A BRIEF PRESENTATION: THE RHETORIC OF RISK IN CSR REPORTS

Anca GÂȚĂ
anca.gata@ugal.ro
Research Center Discourse Theory and Practice, "Dunărea de Jos University" of Galați, Romania
Michael STOICA
michael.stoica@washburn.edu
School of Business, Washburn University

This is a brief presentation of the methodology of a study in progress for identifying rhetorical strategies used in CSR reports having to deal with risk issues. It presents the conceptual approach of a study meant to analyze excerpts of CSR reports for 2012 of several US large companies. The analysis is rooted in discourse analysis and rhetorical theory. The focus of the study is the way in which the company addresses the stakeholders so as to argue implicitly in favor of the company's preoccupation for risk prevention, elimination of various hazards, counter balancing negative consequences and effects of the company's activity. The study discusses anticipates on possible findings to be later valued in the field of Business Ethics.

Keywords: Corporate Social Responsibility (CSR) reports, discourse analysis, rhetoric of risk, rhetorical strategy.

Introduction

Non-financial information reporting has become an important social and ethical goal for corporations in the last decade. Non financial information includes data on their environmental, social and governance performance. These three types of performance may be seriously affected when risks are confronted to in the more or less specific activities a companies is involved in.

Managing risk is an important issue in the life of an organization, which has as an objective to "prevent crisis or scandals to occur" (May et al. 2007, p. 88). Risk management has also become lately a topic for discussion in the public sphere, where the image of the company is at stake if, under specific circumstances and in particular contexts, risks are not dealt with explicitly. Perception of risks is part of the perception of the company image and of the brand.

Risk management has thus become a topic of non-financial reporting, and CSR reports constantly refer to potential risks of their activity or past events which led to negative outcomes. The study whose methodology we are presenting here looks at CSR reports for 2012 of several US companies listed among the first ones. Text excerpts of these CSR reports dealing with risk management are identified and analyzed from a linguistic, discursive, and pragmatic perspective in order to reveal rhetorical strategies used in this type of discourse genre. Rhetorical strategies may be regarded here as strategies for presentation of (successful) risk management.

1. A pragmatic framework for dealing with communication about risk

Communication about risk is characterized by linguistic and rhetorical features which we have as an objective to identify in this study. Language is not only a tool of communication, but also a tool for mediation and for shaping the world around us (an "environment shaper") after whose action some processes of development may evolve more smoothly and efficiently, exactly as in social or environmental actions meant to prepare the basis for social and industrial change. By means of language we provide information, we interact with the others (who are part of the environment) in order to elicit and get information, to know them / the environment, we mediate and solve difficult issues, crises, conflicts. All this and many other things we do every day are not possible without language. It is in this way that language is constitutive of the environment and/or of social relations.

This study is placed in an area of linguistics largely known as pragmatics. Pragmatics (*i.e.* linguistic pragmatics) looks at the ways in which we are using words to act upon the environment – the other speakers, the relationships between them, and various elements of the environment. Speakers are thus held responsible for whatever they are saying; their words or utterances may – and most often do – modify the environment: the Other's knowledge, perception, and understanding of reality, the actions of the Other. When asking a person a question, we expect that person to answer it – and if not, we are going to hold the person as impolite or, at least, strange; but the course of that person's life is modified by the fact that he/she is compelled to produce speech / discourse at a time he/she was not willing or prepared or intending to produce it. A question is always an aggressive act towards the Other. And the Other's course of life is also changed if he/she does not provide the elicited answer. In this case the questioner feels agressed by the Other's "non responsiveness". In the same way, when we are promising a person that we will accomplish a particular action or activity, we are expected to stick to the promise, since the Other may be waiting for the result of that action, i.e. change the course of his or her life since he/she believed the promise and ourselves to be sincere: the world around has been changed by our promise and we cannot take it back, as we cannot stop a bullet that we have shot: the world would have still changed. There are many other ways in which the world is changed by words. Words have performative force. By using words we perform various types of acts or actions. This idea is discussed in a famous collection of lectures by John L. Austin. It was published after Austin's death by his students, it is known by the whole community of linguists and experts in communication theory around the globe, and its title says it all: *How to Do Things with Words.*

This pragmatic perspective is also rooted in the idea that many or most types of discourses and texts serve social purposes. Discourses and texts have been categorized into classes and types which are referred to by the term (discourse / text) genre. In 1984, Miller defines genre as *social action*, thus pointing to the fact that what counts for linguists, i.e. "the substance or the form of discourse" is less important in defining genre than the fact that a text or a discourse is mainly defined by "the action it is used to accomplish" (p. 151). This definition of genre taking into account rhetorical practice is of particular significance to the approach of CSR reports and to the sections in them referring to risk management.

2. Risk Rhetoric, or the Rhetoric of Risk

Both phrases are used to speak about the various rhetorical strategies used in organizational communication to deal with risk issues. Risk rhetoric is one of the commonly occurring situations in the life of an organization requiring the identification and use of discourse strategies directed to a large audience. Other important types of organizational rhetoric are identity rhetoric, issues rhetoric, crisis rhetoric, and rhetoric for internal audiences (Ford 1999, quoted in Hoffman & Ford 2010: 163).

Perception of various types of risk may affect negatively the image of the company, so that *communication about risk management to stakeholders is or should be almost concomitant with risk management in itself.* This means that *one of the main lines of action of a company with respect to risk management should be to communicate to the stakeholders how they are dealing or have dealt with risk*.

One very recent example of very awkward risk management or complete lack of preoccupation for risk is that of the Malaysia Airlines 370 flight disappearance from the radars (March 8th, 2014). The flight vanished, with no possibility for the search teams to have the slightest idea at the present moment (May 2014) where the wreckage is. A consistent reproach addressed to the company by the families of the passengers on the flight and by the larger community is that the company did not communicate well and in due time about the disappearance of the plane. In other words, there might have been less or slighter risks to lose the plane / the wreckage forever or to be in the impossibility to find it in two months time if there had been quicker and more consistent preoccupation with announcing the risk that the flight may have had an ultimate problem or got to an ultimate destination.

A second example taken from the same timeframe is the sinking of the South Khorean ferry with 467 passengers aboard plus crew (April 16th, 2014). More than 300 passengers were drowned, while most of the ferry crew escaped out in the water. The CEO of the company has been presently arrested and charged with death by negligence, yet enquiries have shown that sinking of the ship was caused by a common practice of the company bringing them huge amounts of money daily: overcharging the ferry with cargo (Risk 1). Negligence is much less than incapacity to foresee risks or taking oneself *the risk of not preventing a high risk* only to earn more money. In his turn, the ferry captain did not communicate to the passengers the risk of the vessel sinking (Risk 2); on the contrary, he gave the order that all passengers stay where they were (Risk 3) although they already wore life jackets and could have safely escaped the vessel. In this case – as possibly in the former – a sequence of actions were deployed with no concern at all for managing actual risks and preventing negative consequences.

These tragic events show that communication about a possible risk in the present is or should be part of the risk policy a company deploys at every moment of its existence. It shows that strict procedures should be applied by companies in order to avoid all possible negative consequences issuing from *non communication of potential risks.* In a different way, CSR reports usually deal with or point to management of risks in the (recent) past or about virtual risks, possible events which are perceived as risky by various communities / stakeholders.

3. Dealing with risk in CSR reports

CSR reports are dealing with risk management in two separate sections: the CEO message / letter at the beginning of the CSR report and the contents of the report itself. Our study is meant to show which parts of the report contents have risk management as a main topic and how the CEO delivers risk management messages. It will be shown that companies explicitly refer to their concern for negative consequences of their activities for people and for the natural environment.

3.1. A CEO would explicitly point to the company's concern for risk management:

> "*Managing risk* and executing with excellence are critical to our company's success. ..." [A Message From Our CEO, John S. Watson, Chairman of the Board and Chief Executive Officer, 2012 Chevron CSR Report, May 2013, p. 2; italics are ours.]

The preoccupation for communication about risk is obvious from the very first words of the Chevron CEO's message. The first two words *managing risk* make up a phrase pointing to one of the topics of the message, the other one being *executing with excellence*. From a linguistic perspective, we are interested in the various expressions used by the CEO or in the text of the report to speak about / to deal with risk management.

Discourse and linguistic analysis allow us to look at the way in which messages about risk are built and organized in a CSR report so as to correspond to the stakeholders' interests and expectations.

3.2. Risk Management is dealt with in the 2012 Chevron CSR report in a section titled "Operational Excellence and Risk Management". The subtitle of the chapter is "Our commitment to operating safely and reliably" In the chapter contents, the message would communicate that the company are paying attention to risk management, as in the following excerpt:

> "*constant attention* to *countless* details and processes." [Section 1: Operational Excellence and Risk Management, 2012 Chevron CSR Report, May 2013, p. 4; italics are ours.]

In this excerpt, the italicized words are used to elicit positive emotions with the readers. In rhetoric these are called "words emotionally endowed" since they elicit the audience's attention by their mere presence. In this case, the audience is positively impressed – and this may be considered as what has been lately called *impression management*. Saying that someone – a company – is paying *attention to details*, that this attention is *constant,* and that the details are *countless* contributes to constructing the image of a competent and careful management with respect to negligence and potential damages or negative events. Analyzing such excerpts provides a closer view at the possible clichés used in risk rhetoric.

- A CEO message or, more frequently, the contents of the CSR report would refer to actual incidents explicitly to show that the company not only assumes full responsibility for the hazards produced in the company activity, but also endeavors to limit the negative consequences and to prevent future events of the same type. Pointing to such negative events is at the same time an occasion for the company to speak about regular actions and procedures of risk management and to remind the audience that in spite of the incidents the company is caring about people and the environment. This is the case of the rhetoric of the following excerpt:

> "Incidents in 2012 — the January fire aboard the KS Endeavor drilling rig working offshore for Chevron Nigeria Ltd. and the August fire in the Chevron U.S.A. Inc. Richmond, California, refinery crude unit — remind us that *we must do better*. These incidents do not reflect the *expectations* we have of ourselves or the *expectations* that the community has of us. We *investigated* the incidents and *engaged closely* with *regulators*, which facilitated our *implementation of improvements* in processes and operations. The *actions we are taking* will *strengthen* management oversight and add layers of *process safety protection*. Chevron remains *committed to zero incidents*. We are *confident* that our *continual improvements* in the areas of *process safety*, *environmental stewardship* and *operational discipline* will *significantly reduce* the potential for future incidents and will keep our *workforce safe*." [Section 1: Operational

Excellence and Risk Management, "Protecting People and the Environment", Chevron CSR Report, May 2013, p. 5]

The excerpt above is a nice example of risk management rhetoric. The italicized words and phrases all belong to a rhetoric of emotions: they all generate the audience's confidence in the actions of the company to prevent future risks. Words emotionally endowed with negative potential are kept to a minimum (*incident* – used five times, *fire* – twice); their repeated use maintains the public to the same level of awareness of the negative issues tackled. On the contrary, the presence of so many words and phrases – italicized in the excerpt – endowed with positive content makes it easier for the audience to concentrate upon positive issues. It is a characteristic of such texts and use of words that the positive emotional content of words or the positive emotional orientation of the whole text or text fragment pervade the content of emotionally neutral words such as *expectations*, *implementation*. The use of the company's name in the context is not only a way in which the company declares themselves committed to prevention of future incidents, but also a way of associating the company's name with the line of future positive actions and involvement in a constantly improving policy of risk management.

4. Closing remarks

This brief presentation of our approach to risk rhetoric in CSR reports is meant to announce the lines of the study in progress concerning a series of CSR reports of important US companies. This should lead to an overview of the rhetorical strategies used by companies and specialized agencies to point to the quality of the brand and the outstanding performance of the company even if incidents occur or future negative consequences may be envisaged. The study points to the fact that a company speaks about risk management in order to maintain and enhance its image and presence on the market and for the stakeholders' awareness. Communication about risk should be consistently present in CSR reports of companies producing energy, food products, drugs, various industrial products, or tourism services. Our study looks at these types of reports and has an objective to compare the various rhetorical strategies adopted by each category of companies. References to risk management and safe operations and procedures are present in the contents of the CSR report, as well as in the CEO's message opening the report.

Some of the strategies identified so far in the analysis of several excerpts of the 2012 Chevron CSR Report show that the following techniques are used: naming the types of risks (*incidents, injuries*), characterize risk (*inherent risks, specific risks*), characterize the way in which risk is managed (*properly*) provide antithesis (*operating safely and responsibly* = the Chevron way *versus* an implicit idea that some companies do not or might not operate as such), speaking about actions taken to deal with risk (*manage, eliminate, mitigate risk*), using the deductive pattern of rhetorical organization by mentioning the exact setting, causes, circumstances to hell the audience form rapid deductive reasoning about the events referred to in the chapters dealing with risk management, using words and phrases endowed emotionally with positive content.

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