

Institutional Pillars and Institutional Work in Sustainability Reporting: Scale Development & Validation

Abstract

Sustainability reporting has gained increasing significance in recent years, as it not only discloses important ESG information but also helps to assess and improve sustainability performance. As reporting is largely voluntary, greater institutionalisation tends to decrease uncertainty and increase transparency. However, there is a paucity of research on the institutionalisation of reporting practices within organisations through the institutional work of sustainability reporting managers (SRMs). This study aims to develop an Institutional Work by Institutional Pillar (IWIP) scale to measure the institutional work of SRMs in the oil and gas industry context. Employing a mixed methods approach, the study yields a 9-item, three-dimensional scale (regulative, normative, and cognitive pillar) with satisfactory model-fit indices, reliability, and validity. The higher-order (reflective-formative) model of the IWIP scale shows the cognitive pillar as the most crucial dimension, followed by the regulative and normative pillars. This study contributes to the literature by developing and validating the IWIP scale, which measures the institutional work of SRMs to institutionalise sustainability reporting practices. The scale has implications for the managers of oil and gas organisations as it allows for the measurement and potential improvement of the institutional work of SRMs.