

# **Social reporting in the Italian justice system:**

## **Milan Court experience**

This research aims to analyse social reporting in Italian Court Offices, focusing in particular on the latest Milan Court social report and to underline the problems encountered by operators when applying social reporting methodologies to complex organisations. The results are not very satisfactory: the deficiencies identified do not allow to overcome the three major issues that voluntary reporting entails. In summary, the work shows how difficult is to adopt social reporting procedures within complex institutions and the need to elaborate new methodologies. Social reporting can have a fundamental role in regenerating Public Value, therefore the study is far from being over because of the importance to check in the future the progress (or regress) of Judicial Offices along this path and to consider the need to create a specific model for these public entities.

**Keywords:** Economy, Community, Justice, Social Responsibility, Social Reporting

### **1. Introduction**

The current global financial crisis has sparked a debate on the complex links existing between politics and economy, politics and ethics, ethics and business. Another very interesting line of research is the study of the relationship existing both inside and outside the company between ethics and economic results. It lives on a mix of results – mainly economic ones – because a typical business system usually performs an economic function and one that can be simply called social, and has therefore several goals to reach.

This condition allows to make the following further remarks: a) the company extends its activity beyond certain physical boundaries; b) the ethics-and-the-enterprise theme should be properly examined within the study of the social effects of the company's economic activity; c) economic

behaviour can be explained according to an anthropological paradigm that views it as a business factor and an instrument of human action; d) companies do not have purposes of their own, rather they are assigned to them by the people who establish and run them for the satisfaction of their ambitions and of needs that can be either individual or collective. Such satisfaction constitute a legitimate aim of the economic entity; e) the study of those ambitions and needs – and of the value system on which they are based – is essential to understand corporate behaviour and its social consequences; f) they constitute valid evidence of the responsibilities and social duties the company incorporates – or should incorporate. This means that newly-born enterprises must not only account to their owner(s), but also to many other subjects. The hierarchy of needs, their individual perception and organized pursuit depend on the potential of the human condition but also on the ethical foundation on which it is based; g) the rule of law cannot contemplate and regulate all facets of the ethical dimension of business conduct; abiding by the rules alone does not always safeguard the ethical dimension of business and the fundamental rights associated with it. The rapid evolution of markets and products and the pace at which corporate behaviour changes, all contribute to make a consistent, appropriate and – most important – coherent evolution of the regulatory system very difficult to reach. It appears obvious that regulatory interventions come too late and not in perfect harmony with the reform strategy established in recent years. Focusing the attention on the rule of law and its application as well as on the contradictions that the global financial crisis has brought up, the strategic role played by justice and its proper administration cannot be denied: justice is necessary not only to reach an ethical and social balance in every community, but also to drive and promote growth and a healthy economy (North, 1992; Dixit, 2009). The inadequacy of the judicial system, especially when it is slow, corrupt and ineffective, is one of the factors mentioned by many international rankings as heavily affecting the competitiveness of a nation, its level of civilization or its inability to attract resources and investments from abroad.

In Italy the results in this sense are far from satisfactory, despite a great number of regulatory interventions and the political centrality that the organisation and the administration of justice have

enjoyed in recent years (Bank of Italy, 2009, 2011; Organisation for Economic Co-operation and Development [OECD], 2013; World Bank, 2013). The 2014 EU Justice Scoreboard, recently published by the European Commission, reports for Italy the worrying figure of nearly 600 days for a civil lawsuit, up from 500 days recorded in 2010 (European Commission, 2014). The reforms already made and those that are coming will just not be enough, because the agenda behind them is not social or political, but merely financial. Economic and social growth are only possible when communities progress first, both in terms of values and of the democratic practices they choose to adopt. Three big issues undermine democracy and community life, and therefore the economy: lack of politics, of culture and of justice. In order to progress, a country must present some basic – and strictly intertwined – features: strong public ethics, widespread culture and education, but also quick pronouncements and certain sanctions. As to the latter, in order to fully understand the judicial system one needs to examine its activity and impact, and the social value it is capable of producing. Such systems need therefore to operate an accountability process (Sinclair, 1995; Gray, Owen, and Adams, 1996; Mulgan, 2000; Gray, 2002; Messner, 2009; Roberts, 2009; Pezzani, 2003) in order to account for their work in a transparent, credible and responsible way (Osborne & Ball, 2010). The need for an increase in the responsibility threshold and the related social accountability, not only in private companies but also in those that are part of the public sector, is not an old and past approach, as pointed out by some authoritative sources (McKinsey, 2013). To this end, the social report constitutes a valuable tool, which is what the present work intends to prove. It aims in fact at studying a subject still little explored, both in Italy and abroad, within the wider approach on the use of sustainability reporting in the public sector (Gray, 2006; Ball & Grubnic, 2007; Ball & Bebbington, 2008; Guthrie & Farneti, 2008; Ricci, 2013): the adoption of such tool within the judicial system and the difficulties this choice implies. The issue is particularly interesting because it is one of the paradigms through which studying the social impact of judicial activity. Investigating and improving the procedures related to this kind of reporting is definitely one of the key factors when trying to understand and study such impact. By analysing the case at Milan Court, this paper

intends to shed light on the problems encountered by operators when applying social reporting methodologies to complex organisations such as Courts of Law, and on the need to elaborate new methodologies. The study aims therefore at finding answers to two research questions:

- Are the established methodologies of social reporting suitable for complex institutions?
- What are the results of trials performed by Milan Court? What can be deducted from such results?

The study falls within the category of qualitative research, based on secondary data. It starts with a descriptive analysis in the first part, then focuses on a document analysis of a single case study from which some general conclusion are drawn, based on an inductive approach. Before addressing the core issue, it is useful to clarify how social reporting is devised and seen in Italy. In this field in fact, contrary to what usually happens abroad, practice (meaning regulatory and methodological interventions) has somehow affected the construction of theoretical frameworks. In particular, three such paradigms have been established with relation to the Italian public sector in recent years:

- GBS Standard<sup>1</sup>, 2005
- Baccini Directive, 2006
- Guidelines for local authorities, the Interior Ministry, 2007

The GBS standard refers to the whole public sector and it is widely adopted in Italy, particularly by universities and local authorities. The Baccini Directive, specifically targeted to public administrations, was issued by Minister Baccini in February 2006, the first legislative action in the field of social reporting. Beside defining structure and content of the social report, it also states how it should be drafted. Guidelines issued by the Interior Ministry in 2007 are on the other hand specific to local authorities. Table 1 presents a brief summary of the content of the standards

---

<sup>1</sup> The 'Study Group for laying out social reporting principles' (GBS) is a non profit research association set up to develop and promote scientific research on social reporting. Officially formed in 2001 but operating *de facto* since 1998, consists of about 40 Italian universities, professional associations of Certified Accountants, some of the major independent auditing companies, and other institutions and experts. It is financially supported by CNDCEC (National Council of chartered accountants) and by ASSIREVI (Italian Auditors Association) and has produced 2 standard and 12 research papers in the field of social reporting.

described.

## **2. Best practice diffusion in judicial offices (*Diffusione di buone pratiche negli uffici giudiziari*)**

### **- the project**

The institutional purpose of a judicial system can be found therefore in the production of services that ensure the exercise of the judicial power, whose main purpose is in turn the implementation of the legislative command to ensure an orderly social life and a climate of stability and social security (Lepore, 2009). Laws imply the existence of an organized system that makes the sacrifice demanded fair to everybody (Ricci, 2011). The judicial system of a country or a community takes its origin from the penalties it gives.

From now the reference will be to the ordinary jurisdiction – affected since 2008 by the *Best practice diffusion in judicial offices* project – whose recently redesigned (2012 and 2014) organisation is sketched as follows (Fig. 1). *Best practice diffusion* is the most important project put in place for the transfer and exchange of good practices, either at interregional or at transnational level. A Memorandum of Understanding (MoU) was signed to this purpose by the Ministry of Justice, the Department of Public Administration, the Ministry of Labour and Italian Regions with the aim of reducing inefficiencies, delays and poor performance by transferring to other Italian judicial offices the good practice being implemented at the Prosecutor's Office in Bolzano since 2004, following their pilot project of reorganisation and optimization (Giancane, Moro, Tarfusser, and Turra, 2007).

Writing about efficiency and effectiveness does not imply that a court (or any other public body) is the same as a private company. It is a way to better manage public resources for the benefit of the whole community, improving the quality of services, durability and social sustainability of the company (Osborne & Ball, 2010; Osborne, Radnor, and Nasi, 2013).

The project was funded by the 2007-2013 European Social Fund program, with a total budget of 45 mln euros. The objectives laid down in the MoU were

- to improve the quality of services;
- to reduce the operating costs;
- to enhance the capability for information and communication;
- to increase the social responsibility of judicial offices with relation to the results and the use of public resources.

Six lines of action were outlined to this purpose:

1. Analysis and reorganisation of the offices, for improving the quality of performance and reducing the costs;
2. Assessment of the levels of existing technology for the implementation of tools regarding the electronic management of user requests;
3. Introduction of a Service Charter as a tool to inform users on the services being offered, the way of delivery, the quality standards expected and in general the targets set by the office in question;
4. Obtaining the ISO 9000 service certification;
5. Adoption of social reporting in order to inform users on the financial and social management regarding the services provided, the resources employed and the efficacy of the office in question;
6. Effective use of websites, also to provide online services.

Within such general framework, individual projects may include only some of the lines of action outlined above. As of May 2014, about 200<sup>2</sup> offices are taking part in the project. The trial has affected all regions. The period of implementation of the projects is generally 24 months; the resulting picture highlights a certain complexity, and anyway their commendable intent. The projects either completed or in progress are 1364, allocated among all six lines of action (Fig. 2).

Setting aside the actions regarding the charter of services, the quality certification and the implementation of websites, the attention will be focused on social reporting, although it is worth pointing out how the scope and innovative thrust of the project are made by the whole set of its

---

<sup>2</sup> For the current version (May 2014) of the database (URL: <http://www.mpgiustizia.it>) at the Ministry of Justice - which we used for our analysis – the total number of the offices is 191 and the number of projects is 1364. According to the Ministry of Justice homepage, the offices are 204 (URL: <http://www.giustizia.it>).

goals and actions.

The preparation of a social report by a judicial office is indeed as innovative as it is incisive. The reluctance towards accountability usually displayed by such institutions (Tarfusser, 2009) means in fact that its spread has not been entirely spontaneous. The projects related to line of action 5 are 135, 7 (5,2%) of which are related to other documents (such as economic and financial analysis) and 128 (94,8%) – either completed (75,8%) or in progress (24,2%) - to social reporting (Fig. 3a & 3b). The regions concerned are 19 out of 20. The number of projects somehow related to social reporting – for each of them – can be found in Figure 4. Consistently with other lines of action, there is a predominance of Ordinary Courts and Public Prosecutors' Offices, and a lower incidence of other offices (Fig. 5)<sup>3</sup>. As to the templates adopted, most offices have declared to look at the 2006 Government directive, the Baccini directive, at the Global Reporting Initiative guidelines and the GBS guidelines for the public sector. It must be said, however, that all those have not been taken literally as, in practice, the structure and content of the social reports do not comply closely with any of them. The period covered by the social reports considered goes from 2010 to 2013, and they mostly are either one- or three-year reports. They refer either to the solar or to the judicial year (1/7 to 30/6) and almost all of them are end-of-year reports. Very few offices have so far gone beyond the first edition, due to either lack of interest or to the fact that the last report covers three years and therefore the next edition – if any – is yet to come. There is a risk that the whole thing will turn into yet another temporary and therefore quite pointless experience, after the first positive impact following the project set-up.

### **3. *Doing Justice* at Milan Court - The 2013 Social Responsibility Report (BRS)**

Milan Court includes 29 municipalities and a population of 1,905,021 inhabitants (BRS, 2013), accounting for 19.3% of Lombardy's population. The facility consists of 4 sections: civil, criminal/trial, criminal/GIP (preliminary investigations) and administration, for a total workforce of

---

<sup>3</sup> Offices involved in multiple projects of line 5, were counted only once.

906 employees.

The experience at the Milan Court is one of continuity. The Social Responsibility Report is in fact in its third edition and looks therefore like an established tool within the reporting system of the Office.

- ***Methodology and frequency***

The document, as in previous years, does not adhere to any standards, nor follows an autonomous template since the organisation, and in part the nature of information, has changed during the course of the three editions. The issue is not just formal, but rather substantial. The information provided is often messy and the task of the reader, who has to make a considerable effort of reorganisation, is difficult. What one feels is missing is therefore method, and that affects the clarity and intelligibility of the report. The current configuration is as follows:

- Court's mission, vision and values;
- Part I – A look on the outside: Milan as an area of business, complexity and competitiveness;
- Part II – A look on the inside: Milan Court's performance.

The element of continuity is certainly worth mentioning, particularly when referring to the Italian Public Administration, where abandonment or discontinuity rates in social reporting are very high, especially in local government bodies (Maggi, 2012; Badia & Donato, 2013). This is even clearer if only judicial offices are taken into account. The frequency chosen is annual, and it does not refer to the calendar year but to the judicial one, so the 2013 social report covers the period from 1/7/2012 to 30/6/2013.

- ***Court's mission, vision and values***

The mission, as laid down by the Court, has been the same during the three editions taken into account. It appears weak, lacking a tangible effort of interpretation of its role and functions as assigned by the law. Anyone who wondered: "*what can I and should I expect from a Court ?*", would not find here a satisfactory answer. <<The administration of justice in the first instance, in



order to come to a fair, impartial and fast pronouncement>> (BRS, 2013, p. 4) sounds more like a step towards the fulfilment of one's *need for justice*, seen as <<the protection of citizens' rights in accordance with the principle of equality of all before the law>> (Mirabelli, Paganetto, and Tria, 2005, p. 99). The real purpose of a judicial office can be found in fact in stability and social security, in the peaceful development of the relational life within a community and therefore in the freedom of the individuals who are part of it. There is no freedom without justice, and although it is not possible to say that the laws of a country, even a democratic one, are always fair, this is still the ideal people in charge of applying justice should tend to. Perhaps this is what the Court means when it claims its conduct is inspired by *Justice*. However, the reference is not clear: is that just an ideal or the Office's function (in this case it would not be a value, but its very *raison d'être*)? According to what the document says, especially regarding the constitutional requirements of impartiality and independence, the term seems to refer only to the scope of each judicial office. Concerns also arise with relation to other values which are mentioned for reasons that are not always clear: respect, commitment, skills, ethics. From a purely formal point of view, it is difficult to understand why the declaration regarding the Office's identity is separated from the main body of the document, and even placed before the presentation. Including it into the first section would have been more appropriate.

### ***Part One: A look on the outside***

This first part defines the external context and the stakeholders involved, and describes a series of activities undertaken by the Court in order to improve the performance and responsiveness to the needs of the territory. Information regarding the geographical area of activity is redundant with relation to economic and financial facts, while it lacks any reference to demographic, social and cultural issues. The analysis of the area therefore becomes an analysis of the effects of the crisis in Lombardy and the need for justice seems to matter only with relation to the economy. As to the stakeholders, there is no reference either to the social community or to ordinary citizens/users, while there is a strong focus on corporate users, that look therefore like privileged counterparts. In

other words, there is no comprehensive analysis of the stakeholders involved and of their relationship with the Office. The initiative undertaken by the Court to contact the main stakeholders via a questionnaire <<to work together on the targets to be reached and check whether the necessary steps are going in the right direction>> (BRS, 2013, p. 29), has only involved a small number of companies, while the instrument of the interview was used with institutional partners and associations. Among the positive aspects of this first section there is certainly the editor's intention to stress the link existing between society and justice, although – as said – only a limited number of interlocutors were involved. The impact of the current economic and regulatory conditions on the justice system, in terms of increase or decrease of certain offences and therefore of the relevant corresponding proceedings, such as those regarding labour, bankruptcy, finance and banking, is covered quite thoroughly. Also interesting is the idea of including international benchmarking in the report. However, only the average duration of proceedings at Milan Court is compared to Italian and OECD corresponding data. The resulting comparison is therefore not very significant, given that the activity and the status of a judicial office or system cannot be summarized by a single indicator, however important it may be, such as the average duration of the proceedings. A separate section devoted to social performance is missing. Policies adopted, results achieved and impact on the territory are not always highlighted, and neither the actions nor their results are put in any relation to the resources employed. It is therefore impossible to assess the value created and destroyed for each of them. In any case, the report highlights quite a remarkable activity of the Office in terms of collaborations and actions taken. Particularly interesting is the reference to the best practice concerning the bankruptcy agreement arranged for *Fondazione Centro San Raffaele del Monte Tabor*. This event caused quite a stir in Italy in 2010 and was managed by the Court in order to ensure a swift and timely resolution in the interest of creditors, employees and the hospital itself. Moreover many specific measures have been adopted in order to improve performance. Although the spirit of initiative shown is in general commendable, the impression one gets is that the report tends to be excessively self-referential. Best practices, good results, good initiatives are –

understandably – proudly listed and highlighted, but what about bad and unsatisfactory results? It is hard to believe that are not any.

- ***Part Two: A look on the inside***

The second section analyses organisation, institutional activity and financial data. Here too, things might be done better. The incipit focuses on the district court and on its demand for justice: but why not including this analysis in that of the context? As to the institutional activity, in its description are highlighted the positive results achieved with relation to the shortening of proceedings. By using the OECD formula<sup>4</sup>, one can see that the average duration figure is 180 days for criminal proceedings and 296 for civilian ones. All in all a good result, particularly for Italian standards. Quite satisfactory – though not outstanding – results are also illustrated by key performance indicators (Table 2). The definition rate (completed proceedings/new entries), in this case slightly below unity, indicates a good degree of efficiency in terms of capacity to reduce the stock of pending proceedings. The absorption index (completed/total proceedings) is – however – around 65% in the criminal sector and 53% for the civil one, meaning that the Office is still quite far from reaching a condition of efficiency with regard to its capacity to cope with the overall workload. Almost entirely absent are the figures regarding verdicts under appeal and those confirmed at the end of the appeal. About this, there is only a quick mention to the GIP/GUP criminal section and, furthermore, the data indicate an increase in appeals. Better information would allow the reader to understand whether a reduction in the backlog was achieved by compromising on the quality of pronouncements. As to the balance sheet, always a weak spot within Italian Court Offices' social reports – and in this sense the Milan Court is no exception – the figures provided are not fully reliable, as they are the result of partial values or estimates. It is not clear whether the accounting system adopted is financial or accrual (Lapsley & Wright 2004; Lapsley, Mussari, and Paulsson, 2009; Lapsley, Ezzamel, Pallot, Johnsen, Scarparo, and Hyndman, 2010; Chan, 2008; Lapsley, 2012; Anselmi, Pavan, and Reginato, 2012; Ricci 2012). In fact the terminology is confusing,

---

<sup>4</sup> [(pending-initial + pending-final)/(completed + new entries)]\*365

financial and economic aspects are often identified with one another. Apart from any issue regarding the reliability and completeness of data, the analysis is not very thorough. There are no performance indicators, such as the index of management efficiency (court costs/completed proceedings), nor are highlighted some variables that would be useful for a more accurate evaluation. Added Value and resources returned to the territory are improperly mentioned, but the truth is financial data are not related to activity and results, and the very analysis of the social impact of the Court's action is absent.

#### **4 . Findings and implications**

The social report analysed alternates good insights to severe shortcomings, the greatest of them being that the Court's perception of its own activity is too 'economy-centric'. In other words, the prevailing idea seems to be that justice is at the service of the economy, not of society as a whole (Sen, 2000; Nussbaum, 2010, 2011; Shiller, 2012). This marked focus on economic issues indeed permeates the whole document, where a typical social report should by definition transcend it. This is confirmed by the count<sup>5</sup> of the frequency of certain keywords present in the text (Fig. 6a & 6b). Justice is – understandably – the most repeated word followed by others belonging to legal jargon, such as lawsuit, offence, pronouncement. Almost absent are, on the other hand, words such as fairness, community and society, while the presence of terms belonging to the financial world is impressive. Even a quick comparison between the adjectives *social* and *economic* shows how the latter prevails on the former (54 to 16 entries).

Moreover, lack of methodological rigour does not allow to overcome the three major issues that a voluntary reporting entails: it can be self-referential, not comparable and therefore not exactly authoritative (Ricci, 2006; Hinna, Meneguzzo, Mussari, and Decastri, 2006). Yet, as already said, Milan Court is at the third edition of its social report, so it is about time to seriously start addressing

---

<sup>5</sup> Words that are present in the index, in the titles of sections or tables, or are part of a name (eg Ministry of Justice) were not counted.

these issues. First of all, they can be partly overcome by faithfully adhering to a standard. Secondly, a proper mapping of stakeholders seems now paramount. To this end the recognition matrix found in the GBS standard for the Public Sector (Gruppo di studio per il Bilancio Sociale [GBS], 2005) can be seen as a useful tool. It calls for the identification of areas of intervention – ie combinations of homogeneous and significant activity – and then for the indication of all categories of stakeholders involved with relation to every area considered. The advantage of using this tool is mainly that of facilitating the identification of the key activities and stakeholders towards which the report should be laid out more carefully in terms of both priority and detail. Finally, Finally, it seems necessary to implement a real stakeholder engagement, in order to establish a relationship based on mutual responsibility (Andriof, Waddock, Husted, and Rahman, 2002; Andriof & Waddock, 2002; Goodstein & Wicks, 2007). However the work has shown how difficult is to adopt social reporting procedures within complex institutions, such as judicial offices. The issue is now more relevant than ever, as shown by the recent European Directive n. 95/2014. It is a first step towards moving from the voluntary nature of the socio-environmental reporting to a mandatory approach. Its innovative value is not limited by the fact that the directive only refers to large entities of public interest and those which are parent undertakings of a large group. In fact, unless there are sudden stops or changes in direction, the road that lies ahead seems that of a mandatory socio-environmental reporting for all institutions, both public and private. This point of view is far from utopian if one considers that the non-financial information required by the aforementioned Directive is related to environmental, social and work-related matters, human rights, anti-corruption and diversity policies. Topics that all enterprises and public administrations should be called to account for.

It seems evident, therefore, that the subject of the models to be adopted becomes, in this context, even more crucial. Currently there is no lack of international standards, even though they do not seem to fully respond to needs of the user; on the other hand, their proliferation still does not address the issue of comparability. The Directive itself acknowledges such gap several times and

calls for businesses, governments and interested stakeholders to develop best-practice models and to promote actions aimed at integrating financial and non-financial information. The issue will however prove hard to solve if the point of view of large undertakings – which is as useful in the short term as it is harmful in the long – is not left behind, at least partially.

The study suffers from some limitations, it needs to be deepened and extended through different methodologies and primary data. It will be important to check in the future the progress (or regress) of Judicial Offices along this path, its utility and to consider the need to create a specific model for these public entities. Social reporting can have a fundamental role in regenerating Public Value (Esposito & Ricci, 2015) also in such Offices and this can be considered an interesting direction to pursue in future research.

## References

1. Andriof, J., Waddock, S., Husted, B., & Sutherland Rahman, S., (2002). Introduction. In J. Andriof, S. Waddock, B. Husted, & S. S. Rahman (eds.), *Unfolding stakeholder thinking: theory, responsibility and engagement* (pp. 9-16). Sheffield, England: Greenleag Publishing.
2. Andriof, J., & Waddock, S. (2002). Unfolding Stakeholder Engagement. In J. Andriof, S. Waddock, B. Husted, & S. S. Rahman (eds.), *Unfolding stakeholder thinking: theory, responsibility and engagement* (pp. 19-42). Sheffield, England: Greenleag Publishing.
3. Anselmi, L., Pavan, A. & Reginato, E., (2012). Cassa, competenza finanziaria e competenza economica: la scelta delle basi contabili in un sistema armonizzato di contabilità pubblica. *Azienda Pubblica*, 1, pp. 53-67.
4. Badia, F., & Donato, F. (2013). Governo partecipato e controllo relazionale in un management pubblico in transizione. In L. Anselmi, F. Donato, L. Marinò, A. Pavan, & M. Zuccardi Merli (eds), *Il declino del sistema dei controlli manageriali nelle pubbliche*

- amministrazioni. Dal federalismo ai costi standard* (pp. 119-168). Milano, Italy: Franco Angeli.
5. Ball, A., & Bebbington, J. (2008). Editorial: Accounting and Reporting for Sustainable Development in Public Service Organizations. *Public Money and Management*, 28(6), 323-326.
  6. Ball, A., & Grubnic, S. (2007). Sustainability accounting and accountability in the public sector. In J. Unerman, J. Bebbington, & B. O' Dwyer, *Sustainability accounting and accountability* (pp. 243-265). London, England: Routledge.
  7. Bripi, F., Carmignani, A. and Giordano, R. (2011). La qualità dei servizi pubblici in Italia. *Questioni di economia e finanza (Occasional Papers)*, 84. Roma, Italy: Banca d'Italia. Retrieved from: <http://www.bancaditalia.it/pubblicazioni/qef/2011-0084/index.html>
  8. Browne, J. and Nuttall, R. (2013). *Beyond corporate social responsibility: Integrated external engagement*. New York, NY: McKinsey&Company. Retrieved from: [http://www.mckinsey.com/insights/strategy/beyond\\_corporate\\_social\\_responsibility\\_integrated\\_external\\_engagement](http://www.mckinsey.com/insights/strategy/beyond_corporate_social_responsibility_integrated_external_engagement)
  9. Carmignani, A. and Giacomelli, S. (2009), La giustizia civile in Italia: i divari territoriali. *Questioni di economia e finanza (Occasional Paper)*, 40. Roma, Italy: Banca d'Italia. Retrieved from: <http://www.bancaditalia.it/pubblicazioni/qef/2009-0040/index.html>
  10. Chan, J. L. (2008). The structure of government accounting standards. *Rivista Italiana di Ragioneria e di Economia Aziendale*, 11/12, 732-742.
  11. Dixit, A. (2009). Governance Institutions and Economic Activity. *American Economic Review*, 99(1), 5-24. doi: 10.1257/aer.99.1.5
  12. Esposito, P. & Ricci, P. (2015), How to turn Public (dis)Value into new Public Value? The re-conversion seized Mafia assets: evidence from an Italian perspective. *Public Money & Management*, 35(3), 227-231. doi: 10.1080/09540962.2015.1027499

13. European Commission. (2014). *The 2014 EU Justice Scoreboard: Towards more effective justice systems in the EU*. Retrieved from: [http://europa.eu/rapid/press-release\\_IP-14-273\\_en.htm](http://europa.eu/rapid/press-release_IP-14-273_en.htm)
14. Gruppo di Studio per il Bilancio sociale - Gbs. (2001). *Principi di redazione del bilancio sociale*. Retrieved from: <http://www.gruppobilanciosociale.org/principi-di-redazione-del-bilancio-sociale/>
15. Gruppo di Studio per il Bilancio sociale – Gbs. (2005). *Il bilancio sociale. Standard. La rendicontazione sociale nel settore pubblico*. Retrieved from: <http://www.gruppobilanciosociale.org/la-rendicontazione-nel-settore-sociale-e-pubblico/>
16. Giancane, S. , Moro, A., Tarfusser, C. J. & Turra, B.V. (2007). La sperimentazione del bilancio sociale della procura della Repubblica di Bolzano: aspetti metodologici e pratici. In P. Ricci (ed), *Lo standard G.B.S. per la rendicontazione sociale nella pubblica amministrazione. Atti del convegno di Caserta del 23 e 24 febbraio 2006* (pp. 202-221). Milano, Italy: Franco Angeli.
17. Goodstein, J.D., & Wicks, A.C. (2007). Corporate and Stakeholder Responsibility: Making Business Ethics a Two-Way Conversation. *Business Ethics Quarterly*, 17(3), 375-398. doi: 10.5840/beq200717346
18. Gray, R. (2002). The social accounting project and accounting organizations and society. Privileging engagement, imaginings, new accountings and pragmatism over critique?. *Accounting, Organizations and Society*, 27(7), 687-708.
19. Gray, R. (2006). Social, environmental and sustainability reporting and organisational value creation? Whose value? Whose creation?. *Accounting Auditing & Accountability Journal*, 19(6), 793-819.
20. Gray, R., Owen, D.L., & Adams, C. (1996). *Accounting and Accountability: Social and environmental accounting in a changing world*. Hemel Hempstead, England: Prentice Hall.



21. Guthrie, J., & Farneti, F. (2008). GRI Sustainability Reporting by Australian Public Sector Organizations. *Public Money and Management*, 28(6), 361-366.
22. Hinna, L., Meneguzzo, M., Mussari, R. & Decastri, M. (2006). *Economia delle aziende pubbliche*. Milano, Italy: McGraw-Hill.
23. Lanteri, V., & De Carlo, N.A. (eds). (2009). *Giustizia al bivio*. Milano, Italy: Franco Angeli.
24. Lapsley, I., & Wright, E. (2004). The diffusion of management accounting innovations in the public sector: a research agenda. *Management Accounting Research*, 15(3), 355-374.
25. Lapsley, I., Mussari, R. & Paulsson, G. (2009), On adoption of accrual accounting in the public sector: a self evident and problematic reform. *European Accounting Review*, 4, 719-723.
26. Lapsley, I., Ezzamel, M., Pallot, J., Johnsen, A., Scarparo, S. and Hyndman, N. (2010). *Management Accounting, Devolution and Democratic Accountability: Management Accounting; Devolution and Democratic Accountability*. CIMA Research Report. London, England: Chartered Institute of Management Accountants (CIMA).
27. Lapsley, I. (2012). Accounting Mutations: Accrual Accounting in the UK Public Sector. In F. Capalbo (ed.), *Accrual Accounting in Public Administration: International Experiences*. Milano, Italy: Giuffrè Editore.
28. Lepore, L. (2009). Efficienza, efficacia ed equità nell'amministrazione della giustizia. *Azienda Pubblica*, 3, 429-448.
29. Maggi, D. (2012). Accountability e strumenti di rendicontazione sociale nelle province italiane. *Azienda Pubblica*, 4, 467-483.
30. Mirabelli, C., Paganetto, L., & Tria, G. (eds). (2005). *Economia della giustizia. Domanda, offerta, organizzazione delle cause civili*. Roma, Italy: Donzelli.
31. Messner, M. (2009). The limits of accountability. *Accounting, Organizations and Society*. 34, 918-938.

32. Mulgan, R. (2000). Accountability: An ever-expanding concept?'. *Public Administration*, 78 (3), 555-573.
33. North, D.C. (1992). Institutions, ideology, and economic performance. *CATO Journal*, 11(3), 477-488.
34. Nussbaum, M. C. (2010). *Not for profit: Why Democracy Needs the Humanities*. Princeton, NJ: Princeton University Press.
35. Nussbaum, M. C. (2011). *Creating Capabilities: The Human Development Approach*. Harvard, MA: Harvard University Press.
36. OECD (2013). What makes civil justice effective?. *OECD Economics Department Policy Notes*, No. 18 June 2013. From: <http://www.oecd.org/>
37. Osborne, S.P., & Ball, A. (2010). *Social Accounting and Public Management. Accountability for the Public Good*. London, England: Routledge.
38. Osborne, S. P., Radnor, Z. & Nasi, G. (2013). A New Theory for Public Service Management? Toward a (public) Service-Dominant Approach. *American Review of Public Administration*, 43(2), 135-158.
39. Pezzani, F., ed. (2003). *L'accountability delle amministrazioni pubbliche*. Milano, Italy: Egea.
40. Ricci, P. (2006). Il valore aggiunto nello standard di base Gbs per la rendicontazione sociale nel settore pubblico. *La Finanza Locale*, 6, 13-20.
41. Ricci, P. (ed). (2007). *Lo standard G.B.S. per la rendicontazione sociale nella pubblica amministrazione. Atti del Convegno di Caserta del 23 e 24 febbraio 2006*. Milano, Italy: Franco Angeli.
42. Ricci, P. (2011). Article 41 of the Italian Constitution and the Italian Model of Corporate Social Responsibility. *Review of International Comparative Management, Academy of Economic Studies Bucharest*, 12(3), 497-506.

43. Ricci, P. (2012). Impatto delle nuove disposizioni contabili sui comportamenti aziendali e il risultato economico. *Azienda Pubblica*, 1, 41-51.
44. Ricci, P. (2013). What future for social reporting and accountability in academic systems. An overview of the Italian case. *Review of International comparative management*, 14(2), 202-221.
45. Ricci, P. (2014). La rendicontazione di sostenibilità nei tribunali. In P. Ricci, B. Siboni, & M. T. Nardo, *La rendicontazione di sostenibilità. Evoluzione, linee guida ed esperienze di imprese, amministrazioni pubbliche e aziende non profit* (pp. 147-192). Roma, Italy: Rirea.
46. Roberts, J. (2009). No one is perfect: The limits of transparency and the ethic for “intelligent” accountability”. *Accounting, Organizations and Society*, 34, 957-970.
47. Sen, A. (2000). *La ricchezza della ragione. Denaro, valori, identità*. Bologna, Italy: Il Mulino.
48. Shiller, R. J. (2012). *Finance and the good society*. Princeton, NJ: Princeton University Press.
49. Sinclair, A. (1995). The chameleon of accountability: Forms and discourses. *Accounting, Organizations and Society*, 20 (2-3), 219-237.
50. Tarfusser, C. (2009). Per il miglior servizio degli uffici inquirenti. In V. Lanteri, & N. A. De Carlo (eds), *Giustizia al bivio* (pp. 84-91). Milano, Italy: Franco Angeli.
51. World Bank. (2013). *Doing Business 2014: Understanding Regulations for Small and Medium-Size Enterprises*, Washington, DC: World Bank Group.

FIGURE 1: Organization of the ordinary justice system in Italy

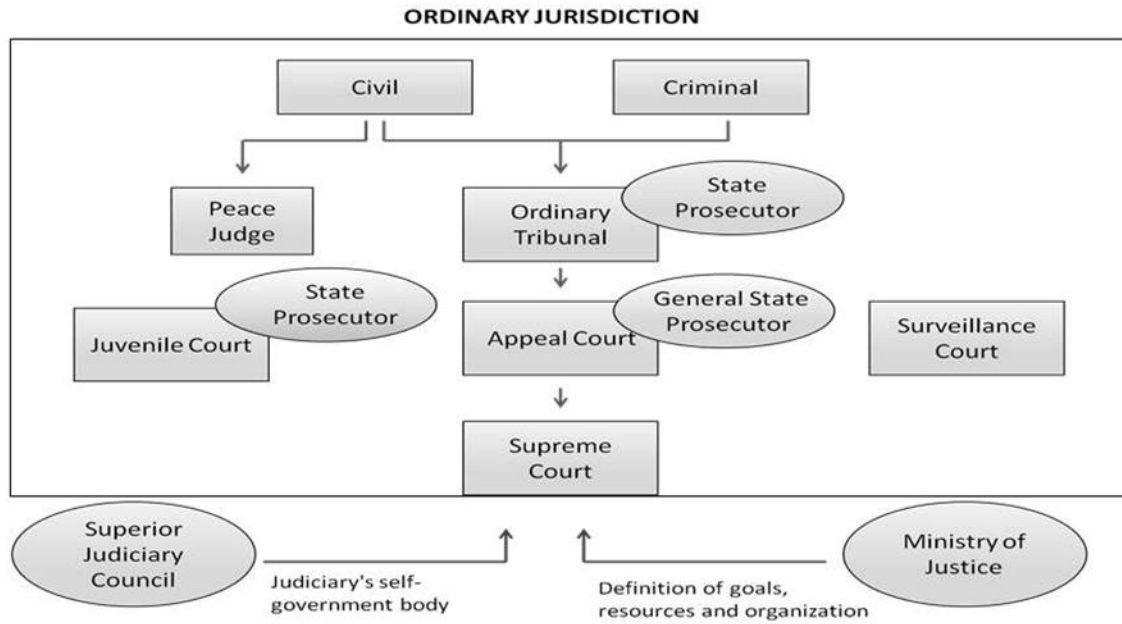
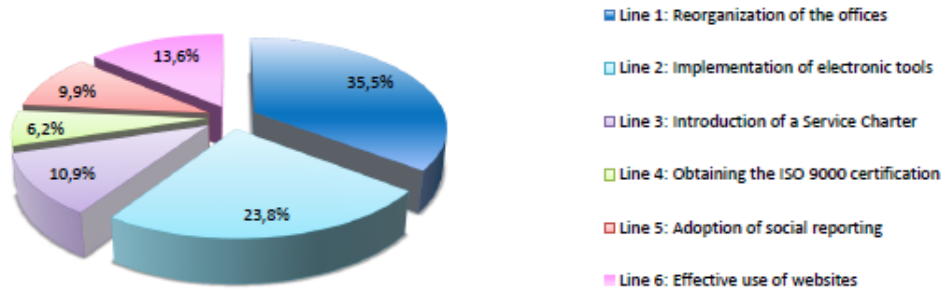


Figure 2: Project distribution according to the six lines of action



Source: Our adaptation from [www.mpgiustizia.it](http://www.mpgiustizia.it)

Figure 3a: Distribution of projects regarding line of action 5

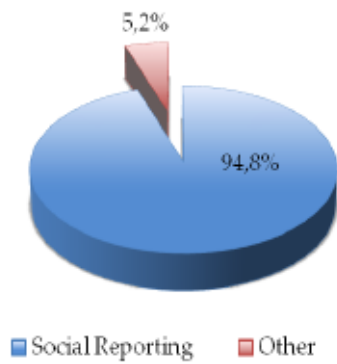


Figure 3b: Status of projects regarding social reporting

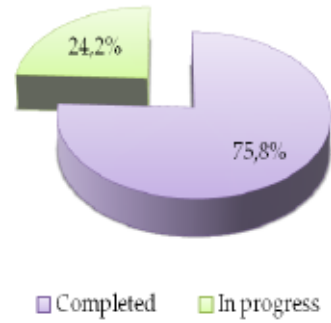


Figure 4: Social reporting project - distribution by region



Figure 5: Social reporting according to office type

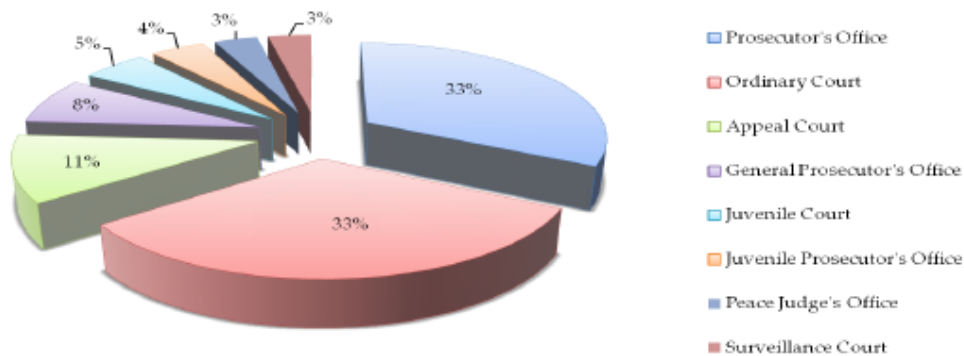


Figure 6a: Keyword frequency in the text

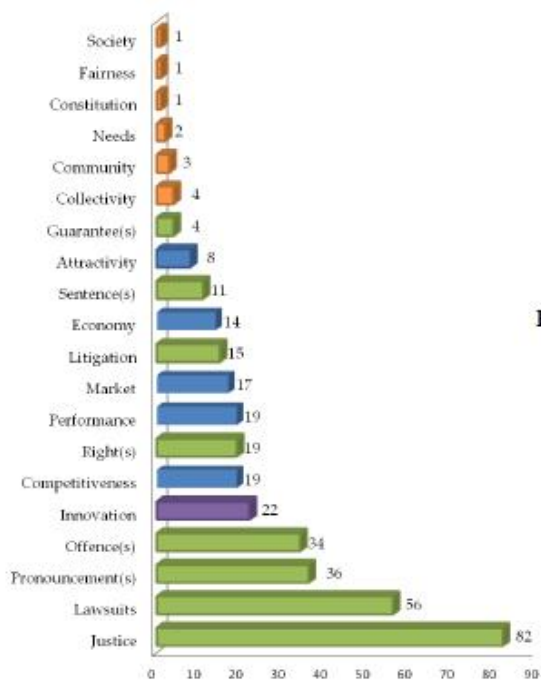
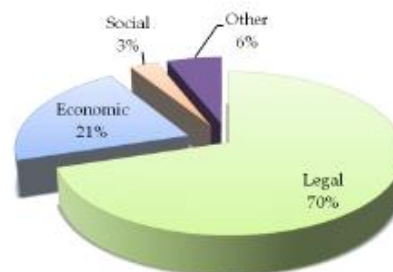


Figure 6b: Keyword distribution according to language type



**Table 1: Main guidelines for the Italian public sector**

<b>Criminal</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	
Definition rate	108,81%	90,31%	91,72%	97,88%	93,31%	
Absorption index	72,44%	64,48%	63,16%	64,32%	64,66%	<b>Local</b>
<b>Civil</b>						<b>es</b>
Definition rate	94,69%	103,27%	97,70%	98,70%	93,72%	of the
Absorption index	49,82%	55,01%	53,03%	54,58%	53,48%	;
<b>Drafting process</b>			2. Information collection; 3. Drafting and approval of the document; 4. Communication.		2. Presentation to stakeholders; 3. Data collection and draft preparation; 4. Consultation and participation of stakeholders; 5. Final version, officially endorsed; 6. Approval and publication; 7. Communication.	
<b>Structure and content</b>	1. Business identity; 2. Reclassification of accounting data and calculation of value added; 3. Social report.		1. Introduction and methodology; 2. Reference values, vision and operational programme; 3. Policies adopted and services provided; 4. Resources available and used.		1. Presentation of the document and methodology; 2. Identity of the local authority; 3. Services provided; 4. Economic and financial resources and capital base; 5. Audit.	

**Table 2: Criminal and civil proceeding performance**

<b>Criminal</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
Definition rate	108,81%	90,31%	91,72%	97,88%	93,31%
Absorption index	72,44%	64,48%	63,16%	64,32%	64,66%
<b>Civil</b>					
Definition rate	94,69%	103,27%	97,70%	98,70%	93,72%
Absorption index	49,82%	55,01%	53,03%	54,58%	53,48%