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## Social Audits as Media Watchdogging

## Walter B. Jaehnig and Uche Onyebadi

School of Journalism Southern Illinois University Carbondale

The Hutchins Commission's notion of media responsibility is being re-invigorated by the Corporate Social Responsibility/sustainability movement among U.S. and European corporations, though media companies tend to lag behind in adopting these programs. One exception is Britain's Guardian News & Media, which has adopted a social auditing system to examine how its operations meet its core ethical values. This study applies a concept of collective responsibility in evaluating the social audit for its ethical value. Considering truth-telling, media diversity, social betterment, and stewardship as fundamental dimensions of responsibility, the study finds the social audit a credible approach to overcoming the persistent criticism of responsibility; that is, that the concept is too vague and poorly elaborated.

C. P. Scott (1946), legendary editor of the *Manchester Guardian*, observed during the newspaper's centenary that:

A newspaper has two sides to it. It is a business, like any other, and has to pay in the material sense in order to live. But it is much more than business; it is an institution; it reflects and it influences the life of a whole community.... It has, therefore, a moral as well as a material existence, and its character and influence are in the main determined by the balance of these two forces. (p. 161)

This journalistic conflict between profit-seeking and public service is familiar. If anything, the conflict has become more pronounced in the media industries during the digital transition and economic meltdown of recent years.

Correspondence should be sent to Uche Onyebadi, Assistant Professor, School of Journalism, Southern Illinois University Carbondale, 1100 Lincoln Drive, Carbondale, IL 62901. E-mail: onyebadi@siu.edu

Crucial for this paper's focus is Scott's description of a newspaper's moral existence. To Scott, a newspaper was an institution with a moral purpose, above and beyond its material existence. Scott, the *Guardian's* editor for more than 57 years, thought that just as an individual could develop character and live with honor, so could a newspaper, and good character "implies honesty, cleanness, courage, fairness, a sense of duty to the reader and the community" (p. 161). Among the definitions of "clean" provided by The Shorter Oxford English Dictionary is "free from spiritual or moral pollution . . . free from impropriety . . . "The *Guardian* substitutes "integrity" for "cleanness" in discussing Scott's legacy.

Scott's uncle had founded the Guardian, and C. P. Scott was invited by his cousin to join its staff while still an Oxford undergraduate. Under Scott's leadership, the Guardian became a liberal voice for social reform in England's industrial North and acquired an international reputation for quality journalism. In 1907 Scott bought the property and established a plan of succession to keep the paper in his family. However, in 1932, only months after his death, his son died in a sailing accident. Ownership of the newspaper was transferred to The Scott Trust, which to this day is the owner, delegating its publishing authority to the Guardian Media Group (GMG) and its subsidiary, Guardian News & Media (GNM), which produces *The Guardian*, its Sunday sister *The Observer*, and the Guardian.co.uk Web site. The Scott Trust is directed by a board which is headed by Dame Liz Forgan, former managing director of BBC National Radio. Other board members include the Guardian's economics editor; the master of Balliol College, Oxford; the former Observer editor-in-chief; a law faculty member from Kings College London; the Guardian Media Group's chief executive; a lawyer from a major London law firm; a representative of the Rothschild investment bank; a director of a major insurance firm; and Alan Rusbridger, editor-in-chief of Guardian News & Media.

Eighty years after Scott relinquished the *Guardian's* editorship, his conception of the newspaper as a moral actor with a strong sense of responsibility still applies: "The Trust was created in 1936 to safeguard the journalistic freedom and liberal values of the Guardian. Its core purpose is to preserve the financial and editorial independence of the Guardian in perpetuity, while its subsidiary aims are to champion its principles and to promote freedom of the press in the UK and abroad" (*The Scott Trust Web site*, http://www.gmgplc.co.uk/ScottTrust/tabid/127/Default.aspx, March 8, 2010). But how does Scott's moral vocabulary translate to the new media of the 21st century? What does it mean on a practical level for a news organization to be honest, have a sense of integrity and courage, to be fair?

These questions are not new, and have been discussed at least since the publication of the Hutchins Commission report in 1947 (Hutchins, 1947). However, what is unique is how the *Guardian* since 2003 has tried to answer these questions, that is, by developing a sustainability strategy that examines its

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editorial, commercial, production, human resources, and community investment practices to see if the organization is living up to Scott's values. At the core of this strategy is a "social audit," a comprehensive goal-setting and performance evaluation process carried out annually in all departments of the newspaper. (Though based on a similar notion, the *Guardian's* social audit is far more comprehensive than the "ethical audit" proposed by Meyer, 1987.) The social audit is published and circulated to GNM stakeholders and posted on the popular *Guardian* and *Observer* Web sites.

This article evaluates the social audit concept and addresses this broad question: To what extent does the social audit advance the concept of social responsibility? How applicable is the *Guardian's* example to U.S. media corporations? Implied in the social audit concept is the idea that accountability begins with self-examination. How effective is social auditing as a form of media watchdogging?

#### CORPORATE SOCIAL RESPONSIBILITY

The Guardian News & Media's sustainability effort must be seen in the larger context of European media policy. Generally, European governments have taken active roles in establishing regulatory frameworks within which media organizations operate. European nations are more likely to have press councils/complaints commissions, explicit standards for the presentation of advertising messages, and specified limits in news coverage of national security, financial, and privacy issues when compared with market-oriented American media.

But European media policies have been under pressure in recent years. Global commercial media have threatened the viability of the public service broadcasters. The issue is not purely economic, though, as European media policy makers have wrestled with how to ensure that media organizations operate in the public's interest without reverting to the state control that marked some nations in the 1930s and 1940s. The disclosure of corruption practices in European companies has led to a greater concern with ethical standards generally (Clark, 2008). In this context, the European interest in corporate social responsibility measures and sustainability issues might be better understood.

Corporate social responsibility has many definitions. Hamilton (2003, p. 9) provided perhaps the most concise and serviceable: "... it generally refers to business decision-making linked to ethical values, compliance with legal requirements, and respect for people, communities and the environment." Sustainability also has many definitions; the *Guardian* employs this widely accepted one: "Economic development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs" (Epstein, 2008, p. 20).

At its core, corporate social responsibility suggests a distinction between corporate shareholders and stakeholders. Shareholders benefit from the firm's

profit making, but stakeholders are affected by all corporate activities. Epstein (2008) argued that ultimately, the "long-term value of a company is influenced by the knowledge and commitment of its employees, and its relationships with investors, customers and other stakeholders" (p. 43). Further, Epstein with some support, argued that more socially and environmentally responsible companies had higher stock prices and acquired capital less expensively (p. 43; Goldman Sachs Global Investment Research, 2006). While many European corporations have embraced the corporate social responsibility/sustainability movement, media corporations have lagged behind in addressing sustainability issues (see, e.g., Lifeworth Annual Review of Corporate Responsibility, 2004, at http://life worth.com/2007review/default.htm). Toby Webb, founder and managing director of London's Ethical Corporation, a sustainability consulting company, refers to this as an "accountability deficit" held by media companies and asked, "So why is the media sector so poor at reporting non financial performance? First, there's a lack of pressure on them to report. Who holds these 'watchdogs' accountable?" (Webb, 2009).

Nonetheless, 15 British media corporations (including Guardian News & Media) several years ago launched the Corporate Social Responsibility Media Forum to fill this void. Giants of the British media industry hold Forum membership, including the BBC, Pearson, IPC, Reed Elsevier, ITV, EMI, Virgin Media, Trinity Mirror plc, WPP, and Rupert Murdoch's BSkyB satellite television company. Together and individually, these 15 have carried out a variety of sustainability initiatives.

According to Webb, the *Guardian* "performs a trail-blazing role in sustainability reporting" (2009). Its social audit aims to "show our many other stakeholders how we bring our values to life and embed them throughout the company" (Confino, 2009). The *Guardian's* sustainability vision is available at http://www.guardian.co.uk/sustainability/gnm-vision-manifesto

These values are translated into practices and evaluated by the extent to which GNM reached these goals. In the interest of transparency, the *Guardian* hires external auditors to examine the social audit for its inclusivity (extent to which GNM engages with stakeholders and involves them in its exclusivity approach), materiality (identifying the most important issues to GNM's stakeholders), and responsiveness (whether GNM is taking action and communicating these actions in a transparent manner). The 2009 auditors, Two Tomorrows, a British sustainability consulting company, concluded: "It is clear to us that GNM and its staff are largely committed to the vision and the idea that it is 'the right thing to do'" (Living Our Values, 2009, p. 46).

#### THE SOCIAL RESPONSIBILITY DEBATE

In a 1947 report, the Commission on Freedom of the Press that formalized the

debate over media responsibility. The Commission asserted that freedom of the press was in danger because press operators were not serving society's needs, and because the press was engaging in practices that society condemned. The Commission used a positive interpretation of freedom (freedom for a purpose) in supporting this claim that while the press must be free from the "menace of external compulsions from whatever source," it also must be free for the "development of its own conceptions of service and achievement." The press must also be accountable; its legal rights are contingent upon performing its moral duties (pp. 18–19).

The Commission opposed direct government intervention except as a last resort and promoted instead a set of self-regulatory measures for media operators. This was small consolation for media owners. The *Chicago Tribune* famously headlined its story on the report: "'A Free Press' (Hitler Style) Sought for U.S." and labeled Commission members (11 distinguished academics, a poet, and a banker) as "a determined group of totalitarian thinkers" (Blanchard, 1977). Most newspapers buried the story deep in the paper and generally opposed the idea of media regulation, even though self-regulation, not government regulation, was the Commission's central proposal.

The responsibility idea gained support, though, in the academic community, and especially in the Cold War-era *Four Theories of the Press* by Siebert, Peterson, and Schramm (1956), which became a standard text in journalism courses. In *Four Theories* the notion of social responsibility was granted the status of a theory and placed in opposition to evils of the "Soviet Communist" or party-dominated press of Soviet states. Its authors tried to legitimize responsibility "theory" by claiming its ubiquity (p. 5). Over time, the responsibility terminology found its way into media codes and journalism course syllabi around the world. Christians and Nordenstreng (2004) noted that the "impact of the Hutchins Commission in the United States has been limited . . . but SR thinking has resonated well around the world. Essentially, the same theory of the press has won wide global recognition over the last 50 years, with or without direct reference to the Commission" (p. 4).

However, as Christians and Nordenstreng acknowledged, social responsibility as an ethical theory has had little traction over the years. It lacks a clear definition and leaves too many questions unanswered. Isaacs (1986, p. 222), Merrill (1974), and Altschull (1984, pp. 285–286) are only three among many who have pointed out limitations of the responsibility idea. Perhaps because of its definitional uncertainties, social responsibility is not given extensive treatment in most journalism ethics books. One text, *Media Ethics: Issues and Cases* (Patterson & Wilkins, 2008), addresses it this way: "(A) fundamental problem hobbles social responsibility theory: it gives little attention to modern media economics . . . This central omission means that the *social responsibility theory, like libertarianism, does not deal with the realities of concentrated economic* 

power ... Today some of the most troubling problems in media ethics stem from journalism's dual responsibilities to citizens and stockholders ..." (p. 217, emphasis in text).

#### REDEFINING SOCIAL RESPONSIBILITY

Corporate social responsibility has been characterized as merely a marketing ploy, an elaborate public relations sham. However, it might also be seen as a "do-over"—an effort aimed at defining and implementing responsibility, of finding a midway point between what Croteau and Hoynes (2001, p. 38) describe as the "market" (responsibility to owners/shareholders) and "public sphere" (responsibility to the public and government) models of media operation.

There is little question that media organizations still face the conflict described by C. P. Scott in 1921 between making a profit and performing a public service; if anything, the problem is far more severe than in Scott's time. Picard (2005) described this conflict as a paradox and argues that it arises because "commercially funded ... cannot fully pursue their economic self-interests without harming optimal public service" (p. 338).

Corporate social responsibility is offered by its proponents as the best way of addressing this paradox. Epstein (2008) provided a list of more than 100 global companies that have executed sustainability strategies. Many are familiar names in the United States, however, no media corporations appeared on the list. Recalling Webb's suggestion that media companies lagged behind in developing social responsibility plans, we examined the annual reports and Web sites of major, publicly held U.S. media corporations as of March 2010, seeking evidence of sustainability reporting.

# U.S. MEDIA CORPORATE SOCIAL RESPONSIBILITY EFFORTS

## The McClatchy Company

There is no evidence of conceptualized and outlined corporate social responsibility plan.

## Gannett Company Inc.

Gannett has an Environmental Policy Statement on its Web site. It states: "It is Gannett's policy to operate its business as a corporate citizen committed to sound environmental management and with concern for the well-being of our common environment." The report did not address other sustainability issues.

#### News Corp.

News Corp. has Energy and Climate Policy commitments, targets, and goals. It states as follows on its Web site:

We're not an industrial company or an airline, but we do use energy in our activities: publish newspapers, produce films and television programs, operate 24-hour newsrooms and others ... We intend to reduce our use of energy and find energy from renewable sources enough to decrease our carbon footprint in 2012 by 10% compared with 2006. We plan to become carbon neutral by 2010 by offsetting emissions we can't avoid.

#### Time Warner

Time Warner's report has a section entirely devoted to corporate responsibility. President and Chief Executive Officer Jeffrey L. Bewkes said on the company's Web site: "This Corporate Social Responsibility Report will provide you with an overview of our company's role as a corporate citizen. You'll see the many ways in which our business and citizenship goals are aligned."

The report dealt explicitly and extensively with corporate citizenship, energy conservation, recycling, employee satisfaction, donations, ethical sourcing of materials, and spelled out what the company intends to do in the 2008–2009 cycle. Overall, the company appeared to have a structured system of reporting on corporate social responsibility issues, but these measures appear to be in their infancy, with a promise to strengthen them in future.

#### **CBS**

CBS publishes a Social Responsibility Report annually. In the introduction to the 2008 report on its Web site, CBS President and CEO Leslie Moonves says:

The Company's social responsibility report is a snapshot of how CBS businesses across the company honored the Corporation's commitment and impacted the communities we serve; this commitment is at the core of what it means to be a public trust. Issuing this annual report is our way of providing a sampling of the good work CBS has done throughout the country on both a national and local level, while at the same time reminding us of the responsibility that comes with being a global mass media company.

This report is a compilation of the "snapshots" of projects undertaken by CBS in various communities, such as company-sponsored public service announcements on various public health issues.

Several points might be made about this small survey. First, only Time Warner produces an annual sustainability report comparable to those of the *Guardian*. McClatchy is silent in this area, and Gannett and News Corp. are mainly concerned with environmental impacts. CBS mainly recounts the "good works" its employees perform in their communities, with no evidence of target-setting or evaluation to see if specific targets were achieved. Second, none of these reports appeared to be independently audited. CBS and Time Warner at least provided measures of their performance, but these are the results of self-examination, not external scrutiny. Third, the vocabulary used in these reports is not ethics-based; it does not use terms such as duty, transparency, accountability, or stakeholder. Finally, there is little evidence that the act of accumulating data and producing these reports leads to behavioral changes that make the corporations better citizens.

We acknowledge that despite the financial crunch faced by media organizations worldwide, it is remarkable that these companies have not suspended their corporate social responsibility endeavors. Nonetheless, their primary concerns with the environment and contributions to the community do little to address Webb's "accountability deficit" in the ethical content and style of their news reporting.

#### ETHICS AND COLLECTIVE RESPONSIBILITY

An ethical evaluation of Guardian News & Media's social auditing enters contested terrain: that of *collective responsibility*, or the consideration not of an individual's actions but rather of an *organization*'s ethical practices. It is true that most classical ethical theories are based on the notion of the autonomous moral actor, and many ethicists argue that a group or organization is merely an aggregate of individuals who face their personal ethical choices. It follows that most ethics discussions focus on what the individual actor "ought" to do. However, a case can also be made for what we have chosen to do here: evaluate the ethical practices of the *Guardian* organization as an exercise in collective responsibility and accountability.<sup>1</sup>

We are not alone in taking this position. Reinhold Niebuhr (1957) suggested that an individual's ethics would not be enough to solve the problems of the press. May (1989, p. 180) argued that moral theorists needed to examine more closely the actions and interests of social groups: "And this means that the understanding of concepts such as 'responsibility' 'rights,' and 'justice' should be adjusted to fit cases which do not involve merely isolated individual actors and actions." May pointed out that our preoccupation with the individual as the moral actor is relatively recent; the ancient Greeks applied the concept of justice as a matter of proportionality in terms of where the individual stood in the social

milieu. In the Middle Ages, "the concept of responsibility was group-oriented as well" (p. 181), especially among German feudal societies. In contemporary society, May wrote, "Few, if any, individuals are self-sufficient, and no person fails to be a member of at least one social group. No one is unaffected by the actions of corporations, majority parties, and professional associations." It follows, therefore, that "responsibility can be applied to the assessment of relationships and roles within both formally organized and unorganized groups of individual persons" (p. 181).

May was not the first to make this argument. French sociologist Emile Durkheim based his inquiries on the crumbling of traditional society and emergence of the modern industrial economy. Economic progress came at a price: the amorality that resulted when old institutions were destroyed ("anomie") and their replacements were slow to develop. The economic free-for-all of Durkheim's 19th century constituted nothing less than a "public danger" or "crisis" because individuals had few moral rules to guide them: "To the extent the individual is left to his own devices and freed from all social constraint, he is unfettered too by all moral constraint" (Durkheim, 1992, p. 7). Morality, he argued, was socially defined. Further, Durkheim stated that individuals *needed* strong social organizations to give their lives direction, arguing that "there must be some organization that relates the social interests to the individual, that obliges him or her to respect them; and this organization can be nothing other than a moral discipline" (Durkheim, 1992, p. 45).

Pessimistic that the state or established church could provide this direction, Durkheim turned to corporative groups, such as professional associations, for ethical guidance. "Why should there not be obligations of the employee towards the employer and vice versa; or of business men towards the other, so as to lessen or regulate the competition they set up and to prevent it from turning into a conflict sometimes—as today—almost as cruel as actual warfare?" (Durkheim, 1992, p. 30). Durkheim thought strong corporative and professional associations could build organic solidarity, contributing to stability and cohesiveness not only among the members of the organizations but also across the society itself. Ethics in this context is the product of the group: "Each branch of professional ethics being the project of the professional group, its nature will be that of the group. In general, all things being equal, the greater the strength of the group structure, the more numerous are the moral rules appropriate to it ..." (Durkheim, 1992, pp. 8–9).

C. P. Scott, the *Guardian's* long-time editor, was Durkheim's contemporary. Scott's centenary editorial included a passage that meshed nicely with Durkheim's views. Success and acceptance, he wrote, can be achieved only if a newspaper has a "spirit of co-operation right through the working staff which only a common ideal can inspire" (p. 163). All parts of the newspaper must recognize that common ideal and work together in reaching for it. "(The staff)

need not, of course, agree on every point, but they should share in the general purpose and inheritance."

#### AN ETHICAL EVALUATION

What *ought* a media organization do? In seeking an answer, we considered Scott's essay as the starting point in its sustainability program (see p. 2). Then we re-examined the Hutchins standards of responsible journalism. Finally, persuaded that after 60 years the Hutchins standard needed updating, we considered Christians and Nordenstreng's (2004) promotion of three universal principles as ethical standards: respect for human dignity, truth-telling, and nonviolence, or no harm to the innocent (Christians & Nordenstreng, 2004, p. 13).

We found commonalities. First, all three emphasized the importance of *honesty*, or *truth-telling*. Second, all three recognized the multicultural, multiracial, and complex nature of global societies and the need to provide content that reflects this nature. We refer to this as *media diversity*. Third, though approached in different ways, all three wrote about *societal betterment*, or the idea that media work can work for a better society. To Scott, this was "duty to the reader and community." Hutchins wrote of the need to present and clarify societal goals. Christians and Nordenstreng (2004) described the "ultimate test" of a socially responsible press as: "Does it sustain life, enhance it long run, contribute to human well-being as a whole?" (p. 25). Finally, and related to *societal betterment*, we sensed in Scott's mention of integrity and the accountability discussion in Hutchins the recognition that being ethical can be expensive in the sense that responsibility might mean some sacrifice of one's own interests. We refer to this as *stewardship* (we acknowledge a debt to Lambeth, 1992, in our use of this word).

Using these conceptions of what an ethical media organization "ought" to do—truth-telling, media diversity, societal betterment, and stewardship—we then examined the Guardian's social audits.

#### THE ETHICS OF THE SOCIAL AUDIT

#### Truth Telling

The *Guardian* sometimes sets performance targets and reports how well it has reached these goals: a consequentialist or outcomes-based approach. However, in the news area, the social audits identify instead principles that underlie the *Guardian's* approach: "to be editorially independent, without party affiliation, remaining faithful to the liberal tradition . . . (and) a commitment to exposing injustice around the world" (Living Our Values, 2009, p. 12).

This statement of the newspaper's perspective is consistent with the European tradition of news organizations, especially print, adopting explicit ideological stances—and not pretending to be "objective" or free from bias. However, the *Guardian* is not politically partisan, as it supports no political party consistently. In fact, the *Guardian* opposed the Iraq War, and its Sunday sister (the *Observer*) supported it (2008, p. 14).

The audits consider ways in which the editorial staff attempted to act upon these principles. For example, in this era of 24/7 news production, *Guardian* editors are faced with choices between speed and accuracy: "accuracy wins every time. But another rule for breaking news has been useful: be completely transparent. That means not disguising sources: if the claims come via a wire service, say that; if they can't be immediately verified, say that" (2009, p. 28). (These principles are discussed in more detail in the Guardian's Editorial Code, available at http://www.guardian.co.uk/sustainability/guardian-editorial-code.)

In 2003 the *Guardian* published a series of articles on high levels of compensation being paid to corporate executives; to be transparent, it also published the salaries and other compensation paid to the *Guardian* editor and the GMG managing director (Living Our Values, 2003). In 2007 it published GNM revenue and profit figures and those of its three main competitors, the *Times*, *Telegraph*, and *Independent*—information that is not often disclosed by U.S. media organizations (p. 30). In a series on massive corporate tax avoidance, the *Guardian* also investigated and reported on its own parent company's tax arrangements (2009, p. 14).

Both GNM newspapers employ independent reader's editors who can be removed only by a vote of the Scott Trust. The *Guardian's* reader's editor oversees the daily *Corrections and Clarifications* column, writes a weekly *Open Door* column about editorial operations, and deals with more than 22,500 reader communications the paper receives each year (2009, p. 17).

GNM carries out an annual independent reader survey, and the results consistently show that readers find the *Guardian* a credible news source. The most recent survey shows "the vast majority of our customers believe our news coverage is trustworthy, that we offer a broad range of perspectives and that we bring hidden information into the public domain" (2009, p. 16). By numbers, 87% found the *Guardian's* social justice/human rights coverage to be good/excellent, and 82% thought the same about climate change reporting. About 73% thought that reading about energy saving in the *Guardian* had changed their own behavior, and 70% said they were recycling materials more after reading the *Guardian*.

Overall, it appeared that the *Guardian* attempted to be honest in describing its perspective in reporting the news and transparent in explaining the reporting process. Readers, in turn, expressed high levels of trust in the *Guardian's* brand of journalism.

## Media Diversity

In the first social audit (Living Our Values, 2003), GNM published a quotation from Alan Rusbridger, *Guardian* editor:

On appointment, the editor of the *Guardian* receives one instruction only: to carry on 'in the spirit as heretofore.' In recent times, this has involved giving a voice to republicans—whether Irish or British—to dissidents, to public servants and to prisoners, among others. After the events of September 11, 2001, it opened its pages to Muslims, rabbis, Afghans, poets, warmongers and peaceniks... It allowed a debate—stifled elsewhere for too long—on our drug laws. It has championed unpopular causes and challenged the popular consensus. (p. 13)

The *Guardian* takes several measures to ensure media diversity, with mixed success. Important here is its *Comment is Free* blog site that publishes more than 1,000 columns monthly from a broad range of writers (2009, p. 8). Page traffic rose to 9.3 million daily users in 2009 as part of the *Guardian's* effort to open its pages to readers and citizen journalists (the "mutualization of news"), in which journalists and readers are seen as equal partners.

The *Guardian's* technology pod had 682,000 followers in June 2009. An example of the benefit of this resource is that *The Guardian* news staff sought help in reporting the Members of Parliament expense scandal, and more than 21,000 readers submitted facts material (2009, p. 9).

Because of the growing popularity of the *Guardian's* Web site in North America, it launched *Guardian America* in 2008, employing 15 full-time journalists and six freelancers to provide news for users across the Atlantic. The *Guardian's* Web site in 2008 was visited by 23.1 million unique users a month, more than a third of whom were in the United States. According to the 2008 social audit: "We first witnessed this during the Iraq war when millions of people, particularly in America, flocked to our Web site because they perceived that their domestic media were doing little more than reflect the official U.S. government line. They never left ..." (p. 10).

The *Guardian* encourages diversity by providing the National Union of Journalists, the powerful editorial union in the United Kingdom, with space in the social audit to give its leaders a platform for expressing concerns about management policies. They are usually concerned about salary, promotion and job security issues.

Where the *Guardian* has not been successful is in attracting minority readership. In 2008, the *Guardian* ranked third at 11% (behind the *Financial Times*, 21%, and *Independent*, 16%) in ethnic minority readers of the newspaper (p. 27). In the 2009 social audit, it was acknowledged that GNM "has undergone a fundamental reappraisal of its equality and diversity (E&D) strategy because despite making strenuous efforts, we have failed to make the process we were

hoping" (p. 30). The social audit acknowledges that "one of the problems is that we have not been radical enough, and past hiring decisions have not been taken with a pair of diversity spectacles on" (p. 30).

Readership studies indicated that most readers (87%) said the *Guardian* adequately reflected society in terms of gender, and 73% thought this in terms of ethnicity. However, the *Guardian* did focus groups with members of ethnic minorities, and "the prevailing view was that we are not serving our minority readers well. A review of images and content by the *Guardian* editorial team during March and April 2009 confirmed this view" (p. 31).

#### Societal Betterment

The social audits demonstrate the *Guardian's* growing environmental concerns. In 2003, the audit was mainly concerned with issues such as renewable energy, energy efficiency, water conservation, and waste disposal. Over the years, the audits became more specifically concerned with the paper's environmental impacts, and its ambitions grew. While the audits were once concerned with limiting emissions, the *Guardian* aspired to be carbon-neutral in its operations, then carbon-positive. The most recent audits describe the *Guardian's* aspiration to be "environmentally regenerative" and positive in carbon emissions, ultimately positively affecting climate change (2009, p. 33). If the editorial department is putting politicians and business leaders under pressure on climate change issues, GNM must put its own house in order, and the social audit admits that "it is no easy task." (p. 33).

The environmental effort has involved examination of the entire production chain, from the purchase of recycled newsprint (and the environmental practices of paper and ink suppliers), the printing process, distribution of the newspaper, and disposal of waste, both from the production process but also from the GNM offices and newspapers discarded by customers. In 2009 the company moved into a new ecofriendly building that has only three parking spaces but 190 covered bicycle and motorcycle slots. *Guardian* reporters no longer use taxis and are expected to ride on public transportation.

The *Guardian's* societal betterment policies extend into nonenvironmental areas as well, such as its Open Platform program, which opens its entire database to outside applications (2009). The company examined its entire corporategiving program, looking for ways to achieve greater impact. GNM donated more than \$1.09 million in 2009 (figures have been converted from pound-sterling to US\$, March 2010 exchange rate), but perhaps more significantly, 34% of employees participated in its payroll contributions program, and more than 10% of employees volunteered in 16 community development projects and donated 630 days (some during working hours) on these projects (2009).

Finally, the *Guardian* has led a \$4.5 million project in Katine, Uganda, in collaboration with Barclays Bank and AMREF, an African development charity.

The project focuses on the delivery of health, water, education, financial, work, and governance assistance in a rural community, with extensive evaluation of the impact of this intervention and regular coverage on the *Guardian's* Web site. The Eisenhower Foundation of Washington designated the project as "one of the most promising new variations on the public journalism theme" and is exploring whether it could be replicated in U.S. inner cities (2008, p. 15). (More detail about the Katine project is available at http://www.guardian.co.uk/katine/2008/sep/23/background.news.)

## Stewardship

It might be argued that the Guardian has an advantage in pursuing an ethical agenda, given its ownership by the Scott Trust. To a degree, this is so. GNM's management acknowledged this in the 2003 social audit. However, this does not mean that the Guardian is insulated from the vagaries of the market. A recent social audit (2009) reported that the newspaper lost \$52.7 million in the period ending March 2009. Sales had declined 3.5%—less than the market average but still significant. Online advertising revenue had stopped growing. GNM reduced costs by \$30.1 million through staff cuts, production modifications, and by dropping some contracts with contributors and columnists. More recently, the GMG sold its regional newspaper group, including the *Manchester* Evening News, severing the Guardian's link with Manchester after 142 years (see Guardian.co.uk, February 12, 2010). In addition, 40 GMG editorial staff accepted voluntary redundancy, and a wage freeze was applied until at least April 2010, prompting Carolyn McCall, GMG's chief executive, to declare that "the Guardian's cost base is too high for the future revenue of any newspaper" (Guardian.co.uk, February 12, 2010).

Given these losses, it would be surprising if economic uncertainty did not impact employee morale, or the "unity" of purpose described by Scott. It has. Past social audits have reported that the company was slow to provide job appraisals, opportunities for promotion, and transparency in setting salaries. The most recent employee survey showed that while 86% recognized the need for restructuring and cost-cutting, there was a "lack of confidence expressed that the restructures and cost-cutting will be fairly handled" (Confino, 2010). Nonetheless, 86% of 1,211 staff members in the survey reported that they were proud to work for GNM, and 93% said they choose to put in work above and beyond their hour and job requirements, though editorial employees were the most doubtful as to whether the paper was living up to the values of the Scott Trust (Confino, 2010).

The larger point is that the *Guardian's* tradition of stewardship through transparency and self-criticism has created a strong sense of solidarity within the staff. One reason for this is the *Guardian's* openness to employee participation

and suggestion. Jo Confino, executive editor and GNM sustainability manager, said that the company's sustainability commitment is not forced on employees; they are informed of it and are free to choose how it influences their job performance (Confino, Jo, personal interview with author, September 4, 2008). Any member of the *Guardian* staff may attend the morning conference where the previous day's edition is critiqued and the next day's paper is planned.

Perhaps the best example of the *Guardian's* shared commitment lies in its advertising operations. During economic crisis, advertising revenue acquires even greater importance. However, in June 2009 the *Guardian* arranged an internal staff debate on sustainability day to debate its advertising policies. One of the speakers was environmental columnist George Monbiot, who described advertising "as a pox on the planet. It is one of the forces driving us toward destruction, as it creates needs that did not exist before and promotes consumption way beyond sustainable levels" (2009, p. 25). Monbiot called for a rejection of ads for autos with high emissions and air flight advertising. The *Guardian's* external auditor, Richard Evans, commented on this running debate, saying, "Publishing his critique of the *Guardian's* advertising gives real credibility to the paper's claims to be both liberal and self-critical and to its commitment to a 'radical reframing of every issue'" (p. 25).

Finally, good stewardship means being willing to admit when you are wrong and acknowledging your errors. In 2003, the Guardian published a cover on its "G2" tabloid entertainment section, commissioned by a prominent artist, that featured a white background and only the printed words "Fuck Cilla Black." According to the audit (2003, p. 13), this "provoked an unprecedented and overwhelmingly condemnatory response from readers." Within a week, more than 1,000 negative e-mails, letters, and telephone calls came to the Guardian (though in fact, more than 2,700 readers registered for a drawing awarding a signed copy of the cover). The Guardian devoted three pages of coverage to the controversy, including a column by the section editor apologizing for any offense caused. The newspaper ran a full page of letters from readers, and the Guardian editor sent a two-page letter to readers that concluded, "You were upset by Gillian Wearing's G2 piece and I apologize for that. But in general, I am pleased that the paper has, over many years, encouraged artists and writers to work with us, even if, on occasion, the result can, in the judgment of many, disappoint and offend" (2003, p. 12).

#### CONCLUSION

The social audit practice initiated by Guardian News & Media seven years ago attempts to resuscitate the social responsibility concept, with its emphasis upon self-regulation. In some ways, the new sustainability programs have the

same issue that the old Hutchins proposals did; they can be window-dressing or genuine attempts to develop a public service *ethos* in media organizations, depending upon the depth of the commitment to self-regulation.

However, when viewed from the perspective of the four principles adopted for this paper, truth-telling, media diversity, societal betterment, and stewardship, we conclude that the Guardian has made a significant commitment to serving the global community. The Guardian conceded it has had problems with diversity issues and maintaining consensus within its staff in attaining its goals. However, it is difficult not to be impressed by the comprehensiveness of the Guardian's sustainability effort and the degree of transparency with which it has been communicated to stakeholders. So far as we can determine, this is the only media company in the world that uses an external auditor to verify the honesty and completeness of its sustainability reporting.

As an expression of collective responsibility, social auditing definitely has applications for the new media environment and U.S. media organizations. The examples from the United States that we looked at paled in comparison with the *Guardian* effort. U.S. media organizations might respond that in the current economic climate they are more concerned with survival than sustainability. The *Guardian* faces these issues as well, in a highly competitive market; it has not backed off from its sustainability efforts. It could also be argued that the *Guardian's* unique ownership arrangement gives it a privileged position with regard to the market. This might be true, but perhaps the lesson here is that the old commercial, market-oriented journalism model has outlived its usefulness in providing democratic societies with the quality of news and information that they need and deserve.

In today's highly competitive media environment, readers have many choices; they no longer need to reply upon their local newspaper or telecast for the information and entertainment they want and need. The social audit is based upon the premise that media users will respond to media that establish a human face and that develop a relationship with their audience that is based upon transparency and trust, rather than profit-making and one-way communications. To the extent that traditional forms of media, using the old commercial model, struggle to maintain their customer base and lose their revenue base, new media gain the upper hand by establishing interactive relationship with media users. In this sense, the social audit provides Guardian News & Media with a blueprint for transforming a traditional organization into a form of news media with strong audience relations.

The Guardian's example suggests a need for an ethical reorientation of U.S. media organizations from the market-based approach to one that is anchored on our four principles of truth-telling, media diversity, societal betterment, and stewardship. These principles underscore a brand of journalism that not only addresses what society can and ought to be but also recommends that

journalists and media organizations: (a) recognize that ethics must be seen in a holistic manner, and that a media organization cannot be ethical only in its news coverage but must also consider the entire range of personnel, production and commercial practices; (b) commit themselves to reporting their performance not only in the financial arena (stockholders), but also their relationships with many stakeholders (social performance); (c) develop credible and transparent systems of self-assessment to determine how newsgathering, editorial and newsroom etiquette conform with ethical standards, and that management practices enhance and preserve the quality of life in the agency's environment and larger society; (d) envision their audiences as partners in improving the human condition, protecting human rights and holding governments accountable to citizens, in contrast to seeing audiences as veritable fields for commercial exploitation; and (e) be open to independent and external auditing of their performance to ensure close adherence to corporate social responsibility and sustainability goals.

Finally, in responding to the Hutchins report 60 years ago, U.S. media organizations demonstrated their resistance to any sort of external monitoring or "watch-dogging." The government must not meddle in journalistic affairs, and the public should simply be satisfied with the quality of service provided. Perhaps the *Guardian* example illustrates the lost lesson of the Hutchins episode: that the best media "watch-dogging" begins with credible, verifiable, and rigorous self-examination.

#### NOTES

- 1. The entry in *The Encyclopedia of Ethics* (L. C. Becker & C. B. Becker, eds., Routledge, NY, 2001, 2nd ed.) states that there are at least three justifications for applying the concept of collective responsibility: 1) many organizations resemble individuals in their decision-making structures and therefore can be treated as individuals, as corporations are often accorded individual rights; 2) the common needs and interests of group members often produce enough solidarity to allow group members to participate in collective actions, and 3) because certain benefits accrue to members of some groups as a result of group membership, they also can be considered to bear a share of the responsibility for what the group does.
- 2. Niebuhr wrote: "But individual integrity, while always necessary, cannot solve the problems of making a vast system of communication, with its big units of management and ownership, compatible both with freedom and with the order and welfare of the community. Some over-all philosophy of mass communication is required."
- 3. It might be noted that another European sociologist of this period, Max Weber, disagreed with Durkheim on this point. Weber argued that while

professional organizations might begin with a public service orientation, over time they were likely to become elitist and nondemocratic in orientation. Durkheim did not address this long-term question, but Weber's position certainly raises questions about the value of professionalism for specialized occupational groups, such as journalists. See Christians and Nordenstreng (2004, p. 15).

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