

# FACTORS INFLUENCING THE NON-DISCLOSURE OF SUSTAINABILITY INFORMATION ON MALAYSIAN DISTRICT COUNCILS' WEBSITES WITHIN AN INSTITUTIONAL THEORY FRAMEWORK

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## ABSTRACT

*This study examined why Malaysian district councils did not report sustainability information on their websites. It is a case study approach using semi-structured interviews. Results indicated that internal and external organizational factors influenced the non-reporting of sustainability information on councils' websites. In institutional theory, the lack of commitment shown by the top management in implementing sustainable development program appears to discourage the promotion of normative isomorphic pressure for disclosing sustainability information on websites. There is evidence of coercive isomorphism relating to website bureaucratic procedures, but, not relating to disclosure of sustainability information. The overall findings may assist in formulating policies to encourage district councils to report sustainability information to stakeholders.*

**Keywords:** *sustainability, disclosure, local authority, websites, isomorphism*

## INTRODUCTION

In line with other countries worldwide, Malaysia is progressively moving towards sustainable development. This is partly due to "Malaysia's

growing diplomatic pressure and the allegation of wanton deforestation voiced by the international community” and “... a surge of media attention to sustainable development” (Hezri and Hasan, 2006, p. 43). A common definition of sustainable development was provided by the United Nations World Commission on Environment and Development (The Brundtland Report, 1987, p. 8), “... development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. The sustainable development concept has been embedded in various national strategic policies and agendas in the country, such as, the Outline Perspective Plan (OPP) and five-year Malaysian plan, the Local Agenda 21 program (LA 21) – specific to local government<sup>1</sup> and the Malaysian Urban Indicator Network (MURNINet) portal (Mohamed-Osman, Syed. A Rashid, and Ahmad, 2008).

Among the three tiers of government, it is argued that the local government is closely linked to the sustainability concept, which promotes the need for sustainability reporting (see for example, Lewis, 2000; Potts, 2004). Further, as highlighted by Herbohn and Griffiths (2008, p. 24):

*“Local councils are becoming motivated to undertake sustainability reporting because it is an area of governance where things actually happen and boundaries are definable. That is, it is easier for a local council to focus on the sustainability of a city as compared with state and federal government that focus on the sustainability of an entire state or country.”*

In this paper, the definition of sustainability reporting by the Global Reporting Initiative–GRI (2004, p. 20) is used, that is, “a vehicle to assess the economic, environmental and social impacts of the organization’s operations, products, and services, and its overall contribution to sustainable development”. The argument presented in this paper is that, from the perspective of local authorities, while ensuring the community is provided with proper services (*social*) using funds generated from various sources of revenue (*economy*), the aspect of *environmental* impact also requires careful consideration.

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<sup>1</sup> ‘Local government’, ‘local authority’ and ‘local council’ terms are used interchangeably in this paper.

In recent years, there has been an emerging trend of studies on sustainability reporting in the public sector (Dickinson, Leeson, Ivers, and Karis, 2005; Farneti and Guthrie, 2009; Larrinaga-González and Pérez-Chamorro, 2008), which focused on hard copy reports as their medium of analysis. Meanwhile, in private sector studies, few researchers have suggested organizational websites as an alternative reporting medium or channel other than traditional annual reports that could be utilized to disclose an organization's sustainability information (see for example, Adams and Frost, 2006). There have been many studies on sustainability reporting in the public sector conducted in developed economies such as Australia and Italy, but very little researched in Malaysia – a developing country. Thus this study aims to shed new light on these debates by investigating why Malaysian district councils do not report sustainability information on websites.

Pilcher, Joseph and Taplin's work (2008) was the first few studies<sup>2</sup> that analysed the content of sustainability information on Malaysian local authority websites. They found that the level of disclosure was significantly explained by the council's size (measured by revenue) – sustainability information was mostly reported by larger councils. This paper claims that council's size is highly associated with council's type<sup>3</sup> – city and municipal councils tend to be larger councils and district councils are likely to be smaller councils.<sup>4</sup> Similarly, a study by Joseph, Pilcher and Taplin (2009) identified factors that have influenced Malaysian city and municipal councils to report sustainability information on their websites.

Following Pilcher *et al.*, (2008) and Joseph *et al.*, (2009) studies, a research question is posited in this paper: "*why district councils are not reporting sustainability information on their websites?*" Hence, the purpose of this paper is to extend Pilcher *et al.*, (2008) work by explaining

<sup>2</sup> See also Joseph (2010).

<sup>3</sup> There are three types of councils in Malaysia, namely: city councils, municipal councils and district councils. The latest criteria for determining the type of councils are based on the Secretary General Circular, Ministry of Housing and Local Government No 4/2008, which was issued on 1 July 2008 (Ministry of Housing and Local Government, 2008). Among the criteria includes: revenue, number of inhabitants, infrastructure and type of services.

<sup>4</sup> In Malaysia, at present there is no requirement for councils to report sustainability information on websites. However, there is a requirement for Malaysian councils to submit the annual report to the Ministry of Housing and Local Government in order to obtain funding for their LA 21 program implementation. In relation to website reporting, there is a circular - General 1/ 2006 issued by the Prime Minister's Department of Malaysia which outlined the basic features of public sector agencies websites, but did not include any requirement to report sustainability information (Malaysian Administration Modernization and Planning Unit, 2006).

the Malaysian selected district councils' reasons for not reporting sustainability information on websites.

The remainder of this paper proceeds as follows. Section 2 presents a literature review. In Section 3, the theoretical framework is discussed, followed by the case study research design in Section 4. Section 5 presents results from the interviews. Section 6 explains theoretical implications with concluding comments and Section 7 proposes future research opportunities.

## LITERATURE REVIEW

The purpose of this section is twofold. First, this section reviews the problems of sustainability reporting in the public sector, and, second, it briefly review problems associated with using the websites to report sustainability information.

High cost of sustainability accounting system has been perceived as one of the main barriers to the introduction of sustainability accounting in the public sector (Adams and Frost, 2004; Burritt, Throdeniya, and Saka, 2009; Hawke, 2004). Any innovative technique such as sustainability accounting system requires a substantial amount of expenditure; including the setup and maintenance cost, and may be considered burdensome to small organizations. Another common drawback in the public sector sustainability reporting is lack of resources (Burritt *et al.*, 2009; Herbohn and Griffiths, 2008). In this context, resources include: fund, operating procedure and standard, time, specialized skills, knowledge and experience.

Other problems identified were: lack of commitment and cooperation by the top management; lack of departmental integration; availability of massive data; lack of appreciation on sustainability reporting and the challenge of making sustainability reporting meaningful (Herbohn and Griffiths, 2008). Likewise, the political influences have been regarded as an impediment to the instigation of sustainability reporting in the public sector (Burritt *et al.*, 2009; Herbohn and Griffiths, 2008). With an exception to the political influences, all the reasons identified are classified as internal organizational factors.

There has been a recent surge in interest and research in the field of web-based sustainability reporting in the private sector (see for example, Lodhia, 2005; Rodriguez-Bolivar, 2009) relative to the public sector. Past literature drew attention to several disadvantages of using the website to report sustainability information. Inaccessibility is a crucial problem which is associated with the minimal utilization of websites in the continuous reporting (Adams and Frost, 2006; Lodhia, 2005). Earlier, as cited in Rowbottom and Lymer (2009, p. 177), Unerman and Bennet (2004) stated that, “the inaccessibility to some user groups ... are due to a lack of technology, infrastructure, education and / or logistics necessary to utilize company websites”. As a result, the Internet failed to connect both social and environmental issues with stakeholders engagement (Lodhia, Allam, and Lymer, 2004; Rikhardsson, Andersen, and Bang, 2002). Other problems for not using website to disclose sustainability information included: remote location, IT illiteracy and preference for alternate forms of communication with stakeholders (Lodhia, 2005).

In sum, it appears that the underlying reasons for not reporting sustainability information on websites are still under-researched in public sector organizations.

## **THEORETICAL FRAMEWORK**

Institutional theory has risen in prominence as a popular and powerful explanation for individual and organizational action (Dacin, Goodstein, and Scott, 2002). In this theoretical framework, the central issue is about gaining legitimacy and homogenization towards conformance with social values and norms. The two sources of the legitimacy premise originate from internal organizational factors and external stakeholders' influence (Lodhia, 2008).

This paper used the concept of isomorphism to explain the reasons for non-reporting of sustainability information on the websites due to the nature of the local government and because of “organizational competition for political power, social fitness, and institutional legitimacy” (Carpenter and Feroz, 2001, p. 566). Isomorphism is a process that forces one unit to conform to other units in the population that deal with similar situations.

The three key forms of institutional isomorphism identified by DiMaggio and Powell (1983) are coercive, mimetic and normative.

Coercive isomorphism is the most cited type of institutional force. According to DiMaggio and Powell (1983, p. 149), the pressures can be “exerted by other organizations on which an organization may be dependent, as well as cultural expectations in which the organizations operate”. The second type of institutional pressure is mimetic isomorphism. Mimetic isomorphism suggests the ‘copying’ of best practice of “those organizations perceived to be legitimate and successful” (DiMaggio and Powell, 1983, p. 150). The final isomorphism category is normative isomorphism. This element of pressure is normally developed by professional and occupational groups (Rahaman, Lawrence, and Roper, 2004).

Most studies have highlighted the influences of institutional isomorphism in implementing government activities, such as, General Accepted Accounting Principles–GAAP (Carpenter and Feroz, 2001), corporate governance disclosure (Ryan and Purcell, 2004), and social and environmental reporting (Rahaman *et al.*, 2004). Carpenter and Feroz’s (2001) study was one of those studies that ascertained conditions that ease or impede the adoption of the GAAP. Drawing upon Carpenter and Feroz’s (2001) study, the perspective presented in this paper is that the absence of these three isomorphism pressures may possibly explain reasons for non-reporting of sustainability information on Malaysian district councils’ websites. As stated by DiMaggio and Powell (1983, p.157), the institutional theory has the ability to “understand the irrationality, the frustration of power, and the lack of innovation that are so common place in organizational life”.

## CASE STUDY

A case study approach, using semi-structured interviews, was adapted to “understand complex social phenomena” (Yin, 2003, p. 2). An explanatory case study has been employed as a research strategy to answer the ‘why’ question advanced in this study. The unit of analysis for the current study was Malaysian district councils selected based on the results obtained from an analysis of 139 Malaysian local authority websites.<sup>5</sup>

<sup>5</sup> See Pitcher *et al.* (2008) – the samples selected in this study include the council websites that disclose less than average mean of sustainability information using the content analysis sentence count method.

Purposive sampling was used based on variation of the disclosure of sustainability information on the websites. The samples covered three district councils in Sarawak.<sup>6</sup> These three cases were considered appropriate for a qualitative research because the aim was not to generalize findings. According to Creswell (2007, p. 76), "... there is no set number of cases ... the researcher chooses no more than four or five cases". An official letter was sent to the Chairman and Secretaries of the three district councils to request approval to conduct interviews in these organizations with the personnel involved in the website sustainability reporting by adhering to appropriate ethical requirements.

Interviews were recorded (with the interviewee's permission). An interview protocol was provided to the interviewees. The interviews were designed to be one hour in duration to allow time for discussions and probing into any further issues raised by the subjects. The details of each interviewee's position are presented in Table 1.

**[Take in Table 1]**

Fifty percent (three out of six) of the interviewees held top managerial level positions.<sup>7</sup> The interviewees were chosen by the Chairman or Secretaries of the councils. Thus the number of interviewees varied from one council to another. Table 1 shows that Council DC 2 provided more than one interviewees to participate in this study.<sup>8</sup> The formal interviews were conducted in April 2009 and they were in Malay and translated into English. The information from the interviews was analysed using thematic content analysis and the coding was conducted manually. The following section presents the results of the interviews. The questions were analysed based on the council's response and not based on the interviewees' responses.

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<sup>6</sup> The three councils chosen in the current study are included as part of the sixteen councils interviewed in the main study. The main study also includes other city, municipal and district councils from other states in Malaysia namely: Johore, Selangor and Pulau Pinang. Results from the main study are reported elsewhere.

<sup>7</sup> This confirmed previous literature claiming minimal participation of accountants with regards to the sustainable development activity (Bowerman and Hutchinson, 1998; Qian and Burritt, 2007).

<sup>8</sup> Only one interview session was held with all the four interviewees. The council's Secretary was delighted with the interview session and initially invited all Head of Departments to participate in the interview. Finally, the researcher was given the privilege by the Secretary to select the interviewees based on the relevancy of the interview questions and subject to be discussed.

## RESULTS

All reasons indicated by councils were recorded as potential explanatory factors. This less strict selection criterion avoided the elimination of important factors and makes the data analysis process more manageable. This procedure was modified from Qian and Burritt (2007) and Joseph *et al.* (2009). There were three steps involved in the data analysis process. Firstly, these reasons were initially grouped into internal and external organizational factors (Adams, 2002). Secondly, after the main factors were defined and coded, the interview transcriptions were re-read another two times. Many sub-themes were identified, defined and coded during the process. Thirdly, where possible, these sub-themes were grouped under any of the main themes found in the first stage. The results are summarized in Table 2.

[Take in Table 2]

### INTERNAL ORGANIZATIONAL FACTORS

The internal organizational factors include lack of resources and internal policies that may contribute to the non-reporting of sustainability information on websites.

### LACK OF RESOURCES

In this paper, lack of resources refers to lack of staff, infrastructure and funding. Two out of three councils (67%) indicated that the main reason for not reporting sustainability information on the website was due to lack of staff. In addition, two councils (67%) noted that the unavailability of qualified webmaster also discourage the website reporting. This finding was consistent with Burritt *et al.* (2009) who specified lack of specialized skills as one of the negative drivers of sustainability accounting in the public sector. Meanwhile, lack of funding as indicated by two councils (67%) was associated with the cost of website maintenance (Adams and Frost, 2004). Notably, the problems specified during the interviews generally take place in small organizations, such as, district councils.

It was revealed by one council (33%) that there were slow Internet access and poor Internet infrastructure for district councils in Sarawak. This finding was consistent with Adams and Frost's (2006) study that suggested accessibility problem is the disadvantage of using websites in the private sector. Since most district councils are in the rural areas in Malaysia, limited access to the Internet can be seen as a major stumbling block for sustainability reporting.

## **INTERNAL POLICIES**

The internal policies sub-theme comprises tedious preparation of the sustainability report, greater emphasis on basic development, and more preference for other government's improvement initiatives. The sustainability report preparation was regarded as an additional burden to the council. It was asserted by one council (33%) that not all activity and program implementation needed to be reported to the public.

### ***Council DC 1***

*We [council] always have activity, but we do not have routine reporting, and we seldom put on our website. Sometimes we feel that such report is tedious or may be for our own consumption (Secretary).*

In relation to management initiatives, it was indicated by one council (33%) that the sustainable development program was less important than other organizational initiatives, such as improvement in work processes and benchmarking.

### ***Council DC 1***

*At present we [council] focus on ISO and 5s [work improvement] practices. LA 21 is considered as an ad hoc program ... may be this is a compulsory program for each local authority but we do not prioritize on LA 21 (Secretary).*

This implies that the district councils were not aligned with the government's target to achieve sustainable development as outlined in various strategic national long-term action plans. This is, in part, the district councils are more interested in fulfilling the basic needs of the people, for example, the supply of water and electricity, road maintenance, provision of services and other needs, as revealed by one council (33%) in the following quote.

### ***Council DC 1***

*We [district council] have to put aside all the challenges that can hinder further development. It is not that we don't want to implement, but we have to look at the budget priority and strength, for example, the manpower. This basically delays the development (Secretary).*

The findings advocated that there was lack of support shown by the top management of the district councils to implement the sustainable development program, which, in turn, would have an adverse impact on sustainability reporting.

## **EXTERNAL ORGANIZATIONAL FACTORS**

The external organizational factors refer to the 'uncontrollable' aspects outside the organization that may impede sustainability reporting on websites. This includes bureaucratic procedures and 'other' factors – resistance to change and the type of user groups that are using the information on websites.

## **RED TAPE PROCEDURES**

Being in the government sector, there are bureaucratic procedures that need to be fulfilled by district councils in Sarawak. Factors highlighted by each council (33%) include: the sensitivity of information; the compliance with the guidelines or specifications provided by the vendor (appointed by the state government); the type of language used; the approval from higher authority prior to reporting on the website, and the requirement for

council to report information on the state government controlled website. The following quotes are examples of bureaucratic procedures imposed on district councils.

### ***Council DC 2***

*Actually our development project cannot be reported on the website. We [council] report directly to the state government's website, which is a controlled website (Technician).*

### ***Council DC 3***

*State government has their own website, that is, sarawaknet. All information [for example] the news and project will be put on sarawaknet. We [council] are giving them [sarawaknet] data, they are collecting data. They publish it [the information]. There are certain processes [which need to be complied with] before publishing on the website (Enforcement Assistant).*

The finding is consistent with Hezri (2004) that suggested the bureaucratic procedure as one of the main barriers to the sustainable development agenda in Malaysia. According to Hezri (2004, p. 362):

“Malaysia is yet to fully embrace the principle of freedom of information. Historically, the Official Secret Act (OSA), the Sedition Act and the Internal Security Act (ISA) have restricted information flow. These legal instruments express the principle of secrecy of administrative procedures ... This tradition does not give rise to a general public right to access governmental information, thus limiting the participatory ideal in decision-making inherent in the sustainability agenda.”

Another limitation is no formal directive from higher authority that requires the local authorities in Malaysia to report specifically on sustainability information in any medium of reporting including websites.<sup>9</sup> One council (33%) indicated that there was a specific circular from the

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<sup>9</sup> The star rating system introduced by the Ministry of Housing and Local Government in 2008 include the criterion for the councils to carry out five LA 21 activities. However, there is no requirement for the councils to report the LA 21 activity implementation.

state regarding the website management of district councils, but there was no directive regarding the disclosure of sustainability information on the website.

## OTHERS

Under 'other' factor, one reason for not reporting sustainability information on the website was the usage of website depends on the type of user group, as noted by two councils (67%). In this context, user group means the group of people that use the sustainability information on the websites – the community that has access to the Internet facility and has interest in such information. Meanwhile, the non-user group refers to the group of people that are capable of using the Internet and have access to it, but is not using the sustainability information on the websites, for example, teenagers and school children. The limited accessibility of technology to some section of community is called 'digital divide' (Adams and Frost, 2004).

IT illiteracy also further indicates that there is a digital divide problem in Malaysia. It seems that people in urban areas are more exposed to the Internet technology compared to those in rural areas. In some local authorities' administrative areas in Malaysia, the population is dominated by the IT non-user groups, such as low-income earners and older groups of the population.

Another problem faced by councils in rural areas, reported by them, was that their communities include those without a formal education and resistant to change (33%) in the following quote.

### *Council DC 1*

*The acceptance and response level is too slow and they [local people] always think negatively, but I don't simply blame them (Secretary).*

This finding is consistent with Cheng (1994) who asserted the importance of socio-economic status of the voters in influencing the choice of government's policy implementation. As stated by Cheng (1994,

p. 52), “information needs of voters have been found to be related to their socioeconomic status as measured by education and income level”. Consistent with Cheng (1994), this paper also puts forward the idea that communities are integral to website sustainability reporting choices in Malaysian local authorities. The present writers see that the people in rural areas do not appreciate information posted on council’s websites, which, in turn discourages the sustainability reporting on websites by the councils. In other words, councils are not pressured to include information on their websites. This result is not in agreement with Joseph *et al.* (2009) study that found the main reason for website sustainability reporting by city and municipal councils is to have two-way communication, that is, to receive feedback from the public / community. It seems that the people in the urban cities are more vocal than those in rural areas in expressing their concerns about the sustainability issues that affect their normal lives.

## **THEORETICAL IMPLICATIONS**

This section discusses the theoretical implications of the case study results. It is linked to the institutional isomorphism to explain the reasons for non-disclosure of sustainability information. A lack of support from management towards achieving sustainable development may explain the lack of normative isomorphism. This was evident from interview findings which indicated that more emphasis was given to basic development, as well as, other organization’s improvement techniques under the internal organizational factors. This result differs from findings by Joseph *et al.*, (2009) study that suggested the important role played by the key personnel in charge of the sustainable development program in city and municipal councils in communicating the sustainable development agenda on council’s websites. Further, Joseph *et al.*, (2009) found that the dissemination of sustainability information was also widely publicized in the MURNINet initiative and city councils have expressed their aspiration to become highly responsible organizations.<sup>10</sup> This initiative will simultaneously promote the norms, values and concepts of the sustainable development among the key personnel in charge of the sustainable development program in city

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<sup>10</sup> This refers to the evaluation score under the MURNINet study – indicators developed by Town and Country Planning Department. The council will be awarded the sustainable city status if the council achieved 80% in the overall evaluation. MURNINet measures sustainable development in town and city areas.

and municipal councils, which is an evidence of normative isomorphism (Joseph *et al.*, 2009). On the other hand, it is advocated in this paper that the non-involvement of district councils in the MURNINet program may possibly explain the lack of communication regarding the sustainable development agenda among district councils' leaders in Malaysia.

The lack of monitoring by higher authority towards the implementation of the sustainable development program also affects the non-reporting of sustainability information on the websites. This could possibly explain the lack of coercive pressure by higher authority. As such, more attention was given to other organizational initiatives such as ISO and work improvement process by district councils (internal organizational factors).

It is apparent from interviews that there are several procedures (external organizational factors) related to uploading the information on district councils' website in Sarawak. These procedures indicate the coercive pressures exerted on district councils in relation to uploading general information on the websites, but do not specifically relate to sustainability information. This is possibly explained by the fact that the websites are controlled by a special ICT division under the state government and, are not controlled by district councils. This may give the impression that the IT matters are not important to district councils since they are handled by the vendor and the ICT agency belonging to the state government.

## **CONCLUSIONS**

The present study was designed to examine why Malaysian district councils do not report sustainability information on their websites. Reasons for non-reporting are driven by both internal and external organizational factors and similar to findings of the private sector studies. As a whole, consistent with Burritt *et al.* (2009), it is concluded here that there is an absence of whole of government thinking in linking sustainable development and the use of website technology as a tool for communication especially in district councils.

This study adds to the limited literature on the reasons for non-disclosure of sustainability information in the public sector. The application

of institutional theory also provides meaningful insights into explaining the non-disclosure of sustainability information on district councils' websites in Malaysia. The study has limitations. The three case studies selected for interviews could compromise the external validity of the research. The use of purposeful sampling also creates an opportunity for bias and limiting the story of sustainability reporting in this study.

This study has thrown up several questions in need of further investigation. A potential avenue for future research is to conduct a longitudinal case study in the council to have more insights into the reasons for not using websites to report sustainability information. A longitudinal analysis may encourage research engagement with practitioners and provide opportunity to participate and observe the actual website reporting, having access to internal documentations, and to attend the council's meeting. The current study could be extended by conducting a survey to obtain perceptions regarding the need and usability of sustainability information among the council's stakeholders, for example, the community, the private sector and other government agencies. This would assist in improving the decisions regarding the usefulness of reporting sustainability information on the councils' websites.

There are a few implications from this study. First, the lack of support shown by the top management (internal organizational factor) partly explains the lack of normative isomorphism among councils in the same organization field in advancing the sustainable development agenda in Malaysia. Thus, the top management of district councils should be encouraged to participate in the sustainable development initiative such as MURNINet. This may assist to improve the normative isomorphism among the top management of district councils via regular meeting, discussions, training and seminar related to the sustainable development agenda. Gradually, the awareness of sustainable development among the district councils' leaders will be improved, which, in turn will encourage the website sustainability reporting. Likewise, higher authority both at the federal and state levels may encourage the top management of district councils to refer to website sustainability reporting by city and municipal councils.

Second, the state government plays an important role to encourage the implementation of sustainable development activities by local authorities. The more commitment shown by the state government, the more coercive pressures felt by councils to implement the sustainable development program and simultaneously promote the need for sustainability reporting. Here is an example of how one state in Malaysia applies coercive pressure. Selangor has a special policy on LA 21 which is applicable to all 12 local authorities under its area of jurisdiction (Hezri and Hasan, 2004). Selangor is the pioneering state that implements the sustainable development policy in Malaysia. All 12 local authorities in Selangor are required to submit a report of sustainable development activity on a monthly basis as part of the performance evaluation criteria. Therefore, the Sarawak government may follow the steps undertaken by Selangor to encourage sustainability reporting which could be made via websites. In addition, being one state in Malaysia that aims to achieve the full electronic government status at the end of the Ninth Malaysian Plan (Bernama, 2005), the Sarawak state government has the capacity to implement procedures that can integrate both sustainable development and IT implementation policies.

Third, the perception regarding the less importance of the LA 21 program compared to other organization's practices (internal organizational factor) clearly signify that there is lack of coercive pressure from the higher authority. This type of resistance behaviour towards the government's policy implementation may inhibit the government's aspiration to be more accountable and transparent which could be achieved via public reporting. The higher authorities at federal and state levels could impose penalty for councils that do not implement the sustainable development program. For example, the Ministry of Housing and Local Government may consider applying sanction for councils that do not report the implementation of the sustainable development program. This could be executed by not granting any funding facilities in any project implementation in the councils.

Fourth, the results of this research support the idea that, in line with the website usage, issues of a digital divide between the rural and urban areas could be addressed. One program introduced by the Ministry of Housing and Local Government is called 'Bridging the Digital Divide' that aims to give equal opportunity to poor groups in the city to access IT facilities. The policy maker could also make full use of this opportunity to

educate people in rural areas. The results of this study indicated that those living in rural areas are less concerned about sustainable development compared to the ones in urban areas. Thus, public awareness or educational seminar is a great start to improving the level of awareness among people in rural areas. Simultaneously, this program could be used to educate the sustainable agenda via website technology. In this manner, the cost effectiveness would be achieved by incorporating a few objectives in one program.

Finally, one way to show a total commitment to sustainability to the public is to create and improve awareness relating to the sustainable development concept. This could be done by encouraging the populace to obtain details of a council’s sustainable development information from the websites. For a start, the local authorities may encourage the public to use computer facilities provided in public libraries in rural areas. This may assist in improving IT awareness which, in turn, could be used to support the sustainable development concept.

**Table 1: Working Background of Interviewees**

<b>Council</b>	<b>Respondent</b>	<b>Division</b>	<b>Position</b>
DC 1	R1	Administration	Secretary
DC 2	R2	Administration	Secretary
	R3	Public Health	Head of Division
	R4	Administration	Webmaster
	R5	Valuation	Technician
DC 3	R6	Public Health	Enforcement Assistant

**Table 2: Reasons for Not Disclosing Sustainability Information**

Main theme	Sub-Theme	Reasons for not reporting	Number of councils response
Internal	Lack of resources	lack of staff	2
Internal	Lack of resources	unqualified webmaster	2
Internal	Lack of resources	lack of fund	2
Internal	Lack of resources	lack of internet access / infrastructure	1
Internal	Internal policies	report is tedious	1
Internal	Internal policies	more emphasis on other initiatives e.g. work improvement initiative	1
Internal	Internal policies	more concern with the basic development	1
External	Red tape procedure	sensitivity of the information	1
External	Red tape procedure	complying with vendor's guideline	1
External	Red tape procedure	type of language used	1
External	Red tape procedure	approval from higher authority	1
External	Red tape procedure	reporting via state government controlled website	1
External	Red tape procedure	no directive to report sustainability information on websites	1
External	Others	usage of website depends on user group	2
External	Others	resistance to change	1

**Note**

- \* The author is currently a Senior Lecturer, Faculty of Accountancy, UiTM Sarawak.
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