE) *
- CARITAS Australia *
- Christian Blind Mission International (Australia) (CBMI) *
- ChildFund Australia *
- Credit Union Foundation Australia (CUFA)
- Every Home for Christ Ltd (EHC)
- International Needs Australia (INA)
- International Women's Development Agency (IWDA)
- Leprosy Mission (TLM)
- Marie Stopes International Australia (MSIA)
- National Council of Churches Australia (NCCA)*
- Opportunity International Australia (OIA) *
- Oxfam Australia (OAus) *
- PLAN International Australia (PLAN) *
- Save the Children Fund Australia (SCFA) *
- Sexual Health and Family Planning Australia Inc. (SHandFPA)
- TEAR Australia (TEAR) *
- The Fred Hollows Foundation (FHF)
- UNICEF Australia (UNICEF) *
- Uniting Church Overseas Aid (UCOA)
- World Vision Australia (WVA) *
- WWF-Australia

Base Accreditation

- Archbishop of Sydney's Overseas Relief and Aid Fund (ORAF) *
- ASSISI Aid Projects India (ASSISI) *
- Australian Conservation Foundation (ACF)
- Australian Cranio-Maxillo Facial Foundation (ACMFF)
- Australian Foundation for the Peoples of Asia and the Pacific (AFAP) *
- Interplast Australia (INTERPLAST)
- Marist Mission Centre (MMC)
- Quaker Service Australia (QSA)
- Reledev Australia Limited (RA)
- Salvation Army (SA) *

* Listed on official government Tsunami Assistance website as at 25 January 2005
Extract from website AusAid 'Overseas Aid' Australian Government
<http://www.ausaid.gov.au/ngos/accredited.cfm> February 2007

APPENDIX C

Example of Coded Letter

OP = Organisational Promotion
--- = Not Impression Management

E = Exemplification

A = Account

- | | |
|---|------------|
| 1. It is indeed a pleasure to report on a remarkable set of results achieved during 2004. | OP |
| 2. The number of people being helped through World Vision Australia increased to 12.6 million, up from 10.4 million in 2003. | --- |
| 3. We funded 479 projects in 63 countries, as well as 11 projects aimed at eliminating the scourge of child trafficking. | E |
| 4. This work would not have been possible without the wonderful support of our donors. | --- |
| 5. Cash income from private donors increased by \$34 million, or 23%, on last year. | --- |
| 6. When I look at this huge figure, I marvel that it is the sum of thousands of brave choices made by thousands of generous Aussies. | --- |
| 7. We are also encouraging the Government to be equally generous in its giving to overseas aid which reflects this nation's commitment to a fair go for the world's poor. | OP |
| 8. Meanwhile, it is pleasing that giving to World Vision by corporate Australia, in cash or kind, increased by 29% in the year. | --- |
| 9. I look forward to more brave choices being made by our business leaders. | --- |
| 10. Our choice to dedicate a small proportion of our funds towards informing and improving public attitudes towards helping our neighbours is paying dividends. | A |
| 11. We continue to witness improvements in attitudes towards the effectiveness of aid and the belief that the actions of every day people can affect the lives of people living in poverty. | --- |
| 12. This was the aim of our ground-breaking One Big Village website that provides an opportunity for Australians to explore how we are all connected within an enclosed global system, and that something they do or don't do today will affect the lives of people they'll never meet. | OP |
| 13. The site received a quarter of a million visits in the two weeks after its launch in September. | --- |
| 14. As we move forward, we continue to challenge ourselves. | --- |
| 15. We are committed to improving our financial efficiency, so that the greatest possible proportion of funds given can be used in our relief and development projects, and achieving maximum effectiveness within our programs around the world. | OP |

16. We witnessed significant improvements in these areas during 2004 and look forward to further improvements in the coming year.
17. We are committed to making the brave choices that these goals will demand.

OP

E

APPENDIX D

Defensive Frequencies

<i>Organisation</i>	<i>Year</i>	<i>No of T Units</i>	<i>Accounts</i>	<i>Apologies</i>	<i>Total Defensive</i>
ADRA	0	30	5	0	5
ADRA	1	28	0	0	0
AFAP	0	54	0	0	0
AFAP	1	55	0	0	0
Austcare	0	31	1	0	1
Austcare	1	34	0	0	0
Baptist World Aid Aust	0	25	0	0	0
Baptist World Aid Aust	1	25	0	0	0
Care	0	15	0	0	0
Care	1	31	0	0	0
Caritas	0	23	0	0	0
Caritas	1	29	4	0	4
Oxfam	0	27	0	0	0
Oxfam	1	32	0	0	0
Plan	0	28	0	0	0
Plan	1	33	0	0	0
Save the Children	0	19	0	0	0
Save the Children	1	32	0	0	0
World Vision	0	17	1	0	1
World Vision	1	22	0	0	0
TOTAL		590	11	0	11

Assertive Frequencies

<i>Organisation</i>	<i>Year</i>	<i>No of T Units</i>	<i>Ingratiation</i>	<i>Organisational Promotion</i>	<i>Exemplification</i>	<i>Total Assertive</i>
ADRA	0	30	1	4	0	5
ADRA	1	28	4	5	4	13
AFAP	0	54	4	5	2	11
AFAP	1	55	1	7	0	8
Austcare	0	31	2	3	2	7
Austcare	1	34	2	6	2	10
Baptist World Aid	0	25	1	1	3	5
Baptist World Aid	1	25	1	3	0	4
Care	0	15	1	2	1	4
Care	1	31	3	4	0	7
Caritas	0	23	0	3	4	7
Caritas	1	29	2	0	0	2
Oxfam	0	27	0	0	0	0
Oxfam	1	32	3	5	3	11
Plan	0	28	0	2	4	6
Plan	1	33	3	4	1	8
Save the Children	0	19	1	1	0	2
Save the Children	1	32	5	5	4	14
World Vision	0	17	0	5	2	7
World Vision	1	22	2	4	3	9
TOTAL		590	36	69	35	124

APPENDIX E

T-Units and Disagreement

<i>Organisation</i>	<i>Year</i>	<i>No of T Units</i>	<i>T-Unit Disagreements</i>	<i>IM Disagreements</i>	<i>Arbitrations</i>
ADRA	0	30	0	0	
ADRA	1	28	0	0	
AFAP	0	54	0	2	1
AFAP	1	55	0	3	1
Austcare	0	31	1	1	1
Austcare	1	34	2	0	
Baptist World Aid Aust	0	25	0	0	
Baptist World Aid Aust	1	25	0	0	
Care	0	15	1	0	
Care	1	31	0	0	
Caritas	0	23	0	0	
Caritas	1	29	0	5	3
Oxfam	0	27	0	0	
Oxfam	1	32	0	1	1
Plan	0	28	0	1	1
Plan	1	33	1	1	
Save the Children	0	19	0	1	
Save the Children	1	32	0	5	
World Vision	0	17	0	1	
World Vision	1	22	0	2	
TOTAL		590	5	23	8

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