

# 2010

## The CSR Reporting Blog 2009-2010

Elaine Cohen

The screenshot shows the homepage of the 'csr-reporting' blog. The header features the title 'csr-reporting' and the tagline 'thoughts and insights about social and environmental responsibility and sustainability reporting'. A post dated Thursday, 9 December 2010 is featured, titled 'Microsoft 2010 Citizenship Report - more clouds, less cloudy'. The post text discusses the author's review of Microsoft's 2010 Citizenship Report, published in Ethical Corporation Magazine, and mentions that the full review is available as a PDF. The text also notes Microsoft's reputation for unethical practices and its subsequent move towards transparency, highlighting the 2010 report as a 'significant enhancement'. A sidebar on the right contains a 'Pages' section with links to Home, About me, and recent posts from two related blogs. Below that is an email subscription form with a 'Subscribe' button and a note 'Delivered by FeedBurner'. At the bottom of the sidebar is a section for 'CSR for HR', featuring a book cover titled 'A NECESSARY PARTNERSHIP FOR ADVANCING RESPONSIBLE BUSINESS PRACTICES' by Elaine Cohen, with a note to 'Order via Greenleaf publishing'.

**csr-reporting**  
thoughts and insights about social and environmental responsibility and sustainability reporting

Thursday, 9 December 2010

### Microsoft 2010 Citizenship Report - more clouds, less cloudy

My review of [Microsoft's 2010 Citizenship Report](#) was published this month in the December issue of Ethical Corporation Magazine. [You can read the full review here \(PDF\)](#) . As usual, I will share the (pre-edit) highlights.

" After years of being the bad boy of Corporate Responsibility, with a reputation for (unethical, and sometimes illegal) dominance of software markets and anti-competitive sales practices, and after being summarily [kicked off the Nasdaq Global Sustainability Index in 2009](#) for inadequate and unsubstantiated environmental disclosures, it seems that Microsoft is now embracing accountability with new gusto and a 2010 Citizenship Report which is probably the boldest this ubiquitous company has issued. Microsoft confirms that this represents a "significant enhancement in our nonfinancial reporting" and despite late arrival at the party, the 2010 report is refreshingly welcome. In fact, Microsoft seems to have acquired a taste for transparency, producing a Citizenship Report (65 pages), a One Report GRI disclosure (352 pages), a dedicated UN Global Compact Communication on Progress (9 pages), a dedicated Millennium Development Goals Commitment paper (16 pages) and Carbon Disclosure Project Reporting. The cloudiness of Microsoft's disclosures to date now appear to have been largely replaced with clouds of a different kind - the ones which drive the Company's cloud computing strategy, a core element of Microsoft sustainability, which ironically, Microsoft covers less comprehensively in the 2010 Report .

Much of Microsoft's future business development is linked to cloud-based technologies. [Steve Ballmer writes that this has "important implications](#)

**Pages**

- [Home](#)
- [About me](#)
- [Recent posts from my CSR Books blog](#)
- [Recent posts from my CSR for HR blog](#)

**Please subscribe via email**

Enter your email address:

[Subscribe](#)

Delivered by [FeedBurner](#)

**CSR for HR**

**CSR FOR HR**  
Elaine Cohen

Order via Greenleaf publishing



This book is dedicated to everyone who ever wrote a CSR report, and to everyone who ever read one. Most of all, its for everyone who ever provided feedback.



## Contents

Microsoft 2010 Citizenship Report - more clouds, less cloudy	12
15 first time reports in CRRA 11: my vote	13
What they said at the CSR conference	17
The New CSR Social Media Index. Essential Reading	19
12 CSR Reporting Trends for 2011	22
CSR in six words	24
Is one-way CR reporting dead?	25
Sustainability Reporting - going too far?	27
CSR, healthcare, nonprofit: all in one report	29
CSR is not a sport	31
In support of Jeffrey Hollender	34
Bedbug footprint: new CSR performance indicator	35
The Annual Maala CSR Conference in Israel	37
Ajinomoto: The building blocks of CSR reporting	38
Open for Voting: CRRA 11	39
Can you sell sustainability to customers ?	40
CSR Reports: Print 'em.	42
The Paradox of Sustainability Reporting	43
FASHION and LANDFILL	47
GSB and a better future	49
The new Global Compact Differentiation Framework.	50
CSRRAs: CSR Report Acronyms	52
GE: Responsibilitimagination	55
CDL and the sustainable Singapore skyline	57

Measuring socio-economic impacts : new report	58
Hershey's real real CSR report	61
The Race to Rank	65
The Big CSR Debate : Elvis rules!!	68
Jo's Gems - Confino in action!	70
BT is getting connected !	72
Getting the CSR message through!	73
Is the Guardian Sustainable?	74
Dow Chemicals CSR Report 2009	76
How do you measure sustainability?	80
SCOOP! Karnani responds.	82
Learnings from six first-time CSR reports	85
Will Karnani respond?	87
Response to the Case Against CSR	89
39 CSR reporting keywords	94
The Personality of CSR Reports	96
19 textile sector companies sustainability profiles	97
BBC, Cummins, Mauser CSR reports highlights and insights	99
Sustainable thank you	100
100 companies benchmarked for CSR initiatives	102
13 takes on the SAP 2009 Sustainability Report	103
One Unilever - two Marketing standards	107
Betting on a sustainable (MBA) future?	108
Where is the divergent CSR ?	109
GRI Stakeholder Council Elections 2010	110
Another year , another CSR conference	111

Not everything is engagement	114
AHA! It's a sustainability report	118
Engage CSR at #CSRExpo: totally engaging	119
B2B Yes you can! Danisco shows how.	121
Bayer Diversity Not	123
Thumbs Down Deutsche Telekom	124
What is Deutsche Telekom's report worth ?	125
Coca Cola Enterprises	126
Speaky Engleesh ?	128
Inhance Sustainability	130
Warren Buffett on sustainability. Not.	131
Is any report better than no report ?	133
GRI crossword	135
Brazil rules the world	136
The GRI Barmitzvah	139
GRI Readers Choice Awards 2010	143
CSR Reporting trends - 5 resources	145
Yes, CSR reporting is personal	147
Feedback makes CSR sustainable	148
Is your CSR Report an Optical Illusion?	149
CSR Reporting Harmony	151
Who will be the FIRST to talk about YOUR CSR report?	152
Does your CSR report suffer from Genericitis?	154
Don't ditch CSR reports	157
The habit of winning	161
17 facts from #CSR reports	162

Listen sustainability at Barclays	164
CSR and the rat race	165
The Transparency Index 2010	167
CRRA Summary	167
Softchoice - the different CSR report. Really!	168
Starbucks online report 2009	170
Who didn't win the CRRA 10 awards?	172
888 People Planet Play	175
A TRIBUTE TO VODAFONE !!!	176
CRRA ' 10 THE WINNING CSR REPORTS	177
What a waste!	178
One for all and all for one ?	180
Inspiration from Microsoft	180
A new reporting trend: Events	182
CSR Reporting in China	183
The CSR toilet	185
The potential Sustainability of green guitars	186
HR Job Descriptions for CSR	187
What still went wrong	193
The CSR Report Tool-Kit	194
Who stole the bees from Burt's Bees?	195
13 ways to show you love your employees in CSR reports	198
Sustainability Education starts at home	200
Whose report is it anyway ?	201
No News is Good News? Sustainability at Bloomberg	202
It's a CSR report, not a Megillah!	204

A merger of value and values	205
By Gum, Its #CSR	207
CSR leaders or hypocrites?	208
7 Reasons CSR consultants should use social media	210
GRI Reporting Levels 101	212
Another defining initiative	215
What NOT to call your CSR report	216
Down with Womenwashing!	218
Where's the popcorn ?	224
Don't shoot the piano player	225
16 recently published CSR reporting resources	229
Anyone for haggis ?	231
Opaque Transparency	233
The perfect Sustainability Report	236
Sustainability is pure poetry	237
Just a Nugget of CSR	239
Getting your toes wet	240
The infinite possibilities of online sustainability reporting	244
The Ghetto Fighters and CSR	248
Thank you, H&M!	250
A little fish with your STPP, madam ?	253
Doctor Sustainability - a new Reporting Blog feature for 2010	254
Happy New Year and the Best of the Funniest	257
Reporting Wishlist for 2010	258
Ethical Fashion - Who cares ?	261
what are csr consultants good for ?	263

Reporting Buzz at Daiichi Sankyo	267
What Twitter does for CSR	268
Who will win the CERES -ACCA 2009 Awards?	272
Communicating CSR	275
Disclosure: this is a sales pitch!	276
CSR Holiday Wishes	277
17 ways (I counted) to bring CSR reports ALIVE in the business	278
CRRA 10 How will you vote? You WILL vote, right?	280
Santa's CSR report	283
Unassured and fed up	286
Why we do what we do	291
Even Embassies do it	294
Does size really matter ?	296
HR behind the times on CSR	299
Prostitution, fashion and communicating CSR	302
Paper conservation at Heinz - or not?	304
Inform, inspire and involve to embed CSR in operations	305
12 ways to engage stakeholders and the AA1000SE standard	306
Can Finance Managers count CSR ?	308
Cisco and New Models of Social Responsibility	310
buy it ethically	312
Dying to work at France Telecom ?	313
Symantec and New Models of Social Responsibility	315
A special kind of non-profit	317
How do you picture CSR ?	318
CSR and your company's reputation	320

#CSR without EMBEDDING is like CHUNKY without MONKEY	321
When CSR reporting is a waste of paper	323
Greater CSR leadership needed in Israel	326
Opportunities for CSR reporting professionals	328
The Wild West of CSR report assurance	330
When is a CSR report not a CSR report?	332
PUMA outruns the pack in carbon footprinting	334
An Ode to #CSR reporting	335
Sustainability flies! Lufthansa reports.	337
The catch 22 of CSR reporting and the paradox of trust	338
27 ways to make your CR report BUZZ	340
8 reasons non-profits should write sustainability reports	344
How to READ a CSR report	347
33 Applications of a CSR report	351
CSR reports. Read or recycle ?	352
Why go paperless when you can have crap?	355
Bahai CSR activism	356
chunky #csr monkey and more!	358
Can you speak CSR report?	359
First class travel for CSR reports	362
Lower carbon intensity – yeah, right	363
Localization - the Next Big Thing	366
Report, Review, Retweet	367
Are you a health-risk ? \$100 to find out.	368
You dont have to be BIG to do CR	369
The model GRI GRI report	370

Connect	372
The Lóreal paradox..for better and for worse....	373
Bank secrets... not any more	376
Get lost, pirates !	378
WELL DONE NASDAQ	379
The best of the day from alltop CSR	380
Buzz No 3: COP this !	381
Buzz No 2: Complicity aka the Ostrich Defense	382
Beyond Global Compact	384
Women in the supply chain squeeze	386
What's your financial personality? Ask Barclays Bank	388
Turtle Soup, anyone ? First report from Jumeirah Group	389
HRM and CSR - a match made in heaven ?	390
What's your ripple ? Intel can help ...	390
What's in a note ? Note this with aviva plc	391
The king of denim	392
the climate at Harvard - and ice-cream	393
the world is in trouble - i need to go on a diet	393
How transparent is your Company ?	394
BIG HIT for 3rd Israel Reporting conference	396
is sex a renewable resource ?	397
Cuppa, anyone ?	398
how many people does it take to write 19 winning reports ?	400
Reporting at the (all) top	401
the self declared thing - hit and miss ?	402
And another song for sustainability...	404

Sing Sustainability .....	404
I have now joined the future	405
What does transparency have to do with Blushing Apples ?	407
irregulate and unintegrate - i think i am a minority	408
New study on sustainability reporting	410
Content, Communications, Credibility	411
now babies can save the planet	412
can cows save the planet ?	413
Ten Tips for Sustainability Reporting	415
Denmark does it ... Apple doesn't	416
Pacific sustainability Index - you gotta love it !	417
Quotes from the reporting conference	417
The Shiseido Way: beautiful, cute and animated	422
Fast food or fast service at McDonalds ?	424
Cradle to market in 6 months	425
REPORTING AWARDS: please vote!	427
Tuesday, October 21, 2008	428
Report or be reported.	428
How to almost report: the paradox of level C reporting	429
Small businesses: BT shows them that its good to talk	431
Scoop on Ben and Jerry's social report: destined not to be read	431
Israel : finally waking up to sustainability reporting	433

# Microsoft 2010 Citizenship Report - more clouds, less cloudy

Thursday, December 09, 2010

My review of **Microsoft's 2010 Citizenship Report** was published this month in the December issue of Ethical Corporation Magazine. **You can read the full review here (PDF)** . As usual, I will share the (pre-edit) highlights.

" After years of being the bad boy of Corporate Responsibility, with a reputation for (unethical, and sometimes illegal) dominance of software markets and anti-competitive sales practices, and after being summarily **kicked off the Nasdaq Global Sustainability Index in 2009** for inadequate and unsubstantiated environmental disclosures, it seems that Microsoft is now embracing accountability with new gusto and a 2010 Citizenship Report which is probably the boldest this ubiquitous company has issued. Microsoft confirms that this represents a "significant enhancement in our nonfinancial reporting" and despite late arrival at the party, the 2010 report is refreshingly welcome. In fact, Microsoft seems to have acquired a taste for transparency, producing a Citizenship Report (65 pages), a One Report GRI disclosure (352 pages), a dedicated UN Global Compact Communication on Progress (9 pages), a dedicated Millennium Development Goals Commitment paper (16 pages) and Carbon Disclosure Project Reporting. The cloudiness of Microsoft's disclosures to date now appear to have been largely replaced with clouds of a different kind - the ones which drive the Company's cloud computing strategy, a core element of Microsoft sustainability, which ironically, Microsoft covers less comprehensively in the 2010 Report .

Much of Microsoft's future business development is linked to cloud-based technologies. **Steve Ballmer writes that this has "important implications for Microsoft's citizenship work"**, enabling access and rapid scaling up of technologies whilst opening up risks for privacy, safety and internet security. Environmentally, growth of cloud computing puts pressure on data centres and their energy consumption levels. Apparently, **cloud computing will see the creation of 100,000 new companies and 1 million jobs** in coming years, a development any software company cannot fail to ignore. Microsoft has been promoting the cloud as serious element in the company's support programmes for non-profits but admits to "hardly scratching the surface of what this could mean."

By and large, not only greater transparency but improved structure and clarity characterize Microsoft reporting this time around. Whilst leaving us in no doubt about the scale of the Microsoft impact on the world economy and technology advancement (record \$62Bn revenue in FY2010 and 89,000 employees in 100 countries leveraging the global Microsoft reseller/partnership network which itself employs 14.9 million people, representing 42% of the global IT workforce and generating over \$500Bn revenue), the tone of this report is modest, factual and to the point. "

**Microsoft's report website** is a pleasure to navigate and contains much more than the PDF summary. One smart feature is **Microsoft's Local Impact Map** which takes you on a world tour of Microsoft's presence in countries and cities, offering both statistics about the local economy and digital development as well as the specific interventions and impacts of Microsoft at a very detailed level. It's wonderfully interactive and a pleasure to play with, whether or not you are interested in Microsoft and their activities. Some of the stories are quite entertaining. Take this one about Microsoft's Unlimited Potential community technology skills programme in Sri Lanka: "*When the local farmers from Embilipitiya showed up at Bimal Prasad's office, the eggplant samples they were carrying were not pretty. Covered in pockmarks left by an unknown pest, the vegetables were*

*ruined and the farmet were desperate."* What possible relevance could this have to Microsoft's business? Read the rest of the story to get to the happy ending and learn about an aspect of Microsoft's business which most would not be aware of.

Whilst there are some areas which I suggested that could be tightened up in this years' Microsoft report, this is a major leap forward in professional and transparent reporting and is well worth looking at and learning from.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 04:52AM (+02:00)

## 15 first time reports in CRRA 11: my vote

Wednesday, December 01, 2010



This is a second in a series of posts on the CRRA 11 Reporting Awards, one of my favourite events of the year. **The first was to comment on the awards announcement and urge all of you to VOTE!**  
**Voting is open until January 28th 2011.**

This post will focus on my favourite category: **first time reporters**.

(NB: Links in this post are to **CorporateRegister.com**, you will have to register on the site to view them)

There are 15 first time reports in this category amounting to a massive 768 pages of narrative, pictures, tables and graphs. Of these 15 reports, 9 are in accordance with the GRI framework, of which two are at the highest transparency level A. Here are my (occasionally irreverent) views on the contenders in this category:

### **Aegis Ltd, India**

#### **GRI A+ self declared report, 64 pages**

A global outsourcing services provider, employing 38,000 people, Aegis strives for Happy Customers, Happy Employees, Happy Shareholders and a Happy World! Guess it's ok for their suppliers to be down in the dumps. Haha. They also have a policy of sharing Happy Experiences! This report follows a GRI structure and appears to have a monopoly on bullet points. Almost every page contains bulleted lists, which makes for bulleted reading - like having hiccoughs. Happy Hiccoughs. It's a nice report, though, providing a good level of detail for a first effort. One thing, though, is that with this company targeting to contribute to everyone's happiness, I looked for they way they measure success. In an employee satisfaction survey, for instance, we can see that the Company does get good results such as a 95.75 score on "exciting growth opportunities" . But I was wondering if they asked employees the question: Are you happy at work? Doesn't seem like they did. Happiness is such a personal thing, I find a company whose mission is to make people happy a little surreal. Call me a party-pooper if you like.

**Alma Media Oyj, Finland GRI C self declared report, 23 pages** Alma Media is a Finnish media company, publishing 35 newspapers and providing a range of online services,

turning over 300 million euros and employing 3,000 people. Not a small business by any means. I like the way this report addresses head on some core issues relating to media, journalism and sustainability. A key issue is the way local newspapers support a local sense of community. Very interesting reading. Another nice feature about this report is their consultation with stakeholders and the presentation of results.

**Alaska Air Group Inc,USANot GRI, 28 pages, environment report only.** Alaska Air Group is the holding company for Alaska Air and Horizon Air, the ninth largest carrier in the USA, employing 13,000 people and a net income of \$121 million. They call themselves "fuel efficiency trailblazers" and do demonstrate good carbon emission reductions during this reporting period. In fact, though this environment report covers a range of topics relating to airline environmental impacts, the only data provided relates to fuel efficiency and emissions, with no data on any other parameters - water consumption, quantities of waste, recycling etc. Whilst this is a nice basic first effort from Alaska Air, as an Environmental Report it only goes so far, and as a Sustainability Report it doesn't make the grade. This one doesn't get my vote, I'm afraid.

**ArcelorMittal India,India**

**Not GRI, 38 pages.**

ArcelorMittal India (AMIL) is a subsidiary of ArcelorMittal, the global steel maker. This report is full of big photos and small print. It is mostly photography and graphic design work and light on content. It does provide some nice local flavor, making it an interesting report, but not a serious contender for winning an award, in my view.

**ArcelorMittal USA,USA**

**Not GRI, 7 pages**

This is declared to be an "addendum" to ArcelorMittal's global report and as such it has a very local USA focus, and nicely covers performance highlights of this division of the global company. It packs a lot into 7 pages, but falls way short of a full sustainability report, and seems to me to be not quite beefy enough to compete in this category. Having said that, the initiative to publish a local report is laudable and I wish many more subsidiaries of global businesses would take this approach.

**Biogen Idec Inc,USA**

**GRI C self declared, 14 pages** Biogen is engaged in developing innovative therapies to meet unmet medical needs, employing 4,700 people. This report shows that you can cover quite a lot in 14 pages in a clever way, projecting a nice all-round CSR approach. This report was reviewed by Michelle Bernhart - **you can read the full review here**. This is a paragraph from Michelle's review: "The report is somewhat light on specifics. Some topics are covered with nicely written words but little substance. And, with two of the company's founders having won the Nobel Prize for breakthroughs in biology, one might expect a more empirical approach, but the report is short on data. Environmental performance, for instance, is boiled down into just four metrics, although this does make for accessible presentation. It also appears the company has selected 2006 as its baseline year for performance data, which makes the limited data even more surprising. Apparently, Biogen Idec has been tracking these metrics for several years."

**GoLite, LCC, USAGRI A+, 157 pages**

GoLite is an outdoor apparel company, outsourcing all manufacturing, and also a Timberland brand licensee, adopting the Timberland Code of Conduct."Transparency weighs nothing. Therefore I GoLite" is a nice introduction to this first report which doesn't go very lite at 157 pages, of which over 50 are appendices, of which 14 pages form a glossary dictionary of sustainability terms. This is one of those reports that rigidly follows the GRI indicator list, including the indicator number(s) with each subsection. It makes for

a dry, disjointed report which doesn't allow the true nature of this company's unique sustainability story to shine through, which is a shame, because this company takes sustainability seriously. It is probably the most transparent of reports in this batch, going into great detail about almost everything. Slightly more focus on the trees and a little less on the wood would have been helpful. Assurance of this report was conducted by a Sustainability Committee of external experts who did not verify the data or content of the report, but commented on whether it is comprehensive. (Frankly, at 157 pages, it probably didn't need a committee to determine if they had left anything out) .On a positive note, I was surprised to read that this company employs only 25 people (I had to enlarge the PDF to make sure I had read that right!) . With such a small employee base, the production of such a detailed report is quite an achievement.

#### **Hyundai Engineering and Construction Company, Korea**

##### **GRI B+, 92 pages**

A beautifully crafted first report, creatively and comprehensively presented, pleasing to the eye and following a nice TBL flow. It is structured around the GRI well enough for the familiar themes to be recognizable, but also follows a clear concept so as to be readable without the disjunctiveness (is that a word?) that rigid GRI adherence sometimes dictates. The report is entitled "We build tomorrow" and this theme is nicely woven throughout the texts. A performance dashboard at the beginning of the report and good reporting on stakeholder engagement and materiality make this report one of the best in the pack. The assurance statement is a little weak but this doesn't detract from the quality of the report. As an aside, when you look at the photo of the 17 smiling male directors of this company, it is easy to understand why there is no mention of diversity or disclosure on gender issues in this company.

**McGraw Hill Companies Inc, USANot GRI, 21 pages** This is the company that owns Standard and Poor's, amongst other things, so it is fitting that a company who claims to help restore "transparency and trust" to financial markets should report transparently on its own business. This is quite a nice report, reasonably revealing for a first effort. It's straightforward, no pryrotechnics but modestly designed, if a little cramped, and it is a worthy entry in this category in my view. It glosses a little over materiality and stakeholder dialogue, but covers most other stuff at a mainly declarative level. I was pleased to note the company offers chair massages for employees.

**Oil and Natural Gas Corporation, IndiaGRI B+ self declared, 76 pages** This report is entitled "We care" . Then I read that ONGCians work 24 X 7 throughout the year, and I wondered who cares about getting some sleep occasionally. The report is printed in a font which was designed not to be read, and the language is often amusingly stilted and contains spelling errors, but I battled on using speed-read and goggles. This is a report with a strong patriotic flavor, crediting its success to the vision of Pandit Jawaharlal Nehru, the first Prime Minister of India, who had faith in the potential of a domestic oil and gas industry. The report clearly shows a serious approach to sustainability, even if I had to skip a few pages where my goggles steamed up, and its materiality matrix, presented in the form of a Sustainability Risk Radar is quite a nice representation of what matters most in this company's sustainability efforts. Another nice feature of this report is the presentation of performance by the Company's Directors.

#### **Pacific Hydro Pty Ltd,Australia**

##### **GRI B+ , 41 pages**

This is a 240 people company generating over \$118 million (AUD) through development of hydro and wind energy, with a net positive environmental impact. A nice first report, presenting CSR strategy well and including a number of focused case studies which give nice insights into the way this company is contributing to low-carbon energy production and serving communities. There is even a basic attempt to describe some indirect economic impacts of the company's activities - it falls way short of a quantified in-depth



## **Fifth place: The Sanctuary Group**

I wish all first time reporters **good luck** in the CRRA 11 awards, and looking forward to them all becoming second time reporters.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 12:37PM (+02:00)

## **What they said at the CSR conference**

### **Tuesday, November 30, 2010**

Here I am back from the **Ethical Corporation Reporting and Communications Summit held in London on 25th and 26th November**. Promising to provide answers to whether one-way CR Reporting is dead, what integrated reporting means in real life, whether stakeholder engagement adds value, what good CR practice looks like online and more, this conference presented an array of CSR practitioners from the best of companies such as Vodafone, M&S; JS Sainsbury, Sony and more. Below is the conference in quotes which I have tried to reflect fairly and not take out of context (much). These are things that I wrote down. There were many more insights to be gained from listening to the entire presentations and debates, but this should give you a bird's eye view. Background on the speakers and companies can be found at the conference link in the first line of this blog.

#### **Andy Wales of SABMiller**

"Sustainable development is part of everything we do"

"For every job we create in Uganda, 100 additional jobs are created"

"I remain unconvinced that analysts are looking at the long term issues "

"Less than 10% of people [visiting our site] download the [CR] report"

"People have a completely bizarre view of how our business works"

#### **Chris Burgess of Vodafone**

"It's very difficult not to report these days"

"The main value of sustainable reporting is more of an internal one"

"We're not really clear who reads our reports"

#### **Rowland Hill of M&S**

"The best reports are considered to have a compelling story to them"

"A report should be the tip of an overall communications iceberg"

"A report has done 90% of its job by the time you've got it signed off"

"Our employees have never been as engaged as they are now.. but when we gave the [sustainability] report to our employees, it hit the recycling bin faster than we could say something short."

"Key external opinion formers are the target of our reporting"

"An Ipsos Mori survey in September 2010 showed that when asked "Which sustainability reports have you read?", 40 respondents from the NGO and CR expert community

responded M&S (68%), Tesco (65%), Coop (65%) Sainsbury (55%), Next (8%) Debenhams (8%) " (actually this was more of a slide than a quote but it's close enough):  
"Integrated reporting is an interesting thing"

**Marcelo Esquivel of Anglo American, Chile**

"The first challenge [of writing reports] is to make sure they are read"

"I definitely believe integrated reporting is the immediate future"

"We are proud of the net positive impact we generate in communities"

**Simon Braaksma of Phillips**

"Sustainability is part of our company strategy"

"Our report is not written by one person, it's a military operation"

"[Our report] helps employees understand the business strategy"

**Judith Moore of the World Bank**

"Stakeholder engagement and feedback [on our report] is disappointing"

"[Reporting] has actually made our job a lot easier - it creates a lot less dissonance in our work and makes it easier to raise money in capital markets"

**Louise Tyson of BP**

"You get caught up in a discussion about share price and environmental issues - but is important to remember that 11 people died"

"Most crises are much shorter .. this one lasted several months"

"Targets we set for the next BP report are transparency (using accessible language), balance (not being defensive), committent to the Gulf of Mexico and a roadmap for BP and the way forward"

"The big challenge is who's going to read our report "

**Chris Harrop of Marshalls**

"The UNGC is a very good roadmap to organise our own sustainability actions"

"We use the UNGC framework to frame our discussions with stakeholders"

"Our CR report is easy to write"

**Toby Webb of Ethical Corporation**

"cutting edge" "authentic" "genuine" (talking about the Patagonia CSR website)

"Timberland talks about issues they don't know how to solve"

**Marjolein Baghuis of the GRI**

"Stakeholders need to see results from their inputs"

**Emily Nicholl of Sony**

"First forget social media .. this is about being social..."

"We have to shift from smiley baby reports to development and data-heavy and rigorous reports"

**Jeffrey Oathan of Centrica**

"Reporting can be pretty boring"

**Revital Bitan of Intel**

"Our localised CSR reports create a link between Intel and national issues"

"A CSR report is like a reference guide"

"Think integration not substitution"

"Be prepared to engage"

"Employees are trained in blogging but blogs are not censored"

**EDF Energy** (marketing slogan) (I love this)

**If we save today, we can save tomorrow.**

Finally, the only thing I was hoping to hear but unfortunately was not articulated even once during this informative and thought-provoking two day conference was:

**"And now it's time for an ice cream break - free Chunky Monkey for everyone!"**

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of *CSR for HR: A necessary partnership for advancing responsible business practices* Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)

Posted by elaine at 08:32PM (+02:00)

## The New CSR Social Media Index. Essential Reading

Friday, November 19, 2010



The **big news** this week is the publication of the **Social Media Sustainability Index**. It has a short subtitle: "An essential guide to how the world's most sustainable companies are communicating their green convictions and deeds through social media". Haha. Real short, right ? But this new Index is a delight. It's well researched, well written and quite illuminating. I love it! (I don't usually go overboard with the superlatives, being a British-born restrained sort of type, but I really do like this index which combines two of my favourite

worlds - CSR and Social Media). Let's dive in:

Commissioned by **SMI**, and authored by Matthew Yeomans of **Custom Communications**, an experienced business and environmental journalist, the report provides an overview of "The changing world of sustainability communications", a useful series of tips on the Do's and Don'ts of CSR in Social Media for optimum reputation management and a list of **Green Twitterati** from the media, consultants (including yours truly and most of my other faves), companies, NGO's and academia/politics. This is a #FollowFriday list if ever I have seen one. The report continues with an overview of Sustainability Social Media elements such as online publishing of sustainability information, campaigns and reporting, showing how companies are currently leveraging these channels. Then comes a list of 15 companies "to watch", those who demonstrate best Sust-Soc-Med practices. **AMD, Allianz and Dell** are at the top of the list. This concludes the report narrative. The remainder of the report is the result of a detailed analysis of the way companies are using SocMed, providing a matrix showing each company's Sust-Soc-Med activity, sector by sector. There are 10 sectors (sector leaders in brackets) :

1. Basic Materials (Alcoa)
2. Consumer Goods (Ford)
3. Consumer Services (Starbucks)
4. Financials (BBVA)
5. Healthcare (Novartis)
6. Industrials (GE)
7. Oil&Gas (ENI)
8. Technology (IBM)
9. Telecoms (Telefonica)
10. Utilities (PG&E)

As with any index of this nature, what is of most interest, serving to establish credibility, is the methodology used to perform the analysis. Here the Sust-Doc-Med-Index is quite clear: each company (using the North America and Europe DJSI list of 287 companies) has the possibility of scoring up to 100. Marks were given for how actively companies were in using social media for sustainability, how creative they were and how accessible their stuff is. This is how it goes:

If companies had a social media channel - blog, twitter account, YouTube channel - devoted to CSR then they got 40 points. (This is a "dedicated" social media channel)

If companies used a general corporate social media channel to sometimes discuss CSR then they got 30 points.

THEN....

If companies were also running a social media campaign dedicated to a CSR cause (for example, Pepsi Refresh ) then they got another 20 points.

If companies were opening up their social media channel to comments and conversation then they got 10 points.

If companies were making their Sustainability Report accessible using social media they got 10 points.

Finally, companies were ranked on how creative they were in conveying sustainability through social media (storytelling, creative ideas) with a score of 1 - 20. This is the only part of the methodology which requires an assessment and a differentiated rather than an absolute score for the elements described above. Getting a full 100 points therefore is possible only if companies are really really creative, as judged by the analyst. This is a clear, logical methodology which makes for good credibility of the ranking results. No companies scored a full 100, but a few came very close with **GE, Starbucks, IBM, Ford and Dell** all earning 95 points or more.

A few **quick facts** from the analysis:

**85%** of companies use social media as some part of their communications or PR portfolio.

All **3** companies in the Telecommunications sector and **10** out of **13** companies in the Technology sector have blogs, but **NONE** of the companies in the Basic Materials, Health Care or Oil and Gas sectors have blogs.

The vast majority of Consumer Goods companies have Twitter accounts, Facebook pages and You Tube channels.

Technology was by far the most engaging sector for the author of this report. He found

that the US tech companies all have dedicated social media sustainability communication channels. Only 4 companies out of the 25 surveyed in the Oil and Gas sector use Social Media.

5 of the top 10 scoring companies are in the consumer facing sectors: Ford, Starbucks, Puma, Pepsico and Svenska Cellulosa. err wait. Svenska Cellulosa ? Had to take a look at that. **Here is their website**. The first things that stands out on their sustainability section is a survey ...but when I clicked on "Take the survey" I ended up in a Google Docs page with no survey. However, despite the fact that this company doesn't blog or tweet, they do do Facebook and YouTube.

Nestle would have scored higher were it not for their now infamous Facebook blunder, which lost them 40 points. If they had been a little more prudent, they might have just nudge into the top 20.

Matthew Yeomans told me about Sust-Soc-Med:

Companies that make best use of social media for CSR communications understand that online communities care about sustainability and, as companies, they are interested in the input of all their stakeholders. What's more, they understand that social media allows the smart companies to show how they can be useful to society, allowing them to walk the walk rather than just talking about how sustainable they are.

But be warned, says the report, "social media communities are notoriously quick to spot fakery and dismantle corporate spin. The companies that try to hoodwink the public or inflate their claims of sustainability using social media will be found out very quickly".

To round off, CSR and Social Media need to be on the same page. As a route to engagement, dialogue and building reputation, the power of Social Media is huge. Companies who think this through well, and execute well, will gain immeasurable benefits. Perhaps many companies shy away from the Soc-Med thing because of the potential risks. I think the balance has now changed and the potential risks are greater by not engaging in social media.

The Sustainability Social Media Index will be updated annually. A full 12 months for all the laggard companies to check out their ranking and get blogging. Looking foward to seeing the changes next time around, oh, and to reading the plethora of corporate blogs that are likely to appear in 2011. And as I write, I just got followed by **@ecomagination**. How did they know I was writing this piece?

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 09:01AM (+02:00)

## Comments

- Leslie

November 19, 2010

---

Hi Elaine!

Thanks for your post. I'm curious about the report and am wondering if you know how the DJSI correlates to a company's SMI Sustainability Index rating. And how does the 'creativity' aspect of the rating relate to authenticity/transparency of the communication?

I wonder if those with a higher DJSI also manage to score a higher SMI Sustainability Index.

Thanks!

## 12 CSR Reporting Trends for 2011

Sunday, November 14, 2010

I recently published an **editorial on CSRwire.com** called "**Sustainability Reports: don't ask 'if', ask 'how'**". In a nutshell, using the **PwC CSR Reporting Trends 2010** study published last month, and the **Radley Yeldar "How Does It Stack Up" reviews of European and UK CSR Reports**, and the **Lundquist second "Global Leaders" report**, which assesses online sustainability communications (and not just sustainability reports), the inevitable conclusion to be drawn was that sustainability reporting is now a minimum expectation of companies and the key to differentiation is the **way** a company reports, rather than, as was the case not so many years ago, **whether** the company reports. There are still thousands of companies who do not communicate on sustainability, but sooner or later, there will be no avoiding full accountability and transparency. The ones who do it well will gain a range of internal as well as external benefits. You can read my full editorial **here**.

Anyway, as it is now mid-November, thoughts are turning to the end-of-year lists (The Best of 2010... The Worst of 2010... The Trends.. The Rising Stars .... The Leaders and the Laggards ... etc) and all those kinds of articles which appear in December, and I have already been asked for my view of how CSR Reporting did in 2010 and what the trends I see for 2011, for an article to be published on this subject. My response ended up being blog material. So here it is. After I tidied it up a little!

### **CSR Reporting 2010 and 2011 trends**

2010 has been a good year for reporting. It started well with **news of a sharp increase in reports produced by the S&P 100 in 2009**, 93 of the 100 now reporting and by **mid October, the GRI was reporting a 60% increase in reporting in 2010 versus 2009**. . The **PwC trends summary for 2010** shows strong advancement of a reporting culture. The success of the **GRI 2010 Conference in Amsterdam** and the establishment of a new **GRI foothold in the USA**, the continued expansion of the **Carbon Disclosure Project** and their new **Water Disclosure Report** as well as many other other frameworks all point to increasing focus on business transparency and reporting. Companies are becoming more creative with reporting techniques, and using the power of the internet to reach more readers. The strong push towards Integrated Reporting and the establishment of the **Integrated Committee (IIRC)** has provoked new debate, activity and even listing requirements on some stock exchanges. The focus on reporting as a feed into investment analysis tools has heightened with Sustainable Indexes continuing to have an important role, including the publication of the **Global 1000 Index by CRD analytics**, which powers the NASDAQ Global Sustainability Top 50. The debate on reporting moved in 2010 from whether to report to how to report – and this includes fundamental questions about presentation of CR reports (online or print/download) , separate versus integrated and frequency of update (annual or more frequently). Whilst the talk is towards integrated, companies are not moving wholeheartedly in this direction and much work still needs to be done to define what integrated really means and how it can be applied in a way which is better than now. Perhaps many will wait to see what guidelines and frameworks will emerge to assist them in addressing the highly complex issues that true integrated reporting poses. **Trends to watch in 2011**Non-profit reporting : We are starting

to see more scrutiny of large NGO's and the understanding that as large organizations, they should be committed to transparency in spite of, or perhaps because of, their inherent social or environmental nature. The release of the **GRI NGO sector supplement** will probably have an influence here. **Integrated reporting** : It is likely that more companies will want to get ahead of the game on integrated reporting, and will start by joining a financial report and a sustainability report in one cover. Whilst this is not true integration, some companies will go this route for many reasons, if only to be counted as leading a new phase of sustainability reporting. What we might see, however, is a greater attempt by companies to **quantify the financial impact of their non-financial performance** in one way or another. This is long overdue and would be a welcome development in Sustainability Reporting , even if full integration is not yet a practical option for most. **Online engagement around reporting** : The drive to use reporting as a platform for interaction will gain speed in 2011. Today, only a handful of reporters (Guardian, SAP, Timberland to name a few) have really designed their reporting efforts around a more holistic view of sustainability communications and are using their report as a catalyst to engage stakeholders. As time goes by, more companies will realize that this is not only far less risky than they think, but also an inevitable feature of being a sustainability leader. **Use of social media tools to engage stakeholders in the reporting process** : As online engagement becomes more widespread, companies will have no choice but to explore the possibilities of Social Media and use tools that are available on the Internet. We will see a proliferation of corporate CSR blogs, more Facebook pages and more tweets from Company accounts. Some may even take the lead from the **Guardian who used their blog platform to ask stakeholders what the Guardian should be reporting on** . In this way, Companies will try to engage stakeholders in the content and development of the report, rather than just gaining their reactions. **Dominant online formats**: More companies will develop their online architecture to include sustainability data and use the annual reporting cycle to create order, priorities and create a structured report which is printed only in a summary form. Websites will be the dominant information carriers. **Issue based reports**: We have seen an increase in sustainability reports which are region or issue based: **L'Oreal issued a report on Diversity, SAB Miller issued a report on their economic impact in South Africa, Unilever has issued a series of reports** on different aspects of their sustainability initiatives, **Nestle has issued a report on water management**, and another on **Nutrition and Diet**. More companies will be looking to differentiate themselves through focused and targeted reporting on their impacts in specific regions or on specific issues. **Materiality and Engagement**: These two areas are those which most companies fail to report well, and yet are key to good sustainability communication. We have seen companies start to mature into reporting on these issues. I believe better reporting on materiality and stakeholder engagement will characterize 2011 reports. **Some trends I would like to see but I doubt will materialize in 2011: Brand based reporting for consumers**: I would like to see more companies influencing consumers with their sustainability reporting, via the brands that they distribute and the customers they serve. I would like to see some **Sustainability Reports for Brands** rather than global reports which mean little to local consumers or customers. I would like to see consumers being engaged at the point of sale with sustainability information contained on product packaging so that they can make the right choices as they purchase. **Employee involvement**: I would like to see evidence of greater employee engagement and involvement in the reporting process. Many companies do not report on the process of their report development or use the great insights of employees in the body of the report itself. I would like to see more evidence of a CSR enabled culture in the business and its evidence in the reporting process and the report. **Outcomes**: The most important change I would like to see is the move from reporting on what has been done to what a difference has been made i.e. the move from inputs, decisions, plans and actions to a real

assessment of what impacts the company is making as a result of all these inputs, decisions, plans and actions. Outcomes has to be the key focus for 2011. However, I suspect that so many companies will continue to take the easy route of just listing all the good things that they have been doing and not really bothering to put in the extra effort so that we can all know whether it was worth it. This would mean **considering the indirect impacts** as well as the direct impacts a company has. **Localized reporting:** I would like to see more global companies producing local reports describing their local impacts. When a global business reports, it is at a high level and meaningless for local stakeholders. Intel, GE, Vodafone, Telefonica, Motorola and others have developed a leading habit of parallel reporting at local level. I hope that more global companies will do the same in 2011. **SME reporting:** There are some glimmers of hope in the SME community but by and large, reporting has not been assimilated in this sector. However, as SMEs drive economies, we cannot ignore their collective impact on our societies. My firm view is that SME reporting will be largely driven by MNE requirements for reporting in their supply chain, much like the excellent initiative of **Puma in the context of a GRI project** or the requirements of Walmart from its first tier suppliers. I would like to see more MNE's driving this and supporting their supply chains in becoming more transparent and more sustainable. Finally, a word about **context**. There is a body of thought that says sustainability reporting should be contextual, i.e. impacts which are defined in terms of their contribution to overall global sustainability rather than individual unconnected impacts of a single company. See this **interview with Mark McElroy of the Centre for Sustainable Innovation**. I am going to remain quiet on this for the time being till I distill my thoughts more comprehensively, but suffice it to say that beyond the additional more general contextual information shared as background to material issues reported on, I don't see many companies going this route, whatever its merits or otherwise. So there you have it. Be prepared for an onslaught of posts, opinions and predictions of reporting trends for 2011, many of which will differ and only some of which will prove to be relevant. See you in December 2011 to check out how everyone did.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (Beyond Business Ltd, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 11:35AM (+02:00)

## CSR in six words

Friday, November 12, 2010

I was alerted to something fun on the internet by **Kate Shopper** who is omnipresent on Facebook and always posts interesting things. This time, it was **Six Word Stories**. I found myself smiling and amazed by how much you can actually say in six words. Like this: **Surgeon drops brain. Patient loses mind.** or this one: **"I'll do it tomorrow". Tomorrow: ditto.** or this one: **Boy smiles, magician cringes: motionless rabbit.** Of course, my immediate thoughts turned to CSR stories and how we could tell them in six words. Here are a few that I came up with:

**BP:** Oil spill. Big mess. Bye Tony.

**Telecomms:** Communicate more with stakeholders. Add ARPU.

**Reporting:** CSR Report. Drop on foot. Hop home.

**Unilever:** Dove gives self-esteem. Axe axes it.

**Guardian Sustainable Business website:** New site doing well. Please "like"

**Food security:** We nourish the planet. And ourselves.  
**Professor Karnani:** CSR doesn't work. Rely on government.  
**Aron Cramer:** Sustainable Excellence. Oxymoron? I say not.  
**Online reporting:** Sustainability Report online. Click. Click. Click.  
**Nike:** CSR. Just do it. Pretty quickly.  
**Reporting:** Insomnia. Read sustainability report. No insomnia.  
**Nestle:** We love Facebook. Yeah. Right. Logoff.  
**Reporting:** Sustainability report. 354 pages. New doorstep.  
**Green Activism:** Protect the environment. Attack a corporation.  
**Pepsico:** Refresh everything. Including our CSR strategy.  
**Human Rights:** You are human. You have rights.  
**Gender Diversity.** Advance women in business. Men gain.  
**Integrated reporting:** One Report tells all. Who's listening?  
**Sustainability rankings:** Rankings are stupid.. Unless you're top.  
**Reporting.** Online report. Printed it. Don't tell.  
**Banks and CSR :** Financial inclusion. Overdraft. More banking profits.  
**Green IT:** Sleep mode. Save energy. Tweet less.  
**Reporting:** Online reporting. Save paper. New spectacles  
**CSR:** CSR will save the planet. Eventually.  
**Sustainability:** It's for the kids. Some day.  
**Al Gore:** Inconvenient truth. Me hero. Convenient truth.  
**GRI:** Reporting is key. Where's the keyhole?  
**Assurance:** Assured CSR report. Assured it's boring.  
**Poverty:** Digital divide. Donate PC's. No internet.  
**BOP:** Poor people. Big market. Strike gold.  
**Elaine:** Chunky Monkey. Breakfast. Lunch. Dinner. Heaven.

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of *CSR for HR: A necessary partnership for advancing responsible business practices* Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)

Posted by elaine at 03:41PM (+02:00)

## Is one-way CR reporting dead?

Friday, November 12, 2010

I like Ethical Corporation conferences. I have attended several over the years and have never been disappointed. I go to conferences to learn from practitioners and hear the latest thinking on different aspects of CSR and reporting. I feel it has been worth my time when I come away with new information and ideas and an up-to-date feel for what is going on in the CSR space. (Meeting people is fun too, of course!) I have always come away from Ethical Corp conferences with added value. (haha, at one conference, when Cadbury's had a stand presenting their CSR Report, I also came away with about 3 kg of Dairy Milk chocolate). So later this month I am off to the **Ethical Corporation Annual CSR Reporting and Communications Summit**. In fact, I have also been asked to speak at one of the conference plenaries. (I am not showing up yet on the speaker list so I will keep you in suspense as to which session I am speaking in :)

In the opening plenary, which I am not speaking in, (well, except for a little heckling from

the stalls, maybe) **SABMiller**, **Vodafone** and **Marks and Spencer** will be debating whether one-way CR reporting is dead. Of course, we know the answer to that. It's not. By far the majority of companies are still pushing out their CR reports in standard PDF format, and not providing platforms which engage stakeholders in a participatory dialogue.

**SABMiller** have a nice online **sustainable development site** which includes detailed performance charting in a special metrics portal, and downloadable reports including prior years reports from way back when. The Company produces several sustainability-related reports each year. One is their full annual Sustainability Report, but others are issue or region specific. This report, for example, called "**Working for South Africa - the contribution of SABMiller to the South African economy**", is a thorough, transparent and fascinating look at the beer and liquor industry in South Africa, the direct and indirect impacts SABMiller is responsible for and the multiplier effects of SAB activities in the local economy. However, getting back to the opening plenary, and one-way communications, SABMiller are doing it two ways, with the "**Views and Debates**" section, in which you can find the SABMiller sustainability blog which has been on air with a spurt since June 2010, slowing down a little in recent months, with the most recent post being from **Andy Wales, head of SABMiller Sustainable Development sharing his experiences from the BSR conference**. Despite the fact that all the recent posts I looked at do not appear to have generated any engagement in the form of comments, and provided that the SABMiller blogging team can keep up the pace, this is a good platform for dialogue. It does, however, show how tough it is to maintain this kind of platform and generate some interaction.. Anyway, I left a comment, haha, couldn't resist.

**Vodafone** is a master reporter having changed the game with the "We said, We have, We will" motto which has been emulated by many in various forms. Vodafone's reports are always clear, carefully crafted and focussed well on material issues. The Vodafone website doesn't have much that is any other way than one-way, though. All their reports, including several local country reports, are available for download as PDF's. The thing that appears to come closest to interactiveness is the page on their CSR website called **CR Dialogues**. Actually, though, these aren't dialogues, they are monologues - posts by non-Vodafone people expressing their opinions, with no room to comment, despite Vodafone saying they want our views.

Marks and Spencer **Plan A (Doing the Right Thing)** website is nicely branded. See how they talk CSR without even mentioning the word ? Most of this site is the one-way version with nice presentation of all M&S sustainability ... errr...oops... Plan A initiatives. However, the M&S two-way comes in the form of getting people to make promises... **pledges**... so that M&S can turn customers into Plan A customers through involvement in social, personal and environmental initiatives. Each of the possible pledges are explained in an easy style, advising readers what they can do and what a difference it makes. It's good. The website shows 18,580 people have signed up with their own individual pledges. That's quite a number. Wonder how many people have kept their pledge? However, aside from pledging, there doesn't seem to be much opportunity for interactive dialogue on the M&S site.

So, there we have it. Three speakers... two with no dialogue and one possible dialogue .. talking about whether one-way reporting is dead.. Should be an interesting session .... or a very short one. Haha. However, all three companies do maintain outstanding CSR programs and consistently report well, and I am sure what they have to say will be fascinating. I will be interested to hear how these companies do spark dialogue around their CR initiatives in forums which are not necessarily on their online reporting site, and how they see their own company's reporting evolving. I will be interested to hear what they have tried in terms of communication with different stakeholder groups and what has worked or not. The other interesting aspect which is often debated is to what extent the CR report itself is a vehicle for communications. Maybe the CR report is the catalyst but

the communications (read: dialogue) of necessity must take place elsewhere.

If you plan to be at the **Ethical Corp Annual Reporting and Communications Summit on 25th and 26th November in London UK**, do let me know or come up and say hi during the conference. I wonder if this time they will serve Chunky Monkey during the breaks :)

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 09:50AM (+02:00)

## Sustainability Reporting - going too far?

Thursday, November 11, 2010

Have you come across a sustainability report for a brand ? I have been trying to think if I have seen anything that comes close, and I can't say I have.

One of the core aspirations of consumer brand companies is to attract and engage consumers. However, consumers don't appear to make a big effort to read sustainability reports. On the one hand, companies want to engage with their consumers, and leverage their sustainability efforts as an element of their competitive advantage. On the other hand, the wealth of sustainability information that is now available about about corporations goes over the heads of consumers. Unless there is a big deal like the BP oil spill, or the **H&M discarded clothes disaster** or claims of child labor in Bangladesh or wherever. Most consumers don't go out of their way to look for sustainability data and wouldn't know how to read a sustainability report if you planted it on the bridge of their nose. Sustainability reports serve a range of valuable purposes, even if they are not noticed by consumers. However, many companies produce such reports in the hope that consumers will read them and be impressed.

**Why is consumer awareness of sustainability reports so low?** Obvious. Because reports are hosted where consumers are not. When I go to a supermarket to purchase branded goods, I don't see Sustainability Reports strategically placed on the supermarket shelves. When I buy a new PC, or refrigerator, or even a new car .. purchases which require a conversation with a salesperson and therefore an opportunity to talk sustainability - no-one shoves a sustainability report down my throat. But frankly, even if this happened, and if Kellogg's CSR Report were stacked next to the shelf of cornflakes, or each showroom car had a Sustainability Report carefully placed on the driver's seat for all those who need to get into a car before considering whether to buy it, I am not sure consumers would take the time to read it.

**Why doesn't the consumer want to read a sustainability report?** Obvious. Because the report is about the company behind the brand, a relationship which is 2 degrees away from the consumer. What the consumer can relate to is the impacts of the specific brand that the consumer is purchasing or about to purchase. That's why the **Barcoo** invention is so brilliant. It gives the consumer information in exactly the place and exactly at the time the consumer needs it. When she is making a purchasing choice. However, Barcoo sustainability information is about the company, not the brand. Only product related information such as ingredients etc is detailed by brand.

**The solution?** A sustainability report by BRAND. Oy. Doesn't that sound like a headache

?

**The BRAND sustainability report would be part of the brand value proposition.** Maybe it doesn't have to be such a headache. There are some sustainability metrics which are brand specific and some which relate to total company. Take **Jaffa Oranges**. These are sold with a label showing their carbon footprint per orange. Take most consumer brands. They all have packaging. Some even have small stick-on pamphlets which contain advertising material or information about the product. What if these were to contain a mini-version of the brand's sustainability information, with a link to that brand's Sustainability Report? Many shoppers have internet access on their cellphones, iphones or ipads when they go shopping. Most may content themselves with reading more when they get home, because the URL for the Brand Sustainability Report would be listed on the packaging. What if there were a possibility to text message feedback at the POS to the company about the brand and its sustainability proposition? Would this be used by consumers ?

**How do you go about preparing a BRAND sustainability report?** Pretty much in the same way you prepare a budget for the brand. Direct costs, variables, overheads. Each brand would be assigned its share of total company overheads whilst specifics such as energy use in production, packaging volumes etc would be brand specific. There are some elements of the report that would be common to all the brands owned by a specific company, such as overall community involvement programs. I believe that it could be a feasible calculation for a company that is used to reporting on a total company basis. Take the way **Intel** reports, for instance. They produce their total company report and then similar local reports that follow the party line but inject local flavor for local stakeholders. Could not this principle be used for reporting by brand?

**Finally, after all this, the trillion \$ question is, is it worth the effort and would consumers really care?** Would this give a sales advantage to a brand with a sustainability report (at least until the others catch up)? Would the time and effort to produce such a report far outweigh the potential benefits for all but the largest billion \$ global brands ? Would the sustainability focus by brand actually create a new prism for improving sustainability performance within a company and lead to better decision making ? Or is this just taking sustainability reporting tooooooo far? I don't know. But I was thinking about it so I wrote it. What do you think ?

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices**Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)

Posted by elaine at 09:17AM (+02:00)

## Comments

- Jackie

November 12, 2010

I think it is an interesting idea. In my opinion your post outlines one way a brand can take the vast content that goes into a comprehensive sustainability report and distill town to relevant pieces of info for the consumer. The opportunity in this is that the consumer may start to have a better understanding and appreciation for the sustainability initiatives and how it ladders up to the larger impact.

Enjoyed the post and it certainly got me thinking...

Jackie Titus

## CSR, healthcare, nonprofit: all in one report

Monday, November 08, 2010



Yesterday saw the launch in Israel of the **first Social and Environmental Responsibility Report** (in Hebrew only) of a not-for-profit healthcare organization, the second largest in Israel, **Maccabi Health Services**. (Disclosure: my company, **Beyond Business**, supported the process and writing of this report)

The report conforms with GRI Application level B, and is the first time ever an organization of this kind in Israel has adopted a comprehensive approach to social and environmental responsibility and has reported in a transparent way, publishing probably the most revealing document ever for this organization, or indeed, any other of the healthcare organisations in this country. Maccabi defines four key areas of responsibility: public health, workplace, community and environment and the report includes summaries of stakeholder panels and feedback provided to Maccabi which assisted in determining the report content. This represents local best practice. The report also defines future targets including a commitment by Maccabi to report every two years. Regretfully, at this stage, the report has not been published in English but at least the 1.9 million health-insured members of Maccabi, the 6,413 employees and the many other local stakeholders will be able to read the report in the local language.



In a conference to launch the report, the Maccabi CEO explained how taking a comprehensive approach to responsibility brings both internal and external benefits. In fact, the organization won the **IPRA (International Public Relations Association) environmental award for its unwanted drug collection campaign**, an innovative

programme designed to remove a critical element of hazardous waste from our water sources and also drive environmental awareness and responsibility amongst the Israeli public. Over 1600 litres of unwanted drugs on average **per month** were deposited in special bins for safe disposal provided by Maccabi in the first 2 years (2009 and 2010) of the campaign, which continues to operate throughout the country. This is a significant amount of hazardous waste which would otherwise been thrown in family garbage bins or flushed down the toilets, with potentially harmful consequences.

Aside from the focus on the report, a fascinating speaker at the conference was **Johnathan Patz**, professor and director, global environmental health at Wisconsin University. Johnathan ran us through an aspect of climate change which doesn't get addressed all that frequently in talks and writings about the global climate change crisis.

Extreme variations in climate and weather bring about a range of adverse health related consequences - a brief summary of some of these can be found in **this section of the Fourth Assessment of the Intergovernmental Panel on Climate Change**. Johnathan quoted a study from way back in 1996 when peak traffic was reduced so as to "clean" the air for athletes arriving for the Atlanta Olympics. At the same time, child asthma-related visits to the emergency room reduced by 42% (whereas non-asthma related visits remained the same), proving the significant immediate tangible effects of car emission pollution on health. Johnathan also talked about the global warming impact on the spread of disease by mosquitos. As mosquitos (as all insects) are cold-blooded, their bodies take on the temperature around them. Higher temperatures advance the development of parasites that the mosquito may be carrying and therefore spread disease more rapidly. Zimbabwe, which is at high altitude and therefore cooler, has very low malaria rates as a result of this. If Zimbabwe were to get warmer, and it will, then the mosquitos will have a field day there too. He also mentioned "**environmental refugees**" as another outcome of overall global warming and climate change consequences. Johnathan's solution - amongst other things - move to low-emission transportation - feet, bikes, public transport etc- to reduce one million deaths per year from urban air pollution and nearly 2 million deaths per year from leading an unhealthy lifestyle resulting from, amongst other things, reliance on motor vehicles. Looping back to Maccabi Health Services, it is clear that there are also strong environmental imperatives to promote a healthy lifestyle healthcare providers should also make this connection as part of their sustainability strategy. Overall, a good day for CSR. The leadership shown by Maccabi is to be admired and emulated. Johnathan Patz is to be commended for clearly articulating how climate change affects our health and what we can do about it. And we should listen to both.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](https://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 04:18PM (+02:00)

## Comments

- [HenkHadders](#)

November 09, 2010

Hi Elaine,

Interesting post and I would love to learn more. Too bad there's no English version to read. My compliments to Maccabi Health Services for broadening their vision, while trying to improve their social and ecological footprints. I agree that health care services should do more good instead of no harm, and that it should be focused on improving the health of patients, workers, community and the environment. However, I believe that most mainstream health care organizations are unsustainable, and that their knowledge and learning systems in place are unsustainable as well. So I would love to know what the social and ecological sustainability performance outcomes are of this hospital. What does a sustainable hospital building look like ? Who was the sustainability leader behind this approach? Are doctors and nurses really innovating to practice sustainable medicine? Mainstream medicine depends on lots of resources, drugs and high-tech machines ( just look at these chains); but how to do more with less, becoming a more modest health care. How does this hospital or health care organization see its responsibility regarding the pollution of our water systems with the drugs they only use and prescribe. Just some more questions. I would suggest you start new new blog

series on the relationship between CSR and health care (in general) to find more answers. We really need this, as health care is often the largest sector in national economies, but with the least attention for sustainability matters.

Henk

- elaine

November 10, 2010

Thank you for your comment, Henk. I think the questions you raise are very relevant and no doubt will be the subject of many discussions leading to actions at this particular healthcare organization. I agree with you that healthcare is a core building block of sustainability and gets relatively little coverage.

warm regards, elaine

## CSR is not a sport

Saturday, November 06, 2010

**David Connor of Coethica**, the ultimate expert in CSR, sports and SME's, wrote a post about Manchester City's recently published CSR website. **You can read the post here.** David got me thinking about CSR reporting in the sports world, given that Football Clubs and other sporting commercial activities are big brands and **big money** and have massive social and environmental impact at national and international levels. The largest football club in terms of revenue generation in Europe is **Real Madrid**, with over \$550 million per year, according to the **Deloitte Football Money League**. Even little old Newcastle united rakes in \$140 million per year.

**What are material issues for football clubs?** Violence on the sports field and the impact of sport on crime, impact of big sports events on local communities around sports stadiums, the contribution of sports to national economies, the iconization of sporting heroes and impact on today's youth, sources of revenue and the diversification of football clubs into other businesses such as sourcing of fan products, financial services etc and all the sustainability implications of these, advertizing policies, environmental impacts in a range of aspects including the sustainability of sporting events, supply chain aspects of apparel sourcing for player kits and fan sales, competition for Club Membership, and more. Have I missed anything? This is just a list that springs to mind without too much thought.

I took a closer look at what is happening in the football field (pun intended hahaha) , and as David pointed out in his blog, I didn't come up with too much. This means that there is a GREAT opportunity out there, right ?

A nice write up on the ethics of football clubs, which is a little out of date now (2008) but interesting to view as a super summary of the core issues was published on **Ethical Consumer**.

### **Manchester City**

Manchester City launched their **CSR Report 2009/2010 Interactive site** this year, which is a first for any football club, and is accessible right there on their home page. David Connor of Coethica says about the report " *a media rich, information poor, series of pictures of children, wind turbines, disabled people and smiling employees accompanied by scattered narratives about community initiatives, but little genuine substance. There are the beginnings of thoughtful environmental stewardship but nothing fantastic to celebrate. Not quite an own goal, but definitely not 'Premier' in any aspect.*" I concurred, largely, saying "*This might work well for MCFC fans and the general public who look to the internet for entertainment rather than for a serious disclosure of corporate accountability*". **CSR is not a sport** and should not be treated in the same way as a

Football Club hypes the hiring of new players. The core impacts of Manchester City's big football business are not addressed in their pyrotechnical sparkling and dancing report, and the fact that they have enough money to engage in carbon offsetting does not really cut to the chase. However, credit where it's due - this is one of the best demonstrations of a basic form of CSR awareness from a UK football club and hopefully will serve as platform to increase a maturity of City's approach.

#### **Manchester United**

Manchester United have some **CSR-type policies on their website** and a whole site about the **Man U Foundation**, but nothing approaching a CSR Report or comprehensive approach to sustainability as far as I could ascertain. This is a personal disappointment as I consider Man U. as my home club, having been born in Manchester and raised to believe the Reds are the Best. Not the best at managing their business sustainably, I now discover.

**Aston Villa (Birmingham)** The Aston Villa Sustainability Report for 2010 is a nice first time report. Unfortunately, the download from their website is a 4 page executive summary which I almost dismissed as a pretend-report. Fortunately, **CorporateRegister.com hosts the full report**, and I must say that this is a great effort. It's a little selective, but it covers some very essential points and includes data on a range of environment and social parameters and makes concrete commitments for future sustainability performance improvements.

**Chelsea Football Club** In June 2010, Chelsea published their third "**CSR Report**", for the **2007/2008 season**. This shouldn't really be called a CSR report, it's more like a community involvement report, sharing stories and nice pictures about what Chelsea is doing in the community. Chairman Bruce Buck says "CSR is at the heart of Chelsea" but it is not clear from the report that he or others at Chelsea really know what CSR means. Nonetheless, good community awareness and commitment. Big room for development of a CSR platform.

I couldn't find any more clubs that have a CSR policy (though many have a "Foundation" for charitable or community giving). Why does this business sector feel it is immune from the risks and opportunities that sustainability can bring ? The small glimmerings of fledgling awareness from these few clubs may be the start of a tipping point, but if so, there's a lot of work to be done in the meantime.

Thanks to **David Connor and his great blog** for scoring a goal with his post on this subject.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 08:34AM (+02:00)

## Comments

- [AlexHarris](#)

November 06, 2010

---

Great post Elaine. You missed out alcoholism, and/or youth drinking and substance abuse, something for which our sporting (ahem) 'heroes' in Australia are notorious for indulging therein and encouraging through their behaviour off field.

CSR does not have to be about environment; it is about being a socially responsible corporate citizen. For a football club to adopt CSR 'programs' like this is misguided

marketing in the extreme.

The football clubs et all could demonstrate (rather than claim) social responsibility by changing their own modus operandi, from selecting their employees for values as much as skill (given their influence on youth), through to how much they are paid, how much work they do in the community, and especially their involvement in youth assistance programs to reduce violence, homelessness, alcoholism and suicide. All major social problems in Australia today.

Part of the problem is a very irresponsible level of pay which gives young players more money than they know what to do with. And this tends to get them into trouble more often than not.

It's not like they are saving, or even building, a better world. They are after all, just playing a game. They only tend to be seen engaging with the community as a PR stunt.

We pay our teachers and nurses, police officers and ambos next to nothing. And these tend to be the people volunteering in soup kitchens, youth programs, environmental clean ups etc.

The 'industry' is socially irresponsible from start to finish. In Australia at least. IMHO

- elaine

November 07, 2010

---

Thank you Alex for very insightful comments. I fully agree with your points about alcohol and pay levels and player values.  
warm regards, elaine

- Julien

November 08, 2010

---

Nice post Elaine!

The Corinthians, a brazilian FC, publish a Sustainability Report too:  
[http://www.corinthians.com.br/internacional/pdf/rs\\_eng.pdf](http://www.corinthians.com.br/internacional/pdf/rs_eng.pdf)

(Not so) fun fact: they decided to publish such a report after they inherited a lot of money from a wealthy fan.

We can think that if they hadn't had this extra-money, they wouldn't publish a sustainability report. But is it so important? They have a sustainability report, that's what matters, no?

- Anonymous

November 08, 2010

---

think one should be careful not to equate publishing a CSR report with understanding of the issue or impact. Arsenal FC for example has an responsibility agenda on many dimensions, stretching from the way their academy is run, to ensuring affordable tickets for youth and local residents, to extensive demands on their players right from youth age to participate in community involvement efforts eg getting kids to read and think it is cool.

Arsenals effort is very impressive and I would encourage looking under the covers here before jumping in to CSR report mania and demanding they produce GRI rated reports and what not.

## In support of Jeffrey Hollender

Wednesday, November 03, 2010

I don't know Jeffrey Hollender, but I know what he stands for. In fact, lots of people know what he stands for because of the incredible job he has done over the years in propelling the green agenda through **Seventh Generation**, a small company with a big voice and an even bigger impact. Till now, the voice of Seventh Generation has been heard, and respected. On reading the **letter to shareholders and employees by Board Chairman Peter Graham reproduced on Marc Gunther's blog**, I couldn't help hearing a different voice, one for which I have far less respect.

I can't imagine what it feels like to be pushed out of the Company you founded and worked hard to build. I can imagine even less what sort of people you have to be to take a decision like that. **Stephen R. Covey** taught me (though he may not know it) years ago that things are not always what they seem, and as an outside observer it is clear that all the details of this unfortunate affair are not apparent to all but an inner circle. However, I just cannot imagine what would prompt Board Members of a successful ethical groundbreaking highly praised business to kick out the founder, apparently, in a hostile and morally questionable way. If Seventh Generation were publicly traded, it is about now that I would expect stock price to plunge.

To rub salt into the wound, **Seventh Generation published its fifth Sustainability Report** (called Corporate Consciousness Report) just recently, following previous award winning reports. The 09 report is fully online. What a hollow ring there is now to the words of the same Peter Graham in his opening remarks: *"Jeffrey remains very much a part of the Seventh Generation family in his new role as chief inspired protagonist and executive chairperson. "In the end, I am moving on, yet have no intention of going anywhere at all," he said in announcing the change. "Indeed my own future echoes Seventh Generation's: There is no road map for what we're building here, and the adventure is really just beginning."* Guess the adventure was somewhat different to the one Jeffrey envisaged. I suspect Jeffrey Hollender is not the sort of guy to be beaten and I doubt he will disappear from the sustainability scene. In fact, I expect he will emerge from this incident stronger, more determined and probably more creative, and will continue to influence public opinion and corporate practices. First, Jeffrey, I wish you good luck! Second, I hope you will turn this to your advantage.

To the team at the top of Seventh Generation, I say that the distance between a successful company and a dead one is very short. All eyes will be on Seventh Generation leadership, waiting for another move which offends our sense of justice, respect and morality. If that happens, then we can truly start preparing the Seventh Generation Eulogy. In the meantime, the jury is out.

(Thanks to **Fabian Pattberg** for his post on this subject, and subsequent comments by **Christine Arena**, who prompted me to weigh in on this issue)

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 09:55PM (+02:00)

### Comments

- Zack

November 05, 2010

---

Your article was great, as a person close to the AMAZING Hollender family, I can assure you that you are correct with your statements, one, that Jeff doesn't deserve this and that the people that forced him to leave, were people he created, and that he is not the kind of person to be bested. Jeff will undoubtedly come out of this on top, and Jeff's efforts in sustainable economics has not gone unnoticed, companies are just waiting to get someone like Jeff, the best is yet to come.

- CarolSanford

November 05, 2010

---

I echo these sentiments. As a shareholder in Seventh Generation, I was informed after the fact and would have fought for a different approach and outcome. I am hoping everyone will join me in pushing for more transparency which is what SVG has as its core value. Don't stop asking questions.

I am not worried about Jeffrey at all. He is resilient, but more importantly he is a person who knows how to grow himself, beyond all else. I have worked closely with him and love he and his family. He is already sharing this as another transformational story in the path of his life. I only hope it can be the same for the Board and current leadership. And that that the company I also love can rise from this and learn. With transparency it has a chance.

- elaine

November 07, 2010

---

Hello Zack and Carol, thank you for reading and weighing in with your insights.  
warm regards, elaine

## Bedbug footprint: new CSR performance indicator

Tuesday, November 02, 2010

An interesting article in **Workforce Management** about the prevalence of **bedbugs** in the workplace caused me to ponder about the Corporate Responsibility of businesses to ensure a bedbug free workplace.

Apparently commercial offices are becoming increasingly susceptible to bedbugs, as employees unwittingly bring bugs into the workplace from, one can assume, their own beds (or wherever they happened to sleep, I suppose. Better not ask too many questions). Bedbugs are incredibly versatile and adaptable and can infest "practically any soft surface like chairs, rugs, sofas and even cubicle dividers". This is clearly a concerning situation, which all employers should be aware of. Any business who has chairs, rugs, sofas and cubicle dividers should be on the alert. I believe it is the Corporate Responsibility of all businesses to forbid entry to bedbugs in all workplaces and refrain from complicity in bedbug workplace infestation. At this point I would like to commend **Vestergaard Frandsen**, an interesting business operating under its own Humanitarian Entrepreneurship business model who offers in the company's 2009 **Corporate Responsibility Report** a solution to the bedbug disaster in the form of a thin layer of woven cloth impregnated with insecticide that you stick to the walls of your home, office, meeting room or cubicle, to inhibit the spread of bedbugs and other little gatecrashers. This treatment is effective for three years, at which point you should renew the sheet or start scratching.

The timing of this bedbug alert is actually quite fortuitous, as the **GRI** has announced their intention to work on the G4 version of the Reporting Framework, to be ready by the end of 2012. This is the perfect time to introduce a set of bedbug performance indicators. I would suggest a new section in the G4 called BB Performance Indicators. Here are my suggested indicators:

**Aspect: Bedbug Demography** BB 1. Number of bedbugs found on company premises by gender, location and source BB 2. Number of bedbug fatalities due to employee brutality on discovering bedbugs in their offices BB 3. Number of bedbugs attending Executive Leadership meetings without an invitation

**Aspect: Employee Health and Safety** BB 4. Number of employees falling sick due to bedbug bites BB 5. Number of bedbugs falling sick due to employee bites BB 6. Number of walls treated with insecticide to kill off bedbugs BB 7. Number of lost workdays due to employee sickness due to permanent exposure to insecticide.

**Aspect: Training** BB 8: Number of hours spent on bedbug avoidance training BB 9. Number of employees trained in bedbug prevention BB 10. Number of employees complaining of having bedbugs in their offices BB 11. Number of employee claiming discrimination due to not having bedbugs in their offices

**Aspect: Supply Chain** BB 12: Number of suppliers trained in bedbug avoidance BB 13: Number of suppliers screened for bedbug free operations

**Aspect: Employee Privacy** BB 14. Number of anonymous complaints about bedbugs recieved from employees BB 15. If the complaints were anonymous, how do you know they were from employees?

**Aspect: Environment** BB 16: Number of bedbugs released into the atmosphere (bedbug footprint) BB 17: Total amount of bedbugs recycled and made into useful items such as jewellery or PC components or lunch

If every Company adopts these performance indicators in their CSR reports, we will very soon have an accurate picture of our global bedbug footprint and measures underway to reduce it. This would open up the possibility for an annual CSR Bedbug Elimination Award. Companies who demonstrate leadership in de-bedbugging would be elligible to pay to enter a global contest to determine the Best Bedbug-Free workplace.

Finally, I would also recommend that the United Nations Global Compact add an eleventh principle. "Businesses should support and respect the protection of the internationally proclaimed human right to a bedbug free workplace and take measures to ensure a precautionary approach to bedbug avoidance". Hmm. Wonder why Kofi didnt think of that.

Finally finally, because bedbugs can cause significant reputational damage, it is probably best if Companies do not include this in their CSR reports unless they can confirm 100% beyond compliance with bedbug legislation. After all, not everyone understands that bedbugs are not just for beds. Just like Chunky Monkey is not just for Monkeys.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 09:56PM (+02:00)

# The Annual Maala CSR Conference in Israel

Saturday, October 30, 2010



Tomorrow, Sunday, when the rest of the world is hollowing out pumpkins and planning their trick-or-treat campaigns in time for the start of the **Halloween festivities**, the CSR who's who in Israel will be at the flagship event of the CSR calendar in Israel - the annual conference

organised by not-for-profit "**Maala**" - the Israeli affiliation of **Business for Social Responsibility**. Maala is celebrating 10 years of activity in Israel, and the success of a growing number of companies joining their organization, now over 130 companies, with over 70 taking part in the annual Maala ranking which determines the Maala Social Index on the Tel Aviv Stock Exchange. The conference will draw a crowd of 700 or more people and is the place to see and be seen if you have anything to do with CSR in Israel.

The theme for this years' programme is "looking ahead to the next decade" and will be opened by incoming Maala Chairperson **Ofra Strauss, Chairperson of the Strauss Group**, one of the (few) Israeli multinationals who is taking sustainability seriously. The programme has a largely local flavour, and plenaries includes CEO Galia Maor, of **Bank Leumi**, who will talk about stakeholder engagement in the digital age, followed by a review of governance in the Tel Aviv 100, the premier league of public companies in Israel, and a panel on workforce diversity. Breakouts include risks and opportunities of Social Media in business, a panel with CSR-minded CEO's, a session on CSR and urbanization, a session on the role of corporate legal counsel and a session on embedding CSR in organizations (at which I will launch my new book, **CSR for HR: A necessary partnership for advancing responsible business practices**).

In addition, one of the highlights of the conference will be the Maala Prize, which is awarded for achievement in a different aspect of CSR each year. This year, the prize will be awarded to Israeli companies who participate in the **UN Global Compact**.

The prize for Global Compact participation was actually a suggestion my company made to Maala, and we are very happy that this was accepted as the focus of this year's recognition for local Companies. We have been driving UNGC participation with local businesses for some years now, and support **8 Israeli companies** in their efforts to advance their practices and report transparently. Israeli CSR has tended to be rather introspective over the years, with little involvement in global initiatives. It is only in the past couple of years that we have seen a few more companies adopting **GRI** as a frame of reference for reporting (my company wrote the **first GRI report in Israel, published in 2007**). However, Israel is an advanced economy, recently accepted into the **OECD**, and it is more and more evident as local companies expand their operations abroad (and there are now several Israeli multinationals), and become suppliers to global businesses, that being part of the world economy requires alignment with the prevailing standards and expectations. The UN Global Compact is a good framework for Israeli companies to adopt, especially if they are not quite ready for full disclosure via a GRI Report, as it broadens their thinking to a global level and starts them on a track of transparency. After the announcement that an award would be made at the Maala conference, 6 companies out of the total 20 active business participants from Israel rushed to declare their commitment to the UN Global Compact, at least two of which we will support by writing their first Communication on Progress.

Anyway, this is always a day to catch up with friends and colleagues, hear the latest news (and perhaps even a little gossip :)), and recharge the CSR batteries for another

year of making the world a better place.

Do stop by our booth (**Beyond Business**) if you happen to be attending the conference, and enter our raffle for 5 copies of **CSR for HR**. Sorry, we won't be giving away Chunky Monkey!

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 04:24PM (+02:00)

## Ajinomoto: The building blocks of CSR reporting

Friday, October 29, 2010

I recently reviewed the **Ajinomoto 2010 CSR report on CorporateRegister.com**. I chose to review this report due to my fond memories of being hosted by **Ajinomoto** in Tokyo, many years ago, for a week of training related to my work at that time. That was a period before I had even heard of CSR or sustainability. Then, you just went about your business, impacts or no impacts. My week at Ajinomoto, both at their head office and in their production plant on the outskirts of Tokyo was one of the most memorable of my business life. The people were delightful, and oh so hospitable, the food was wonderful, the level of professionalism was inspiring and their attention to detail incredible. I even developed a taste for Japanese food, and a taste I long for to this day is Japanese Green Tea Ice Cream, which marginally beats Chunky Monkey in the ice cream flavour league.

Ajinomoto started in 1907 when the founder Mr Ikeda devised a way to make Umami seasoning, a natural flavour made from seaweed which caught on like hot cakes in Japan at the time, apparently, and still does pretty well. Anyway, I have not been back to Japan since then, and have no further contact with Ajinomoto, but reading their CSR Report brought back warm feelings of a great experience. However, as those of you who know me by now will understand, this did not cause me from being direct and to-the-point about their most recent report.

This is the first part of **my review as it appears on CorporateRegister.com**.

The **Ajinomoto report for 2010 covering fiscal year 2009** seems to be quite true to the company core business – it is built in sections just like the amino acids (the building blocks of protein) that Ajinomoto produces. By this, I mean that there are many individually important core sections which are all valuable in their own unique way, but the report as a whole hangs together less well.

For those not familiar with this long standing and well respected Japanese company, which celebrated its 100th birthday in 2009, Ajinomoto has revenue of around \$21Bn, 70% of which comes from Japan. The company employs over 27,000 people and manufactures seasonings, frozen foods, edible oils, coffee and a range of amino acids as food ingredients and other specialty chemicals. They operate from a total of 107 plants in 15 countries. Ajinomoto's global sustainability program focuses on three overarching issues: global sustainability, food resources and healthy living. In each of these areas, Ajinomoto sets directional objectives, but not specific targets, which is an omission. Each issue is addressed in a full page with some relevant context. Global sustainability refers to water and energy resources and Ajinomoto's core amino acid processes, which are now using more biomass-based carbon-neutral processes. Food resources is about

improving the performance of food crops etc through increased performance of Ajinomoto nutrients. Healthy living is about combating malnutrition and providing tasty and healthy food care solutions. Whilst these issues are vital and Ajinomoto has a good basis to consider them material, the treatment of these issues in the report is rather superficial and glosses over the company's actual impacts in these areas. This is not true universally - space is devoted to advancing nutrition, with several pages on Ajinomoto's global nutrition project which started in 1999, including case studies from Malaysia and Ghana.

The rest of the review covers Ajinomoto's excellent stakeholder dialogue coverage as well as reference to their separate **environmental report**. The company produces both an annual CSR report as well as an annual environmental report. I wonder why ? Maybe this is another reflection of the amino acid - building block mentality. Would it not be easier to produce one Sustainability Report and back up specifics on their website ? In summary, the Ajinomoto CSR report seems to reflect a sincere approach to sustainability but the overall report is not as transparent or nearly as comprehensive as I would expect from a leading Company today.

By the way, in case you were wondering, Ajinomoto means "natural flavour" - which a **nice little blog post** explains. And now I want to fly to Japan and feast on some natural flavour Green Tea Ice Cream.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

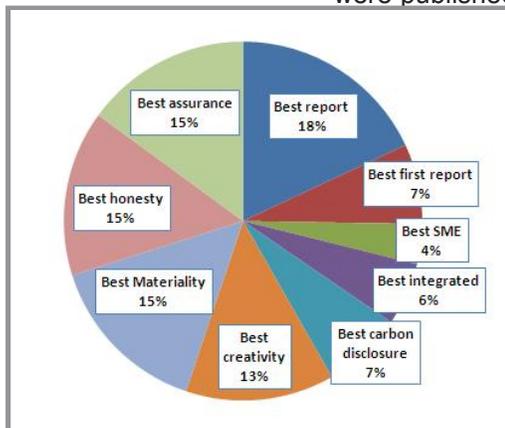
Posted by elaine at 09:39PM (+02:00)

## Open for Voting: CRRA 11

Friday, October 29, 2010



It's that exciting time of the year again when the largest online annual CSR report awards opens up for voting and we all get to pick the reports that we feel are tops in 9 categories. This is the fourth CRRA awards. The reports are those which were published between October 09 and October 10. Voting



is open from now until **28th January 2011** (plenty of time, no excuses) , and the format remains the same as in previous years. And as per recent tradition, voters who vote for a first choice in each category get the chance to win a **PRIZE :**)

According to my calculations, in CRRA 11, a total of 86 reports compete, with 41 being totally new to these awards (of which 14 are first time reporters). There are a total of 196 entries which means of course that several reports compete in more than one category. In fact, 60% of reports compete in

two or three categories. **General Electric, Banco Bradesco SA and Royal Dutch Shell** are playing it safe by each competing in six categories. This is a breakdown of the entries by category:

There is however a significant change in the rules in CRRA 2011: "*We restricted companies who had won the same category in two consecutive years from reenteirng that category.*" I can understand this - some people just vote for the companies who won the previous year. This change affects :

**Coca Cola Enterprises Inc:** Winners in Best Creativity in 07, 09 and 10, and now trying their luck this year in four categories - Best Carbon, Best Materiality, Best Honesty and Best Report, all categories Coca Cola entered last year but did not get into the top three.

**Novo Nordisk:** Winners in Best Integrated in 07,09 and 10, now trying their chances in CRRA 11 in three categories - Best Materiality, Best Honesty and Best Report, categories they entered last year and did not get in the top three.

**Vodafone:** Winners in Best Report in 07,09,10 and Best Materiality in 07,09 10 are now trying their luck in two categories - Best Carbon Disclosure and Best Honesty.

**NB: This post was modified on 29th October, one day after original post, to correct some of the information provided about CRRA 11 entries. The post now reflects the correct position. Apologies if this has caused any confusion.**

Also, this year's line-up reflects a deliberate attempt to reduce the number of entrants to make the voting task more manageable for us voters. Yes, I did say us. Because if you are reading this blog, you **MUST** vote. OK?

Over the next few weeks, as I usually do, I will be looking at the entrants category by category and sharing some background on the CSR reporting blog about what's happening in each category and the characteristics of the different report entries . And this year, I think I will make a note of who I voted for so that, when the results are announced, if I get more than one win, I will be able to treat myself to a guilt-free feast of Chunky Monkey. Fair trade of course.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 12:23AM (+02:00)

## Can you sell sustainability to customers ?

Tuesday, October 26, 2010

Sustainable Life Media have done it again, with a great new SLM Insights research report called **The SHIFT Report : Defining Sustainability and Selling it to Customers**. With a title like that, how could your interest not be piqued ? The report promises to answer some of the most difficult questions facing brands today, including :

**\*\* what is the alignment between my brand's positioning and our sustainability story? \*\***  
**what's my audience's relationship with sustainability? \*\***  
**what are the characteristics of a socially responsible brand for consumers today?**

These questions cut to the chase and the report offers very keen insights and answers.

The SHIFT report was produced as a collaboration between **Sustainable Life Media** and **Ci**, a sustainability research and brand consultancy and is the result of a survey of 5,000 North American adults. The big thing that the report conclusively confirms is that consumers regard sustainability as more than just "green". for them, it's a collection of issues which are much broader than protecting the environment. In fact, the report identifies four colours of consumer perception about sustainability:

**Orange - Personal** (balanced life, feeling connected, personal well-being) **Yellow - Spiritual** (higher purpose and meaning to life beyond material possessions) **Green - Environmental** (eco-fashion, global warming, pollution, recycling etc) **Blue - Social** (fair

trade, treatment of employees, community involvement etc)  
(Wonder why they didn't pick shocking pink?)(OK, I know, it's too shocking).  
In fact, the top 5 sustainability issues that consumers associated with sustainability were orange, yellow and blue. Not even a tiny splatter of green until you get to the ninth sustainability issue on the list.

The overriding conclusion from this research is that sustainability is a cultural shift and not just a passing trend. with **64%** of respondents confirming they have a general concern for society and planet and want to be part of a better world. Funnily enough, **64%** (maybe the same **64%**, maybe not) picked honest communication and transparency as the most significant characteristic they look for in determining whether a product is sustainable or not, **61%** mention that reusable packaging is a very big plus and **57%** look for a "Made Locally" label. TV advertising is still a key place for consumers to learn about new brands, whilst **67%** of North Americans want to know about the socially responsible behaviour of brands before they buy them.

The report goes on to define the four keys to sustainable brand communications and the four barriers to conscious consumption which are time, knowledge, price and pressure . This is important because at least part of the complex explanation for consumers not buying sustainably is lack of knowledge, or, I assume, inability to compute the information that is available. Finally, the SHIFT report talks about the **Sustainability Passion Index (SPI)** which categorizes consumers into 5 types according to their positioning on the commitment-to sustainability consumption spectrum, providing clues as to how to market to them.

All of this is important for those engaged in selling brands and the positioning of brands to meet consumer expectations and aspirations. There is no doubt in my mind that we are experiencing a cultural shift, though I suspect it is still in the early stages. Perhaps part of this shift will see us moving in the direction of much more accessible, legible, comprehensible, and focused sustainability communications with consumers. It still amazes me that we do not see many sustainability messages on actual consumer products. **United Airlines** realized that they have a captive audience for their sustainability message on their flights and ensure that every seat pocket is equipped with a CSR report alongside the vomit-bag. Ahem. I am sure that's not intentional and that there is no causal relationship between these two. Haha. Sorry, United. But the point is, sustainability is a message which has to be taken to where the consumer is. With so many brands on the supermarket and big-box shelves, and consumers wanting to know more, surely some form of communication in the brand package could be worthwhile. Perhaps it is only a matter of time until we see Sustainability Reports by brand rather than by Company, or at least, in addition to overall company reports. The new **Barcoo system** which offers consumers a price comparison, test reports, health, green and sustainability information about the manufacturing company at the click of an app may well serve to meet consumers' information needs about the company behind the brand, though not necessarily about the sustainability of the brand itself. If I were a manufacturing company, I would make completely sure that I control what gets into that barcode app through proactive and transparent communications.

Anyway, for the time being, I haven't tested Chunky Monkey with the new barcode system. I wonder where that places me on the Sustainability Passion Index.

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, - CSR consulting and Sustainability Reporting firm)

Posted by elaine at 01:10AM (+02:00)

## Comments

- JamesBedell

October 26, 2010

This to me is an interesting concept, but I'd like to know more about their sampling methods and how the questions were asked. Quite simply I think SLM has a dog in this fight and until an impartial polling/survey bureau like Pew takes this on, I'm skeptical of the results.

## CSR Reports: Print 'em.

Saturday, October 23, 2010



Last week, I received an email from a valued CSR Reporting blog reader in South Africa. Her name is Reana Rossouw and she founded and runs an award-winning organization development and sustainability consulting practice called **Next Generation**. Reana presents a master class in South Africa on Sustainability Reporting, a place where lots is happening right now.

Anyway, amongst other things, Reana said this (quoted with permission):

*Many a time I receive your articles and comments I immediately go on a hunt for that particular report.*

*However, getting copies of sustainability reports are becoming a nightmare. Why is everyone so fixated on publishing online reports only? I know they claim it is to save trees, however, is the real objective not to communicate*

*with stakeholders? I would really appreciate it if you could address this issue in one of your upcoming columns, just tell people there are still some of us who prefer to actually READ a real PRINTED sustainability report. We use copies of the reports as a teaching tool and aid in our classes. I would have thought companies would really appreciate it if they get requests for copies of their sustainability report – at least someone is planning to read it – but no, they prefer one to go onto a website. Which shows so much ignorance – in South Africa unlike the rest of the world we do not have unlimited bandwidth – and sometimes no connectivity – downloading a 100 page report of about 20MGB takes sometimes days as we get cut off, our connection is interrupted and then we still have to print it anyway – so they only transfer their environmental responsibility to me.*

Well, I sympathise with Reana's point and have **blogged about this before**. I continue to find it incredible that companies claim that they are not printing Sustainability Reports in order to protect the environment, when they have no qualms about printing every other communication in the business. I find it much easier to read and review hard copy reports, even if these are summary reports. There is no reason to print hundreds of pages, I agree, and there is no reason not to print on recycled paper. The **Westpac** summary report is one of the best examples of this. It is backed up by a **good sustainability website**, a nicely navigable **annual and sustainability reporting site**, and a **2.67 Mb downloadable PDF report**. The report itself is a flimsy 49 page magazine-style brochure, weighing next to nothing, nicely designed but not flashy, and containing all the important information I would look for, including a Materiality Matrix, full Performance Scorecard with quantitative targets, just enough photos to get a sense that real people work at the bank, and a pleasant overall look. In fact, it is one of the reports that I keep in

my bag to show to clients when I meet with them to talk about the concept and design of their next report.

I think Sustainability Reports are important enough to print. Doing business sustainably does not mean adopting a **Fred Flintstone** lifestyle. We can still do business with an eco-conscience and with care, even if we print an annual sustainability report. I prefer to read hard copies. I am much more inclined to write a **review of a sustainability report** if I can read it without having to be glued to my PC screen.

**In fact, I invite all companies producing a hard copy report, summary or otherwise, to send me one, with a clear conscience :) I will do my best to review it on CorporateRegister.com or on this blog.**

So, Reana, thanks for giving me the opportunity to rant about this (again!). More importantly, thank you for reading the ole blog and taking the time to let me know that you find it useful. There is no sentence sweeter to a blogger's ears than "I read your blog".

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 06:14PM (+02:00)

## The Paradox of Sustainability Reporting

Friday, October 22, 2010

Followers of this blog and my **sustainability report reviews** will know that I often refer to direct impacts and indirect impacts. Maybe I should clarify what I mean.

**Direct impacts** These are all the actions of a company which have an impact on stakeholders. This can be anything from reducing carbon footprint to creating a new environmentally friendly product to paying employees a living wage to volunteering in the community - anything that the company actually does and its direct effect on stakeholders.

**Indirect impacts** These, in my CSR lexicon, are really the effects, results or outcomes of direct impacts. By developing a cause marketing campaign (action which creates a direct impact on those involved in the campaign or benefit directly from the cause), a company may be influencing awareness and consumer behaviour in an indirect way. By developing a new environmental technology, a company may be influencing consumer habits far beyond the specific action the company invested in order to develop a product. A bank may lend money in a responsible way (direct impact) but the whether the money is used in a responsible way is the indirect impact. An ingredients supplier such as **Danisco** has an indirect impact on (1) the way manufacturers make products with more sustainable characteristics and thereby change consumer habits and (2) the sustainability impacts of manufacturing supply chain processes at customers who buy their ingredients.

Indirect impacts, in many ways, are outcomes of direct actions. A company cannot control indirect impacts, only direct impacts. But if we think of the direct impact as the driver and the indirect impact as the outcome, then indirect impacts should be of vital relevance to any company's sustainability thinking.

**The interesting thing about this is that in almost any business, industry or sector, the indirect impacts are always far, far greater than the direct impacts.** This represents the

real difference a company can make as it adopts a sustainability approach, impacting much more widely than its immediate actions. HP say this in their **2009 Global Citizenship Report**: *"The IT industry is responsible for about 2 percent of global GHG emissions. But our products and services offer great potential to help reduce energy use and emissions throughout the global economy—the other 98 percent."* In determining their sustainability strategy, HP is conscious not only of their activities for designing, manufacturing, marketing, selling and distributing products but also on the way they are used by consumers, in order to impact far beyond the scope of HP's actual operations. An HP printer may be manufactured in a sustainable way but the way it utilizes ink, enables dual-side printing, is recyclable etc determines the level of potential environmental impact through its lifecycle. By now, everyone knows that the **carbon footprint of a T-shirt** is mainly in the wear and laundry of the T-shirt throughout its lifecycle which overtake the carbon emissions generated by its actual manufacture.

Where am I going with this ? One more thing and we will get to the paradox.

See, I read hundreds of Sustainability Reports. Most of these reports relate to what the Company is doing to behave as a responsible business and advance local or global sustainability. No matter what the report structure, they always come back to impacts in the marketplace, workplace, community and environment and the narrative is almost exclusively about what the Company has done, how much it has invested, how many people were involved and how good everybody felt. For companies that report metrics, these metrics measure all of this: how many volunteering hours, how many training hours, how many emissions, how many hybrid trucks are used in distribution, how many eco-products have been developed, how much money has been spent. But frankly, what use is it to me to know that employees volunteered for 50,000 hours if I don't know what kind of a difference they made during those hours? I don't mean where they went and which project they advanced. I mean what DIFFERENCE did they make? Same with our HP printer example. Who cares if HP or any other company has developed a program to recycle printers? What we should care about is how many consumers actually recycle printers. The program is the input or the enabler, the actual level of recycling is the outcome. The outcomes are what we want.

All of these input -type metrics are important as management reports to guide decision making around resource allocation and get a sense of progress in working to plan. Usually, good basic sustainability practice should create strong indirect impacts. However, it takes time and energy to maintain adequate systems to manage sustainability practices and report on them. It's much easier to measure what you do than the result of what you do. So ...

and here is the paradox ....

**companies spend their time and energy reporting on direct impacts when indirect impacts are much more crucial evidence of the way they are changing the world.** What really matters most is the **outcomes**, but very few companies report on these. Most indirect impacts can be measured to a lesser or greater degree with the right kind of analytical thinking, but very few companies go the extra mile to attempt this.

**If one thing needs to change about sustainability reporting, it has to be the practice of publishing a shopping list of actions and instead reporting on the value a company adds to our collective sustainability.** My strongest recommendation to all companies entering the reporting cycle for 2011 reports is just that: Focus on where you are having an impact beyond your immediate actions. Let this be what drives your strategy, decisions, actions and reporting. Think top-down, not bottom up. Make the effort to assess the **difference** you are making.

**Get past the paradox.**

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream**

**Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 04:57PM (+02:00)

## Comments

- [LaviniaWeissman](#)

October 22, 2010

---

Elaine, your timing is always exceptional. I have been constructing from my health research something similar.

The challenge is "language." People see the words and make up their own definitions because they cannot image the actual outcomes associated with impacts (direct or indirect).

Before CSR, Knowledge Management references "tangibles" and "intangibles". Then a brilliant financial genius, Baruch Lev began to distinguish the process of measuring intangible outcomes that grew out of tangibles in accounting practices.

I have discovered, which I am now writing into a post, that maybe what is lacking more than ever right now is the idea that "imagination" can turn into something concrete that can measure benefit to people and a company's 3bl.

- [BillBaue](#)

October 22, 2010

---

Great articulation, Elaine. I've had this same discussion with folks, using the GHG Protocol scheme as an example. As I'm sure you know, it divides a company's responsibility for greenhouse gas emissions into three categories, which basically break down into Scope 1 (direct emissions), Scope 2 (mainly GHGs emitted by the power plant supplying electricity to the company's operations), and Scope 3 (all other indirect emissions). Many companies focus just on Scope 1 (and sometimes 2), when these generally represent a sliver of the ultimate impact.

Take cars, for example. The biggest impact comes from driving them, not making them, yet car companies generally don't take much responsibility for the impact from the driving. Strictly speaking, responsibility for the GHG emissions of driving "belongs" to drivers -- but we drivers have very little control over the design of cars. We can send market signals by buying cars with better mileage, but only the companies can directly control the design of cars with radically better mileage -- which they forestalled for years!

A corollary problem is that companies don't apply sustainability context (a concept that GRI established) to their reporting. In other words, they don't provide a sense of the degree to which their practices actually contribute to achieving sustainability -- or looking at it the other way around, the degree to which their practices reinforce unsustainability, the status quo in many areas.

So, this is a long way of saying that I agree with your point that sustainability reporting is essentially paradoxical, because it doesn't actually report quantifiably on progress toward sustainability, either directly or indirectly.

Bill  
Editor MurninghamPost.com  
Principal TransitionGroupLLC.com

- [AndreaLearned](#)

October 22, 2010

---

Love your point, here, Elaine. I recently talked with Ellis Jones, author of the BetterWorldShopper (.com)guide who grades corporations on the combination of their work on 5 issues - human rights, environment, animal protection, community involvement and social justice. The environment seems easiest for brands to understand/address - and thus, communicate about with consumers. The other four are "squishy" - hard to understand, hard to talk about and really difficult around which to measure immediate affects of change when any is made. While dealing with the environment is great, a lot of corporatoinns need to start understanding that, addressing the environment in combination with the other four will deliver the exponential and "indirect" benefits/value. If a corporation is only doing and touting environmental work, they are now falling behind (and consumers are starting to notice, or at least have guide books and apps with which to help them notice).

- [elaine](#)

October 22, 2010

---

Hi Lavinia, Thanks for your comment, though I think there is a different between direct/indirect and tangible/intangible impacts. A direct action can also deliver an intangible impact- for example the increase in employee motivation which cannot be calculated exactly on a corporate balance sheet. This is different to the indirect benefits I was referring to.  
warm wishes , elaine

- [elaine](#)

October 22, 2010

---

thanks Bill, sharp and informative/useful comments as usual. It did cross my mind to refer to carbon accounting in the post but I was lazy and wanted to finish the post! But of course you are absolutely correct.  
Thank you  
elaine

- [elaine](#)

October 22, 2010

---

hi andrea, yes I agree with you. Sustainability is a holistic concept and all elements are synergistic. Its not an trade off:  
super green performance does not cancel out bad human rights performance. It's a sum: green squared PLUS human rights PLUS all other elements = sustainability.  
thanks for commenting  
elaine

- [elaine](#)

October 23, 2010

---

POSTING ON BEHALF OF HENK HADDERS @Henkhadders

Hi Elaine,  
I agree that sustainability reporting is paradoxical and that it refers to the value a company adds to our collective sustainability and well-being. I arrive at the same conclusion using a different line of reasoning:

We both look at organizations and the impact of their actions or processes in the world. But what is impact? In my taxonomy for organizational performance there are indicators for input, process, output, outcome and impact (as a separate measurement category). I find it difficult to see indirect impacts as outcomes of direct actions. There are many dichotomies for "impact" including intended-unintended, actual-normative or sustainable-

unsustainable. I advocate the use of the last two pairs in sustainability measurement and reporting. For me the most important sustainability question is whether the impacts of organizational processes are sustainable or not. But sustainability of what, and impact relative to what? I agree with Bill Baue that what is missing is context (or the whole); we need context-based sustainability management and context based sustainability metrics.

My thinking is greatly influenced by the work of my friend Mark W. McElroy (developer of the social footprint method). Corporate sustainability management is the discipline that focuses on measuring, managing and reporting overall sustainability performance of a company (often using TBL as the organizing principle). McElroy defines sustainability performance as a measure of an organization's impacts on vital capitals, relative to their effects on human well-being, based on norms of what such impacts ought to be in order to ensure human well-being. The use of a capital-based view (natural, human, social and manufactured capital) is not new in sustainability theory and practice, Capitals are "the things" that produce life-supporting services needed for human well-being. In short, primary and secondary processes can have a positive, neutral or negative impact on the vital capitals on which stakeholders depend for their own well-being.

We can describe (a theory of) well-being, in terms of an ontology of Areas of Impact (and its related vital capitals) connected with a corporation's responsibility, duties and obligations to its internal/external stakeholders. Sustainability management is primarily stakeholder and issue oriented. An organization is sustainable when it is sustainable in all of its relevant internal and external, ecological and social (economic) areas of impact.

Sustainability of business processes can be seen as a quotient, where the numerator is the actual impact on vital capitals and the denominator is the normative impact on vital capitals needed by stakeholders for their own well-being. For more detail, look at McElroy's work; I find this a very promising approach.

In designing sustainability metrics, the same context-issue arises. From a quotient-based view most mainstream metrics are "top line" metrics, only specifying the actual impacts on specific areas over time. Could it be that you've read so many reports that say nothing at all about the contribution to true sustainability? What is lacking is Bill Baue's context or McElroy's denominator linked to actual ecological/social conditions in the world. For me the real paradox is that all these GRI reports don't measure what they are supposed to (although GRI does recognize the importance of context in a theoretical sense, but without operationalization in its framework). Sustainability management can best be seen as Stakeholder Sustainability Management "in context". It is about the actual impact of the organization related to its fair share or standards of performance. Its funny that GRI now talks about Integrated Reporting, while there still is no adequate solution to these issues in sustainability reporting. I think you hit upon a fundamental discussion; hope this contributes.  
Henk Hadders, The Netherlands

## FASHION and LANDFILL

Sunday, October 17, 2010

The leading Israeli fashion company, **comme il faut**, never ceases to astound with the use of contrasts and creative initiatives, combining fashion with all sorts of subjects that one would not normally associate with an industry notorious for skewing our perceptions of beauty and for driving frenzied consumerism in the name of keeping up with the trends. **comme il faut** is no stranger to provocation. Usually, this is directed at raising awareness of difficult issues in our society, social or environmental, as part of the company's deeply



embedded values and social responsibility. This was recognised by **Ethisphere** who counted **comme il faut** as one of the world's most ethical companies this year.

Over the years, through its fashion campaigns, the company has addressed head-on many feminist issues, blowing away myths that prevail in our society and denigrate the position of women, such as how women eat, how women dress, the "invisible" work that women do in the home and more. Way back in 2004, the company made **BBC and CNN headlines** when it staged a photo shoot at the controversial Israel-Palestine separation wall in an attempt to raise awareness of this painful issue. In 2009, the company ran a campaign supporting women who are trapped in



prostitution, requesting customers to bring in old bras for use in an **artistic exhibition**, whilst making a contribution to support rehabilitated prostitutes make a new life for themselves.

Environment-wise, the company is slow-fashion to the core, low-carbon and an ultra-recycler, and almost nothing is not reused in **comme il faut**. Even the carry-bags for customer purchases are rejected bags from a cement company that would otherwise go to landfill.



But what prompted this post is the new collection fashion show which was held last week on the site of Tel Aviv's massive eye-sore landfill dump which has now been converted into an **Industrial Recycling park**. The choice of this site was no coincidence, of course, attempting to drive home once again the role of responsible fashion in our society, and the need for eco-consciousness. The contrast of beautiful designs against the backdrop of the biggest dump in the Israeli metropolis was something that no-one could miss contemplating upon!

Some photos:



Kudos to this wonderful company who never fails to embrace responsible and sustainable practices as part of its core brand.



(Disclosure: :) We consult to **comme il faut**, have written their **first CSR report, ethics code** and more, and have been involved in the ideas behind many of the Company's social campaigns over the last few years. We introduced **comme il faut** to the Tel Aviv dump! and we are glad (and proud) that the event was a resounding, and not too smelly, success!)

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 10:59AM (+02:00)

## Comments

- user

October 17, 2010

Hi Elaine,  
The location of the fashion show is a great idea. I love the way **comme il faut** weaves the fashion business and the social ideas into one unique fabric.  
Thanks for the colorful post, and cheers for the creative work you're doing with this company.  
Shirley

## GSB and a better future

Saturday, October 16, 2010

I can't close this week without a mention of the newly relaunched **Guardian Sustainable Business** website, which "marks a significant step in the Guardian's efforts to help build a better future", **as Jo Confino says in a blog-post**. "The free GSB website will act as a hub of the best information and debate on the subject available across social media ."

The website includes news on sustainable business topics, **the sustainable business blog**, a focus on the **Global Cleantech 100**, a useful series of sustainability (mainly environment) **profiles of leading companies** and more. You can also register to join the **Guardian community**, complete surveys and win points to be redeemed at Amazon. Yeah! The site also contains a twitter stream including yours truly, humbled to be in company with other outstanding tweeps such as **@fabianpattberg, @davidcoethica** and **@futerra**. Fabian also blogs for the site - see his **excellent inaugural post** on the events which have changed corporate sustainability in the past 12 months. You can follow GBS on Twitter at **@GuardianSustBiz**.

What I like most about the Guardian Sustainable Business site is not only the content, and that's pretty good!, but the fact that this is brought to us by a company that walks the talk. There are so many companies, vendors, actors, players in the sustainability space that preach but do not practice. They are more than happy to advise others, but do not engage in sustainability from within. The Guardian has demonstrated quite clearly that

Sustainability means Business for them, as well as values, and they have embraced sustainability practice, including **excellent, transparent, sustainability reporting** which is groundbreaking progress for a media company. Somehow, sustainable news is more interesting when it is delivered by a sustainable company.

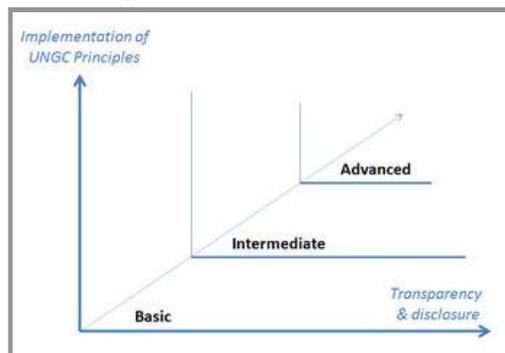
**GSB** is one of my go-there-every-day-websites. I recommend that you make it one of yours too!

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of *CSR for HR: A necessary partnership for advancing responsible business practices* Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)

Posted by elaine at 11:50PM (+02:00)

## The new Global Compact Differentiation Framework.

Monday, October 11, 2010



The **Global Compact** goes GRI. Kind of. As of October 2010, the UNGC will stop recognizing Communications on Progress as "**NOTABLE**" (for adherence to the COP policy and representing illustrative and inspirational examples of communicating progress) and will introduce a three month trial period for the new **Differentiation Framework**.

*"The Global Compact Differentiation Framework seeks to give recognition to the*

*unique contributions of companies of different sizes and experience and to facilitate better assessment of sustainability performance and transparency. The Framework provides companies at all stages of Global Compact implementation the opportunity to begin a process of continuous improvement and receive recognition for progress made. The Framework also aims to mainstream sustainability reporting and improve transparency and disclosure among the thousands of companies in the Global Compact."*

The Framework is designed to encourage companies to improve performance and for the UNGC to evaluate progress along two axes: implementation of the Global Compact principles and transparency and disclosure including standard reporting guidelines (such as the **GRI**). There are three levels in the Framework:

**Basic** : This comes together with its own fill-in-the-blanks and tick-the-boxes **template** , reminiscent of the **GRI "Let's Report C Level template"** and is targeted at "smaller and inexperienced" companies. It covers the four disclosure areas and asks for policies, implementation and outcomes against each area.

**Intermediate**: At this level, companies should use the standard COP process, cover all Global Compact principles, and communicate directly with stakeholders on progress made using accepted standards of disclosure and transparency such as the Global Reporting Initiative (GRI). In other words, a dedicated COP, reporting against all the principles, or a GRI Sustainability Report, as now.

**Advanced**: This level aims to create a "gold standard" for corporate sustainability performance and disclosure. It includes a set of **self-assessment questions** covering

strategy, governance, implementation of the UNGC Principles, value chain responsibility, stakeholder engagement, context, transparency and disclosure. *"When submitting their annual COP, companies will have the option of participating in the programme by completing a self-assessment questionnaire covering the content of their COP and assessing their implementation of the Global Compact principles against global best practices. Results of the self-assessment will be made available to the public to encourage stakeholder engagement and protect the Global Compact's integrity."* This is designed as a first step in the implementation of the **Blueprint for Corporate Sustainability Leadership launched in June 2010**.

So, as I understand it, preparation of COP's remains as now, with the addition of the lightweight template, and apportioning recognition for achieving the (formerly "notable") "gold standard" is delegated to the communicating companies themselves, by way of the self-assessment. Pretty much like the **GRI Reporting Application Levels** which can be self-declared.

Another thing worthy of note on the UNGC website is the mention of Financial Markets: *"The Global Compact is working closely with Bloomberg LP to make COPs available to the mainstream financial community in order to their use, mainstream the use of environmental, social and governance (ESG) information in financial analysis. It is expected that this will generate further incentives for companies to increase transparency and disclosure."*

#### **What do I think of all this?**

Personally, I find it baffling. A large number of COP business communicators are bigger companies that produce their own Sustainability Reports (GRI-aligned or not) and submit this to the UNGC as their COP. More often than not, this is simply a cross-referenced table of GRI Indicators to UNGC Principles. The GRI has positioned itself as the **gold standard** of corporate sustainability disclosure and by and large has achieved this. I wonder how the UNGC, with a requirement for a COP ( which covers Human Rights, Labor Standards, Environment and Anti-Corruption, way below disclosure levels for the GRI) plus a self-assessment questionnaire of yes/no responses, can aspire to replace the GRI A Level with a new gold standard?

**Secondly**, the beauty of the UNGC framework so far has been its equality and accessibility. All organizations were free to commit, join and communicate in their own way, with some very basic guidelines for COP submission. The really good ones got a pat on the back with a "notable" recognition awarded by the UNGC COP evaluators. This provided a great opportunity for everyone, large, small and sustainability-fledgling organizations to declare support and get their transparency toes wet. I know, of course, of all the criticisms of the UNGC as being wishy-washy, toothless, not focused on driving action etc, but I have tended to believe that the advantage of this loose framework offers precisely the entry catalyst for companies to develop their sustainability and transparency muscles in an easy and non-prescriptive way. The GRI is there for those who are able to do more. So now, instead of everyone being equal and commended for participating in the prestigious UNGC, companies will be assigned a basic, intermediate or advanced tag. For a company who is not ready to communicate at GRI level, but has made significant progress in CSR and delivered a first COP, instead of being commended, they are now labelled "Basic". I think that's going backwards.

**Thirdly**, the self-assessment questionnaire is not really any great shakes. By responding "yes" to all the questions, companies can now elevated themselves to "advanced" status. But all yes's were not created equal. And in responding to this self-assessment, I suspect there will be a temptation to expand the scope of what constitutes a "yes" in order to gain the coveted "advanced" tag. In the same way as a GRI "self-declared" reporting level is often found to be deficient, I suspect this self-assessment questionnaire may not be a true reflection of performance across the board.

**Fourthly**, the self-assessment will not be policed, apparently. However, the self-assessment does include a yes-no as to whether the COP has been externally assured or verified. Of course, the **GRI doesn't do such a good job of this either**, as I have pointed out several times in the past. Perhaps this paves the way for the next UNGC refinement which is Basic +, Intermediate + and Advanced +. Aarrgh!

**Finally**, I truly thought we were in the era of convergence. With the announcement of **UNGC and GRI closer collaboration in Amsterdam in May this year**, I thought we would see a merge of the COP into the Sustainability Report, or at least, a full recognition that sustainability reporting meets the COP criteria. The differentiation framework does formalize the GRI-UNGC alliance a little, with Intermediate Level ultimately becoming the Sustainability Report, as is current practice for many companies. But why did the UNGC not go the whole way and align COP's to the GRI A,B,C,+,+,+ ? The self assessment provides, in theory, a way for the UNGC to see what companies are reporting on what, but so does the GRI Index. At Reporting Level A, companies are required to respond to all indicators. For the UNGC, completing the self-assessment questionnaire seems to be enough - I cannot tell that the quality of the responses makes any difference. As far as I understand it then, with the new UNGC Differentiation Framework, a company can produce an A+ GRI report and be tagged Intermediate. Similarly, a company can produce a C level report, respond to the self-assessment, and suddenly become Advanced.

As I said, baffling. What have I missed ? Perhaps someone can enlighten me ?

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict.** Author of **CSR for HR: A necessary partnership for advancing responsible business practices** Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)

Posted by elaine at 10:03AM (+02:00)

## Comments

- [JamesEpstein-Reeves](#)

October 14, 2010

---

Great analysis! Very interesting and I agree, baffling. Just seems unnecessary.

## CSRRAs: CSR Report Acronyms

Saturday, October 09, 2010

I was preparing next week's editorial for **CSRwire.com** and made a reference to ESG. I thought I had better offer an explanatory link for the sustainability-acronym-challenged and did a net search. This was not much help. **Acronym Finder has 93 definitions for ESG** (not counting 205 definitions in the "Acronym Attic").

You can pick your way through **Escola Superior de Guerra** in Brazil, which I hope not to send my son to, **Expanding Sphere Generator**, a weapon used by the Lyrans in Star Trek, an **Electrostatically Supported Gyroscope** used in submarine navigation, an **Expeditionary Strike Group**, which allows US naval fleets to provide highly movable and self-sustaining forces for missions in various parts of the globe, and you can also find **Emerald, Sapphire and Gold**, a Bronx band, originally consisting of the Scroggins sisters (no joke!) . And numerous more. Isn't it amazing that three little letters can lend themselves to so many different things in so many aspects of life.

So now I have a problem. Which definition should I link to? I don't recall many

sustainability articles referring to Electrostatically Supported Gyroscopes. Not recently, anyway. But more importantly, the ESG definition that came close to the one I was looking for was "Environmental , Social and Government issues". Now, that's a bit misleading, as the definition I really wanted was Environmental, Social and Governance, not government.

So now I have another problem. Nothing to link to. So I decide to change my reference to ESG and use CSR instead and see what acronym finder has to say about that. OMG! Even MORE definitions ranging from the usual Customer Service Representative thru to Certified Shorthand Reporter and more. Corporate Social Responsibility does feature, however, so I run with CSR. No link. We all know what CSR is. Right ?

This did get me thinking about use of acronyms in CSR reports. I took a look a recently published CSR report: **ConAgra Foods 2010 Corporate Responsibility Report** . Now I have to say that this report is fairly light on acronyms compared to several that I have seen, and each is explained in the text so the acronym-challenged readers will have no troubles here. Here are some of the ConAgra acro's with the amount of times they appear in their report in brackets.

**ERN(4) :Employee Resource Networks**

ConAgra have these for Asians, Blacks, Latinos, Women, Young Professionals and LGBT. Oops, there goes another acronym. See, I am doing it too.

**BFY(3) : Better for You**

.... as in food that is Better... well, you got it. This appears to relate to government standards for advertizing of foods to children. ConAgra joined the CFBAI and the CBBB in a voluntary initiative of self-regulation in advertizing healthy food choices to kids. CFBAI? CBBB? Children's Food and Beverage Advertizing Intiative and Council for Better Business Bureaus.

**RQI (3) : Research, Quality and Innovation.**

Enough said.

**HFCS (1) : High-fructose corn syrop**

This is what you will not find in ConAgra's Hunts Ketchup as it has been replaced with sugar, after 18 months of testing. The reason for this change appears to be a "shorter, simpler ingredients list".

**GFSI (7) : Global Food Safety Initiative**

This is a food retailer led organization which develops standards for food safety, which food companies voluntarily adopt. The GFSI audits companies against these standards. Of course, each standard has it's own acronym but let's not go there....

**CLE (3) : ConAgra Learning Exchange**

This is ConAgra's program for employee development which delivered over 90,000 training hours in 2010 FY, more than double that of 2009 FY, perhaps as a result of the launch of the ConAgra virtual Foods University.

**PLA (3) : Recycled Polylactic Acid**

This is what shrink film for packaging is now made of. ConAgra say they were the first US company to convert shrink from non-renewable plastic raw materials to use post-industrial recycled PLA which is made from corn. PLA contains more than 50% recycled material.

The most frequently appearing acronym is **GRI, Global Reporting Initiative**, which appears **45** times. But that's only because at the bottom of each page, the relevant GRI performance indicator is referenced. Haha. Nice touch.

**ESG**, by the way, did not figure. No Electrostatically Supported Gyroscopes at ConAgra, apparently.

Anyway, I now have invented a new acronym.

**CSRRA : Corporate Social Responsibility Report Acronyms.**

How many CSRRA's in your CSR report ?

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices <http://www.greenleaf-publishing.com/productdetail.kmod?productid=3282> Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 09:57AM (+02:00)

## Comments

- **BillBaue**

October 11, 2010

---

Elaine,

As usual, a very interesting (and entertaining!) post.

The question of how to capture sustainability in language is indeed a dilemma -- the term sustainability itself is problematic, not only in terms of its multisyllabism but also in terms of its etymological history and current meaning in practice.

And the "acronymization" of sustainability may create as much confusion for outsiders as it creates convenience for insiders.

We recently led a piece on The Murningham Post with a brief discussion of the term ESG.

<http://murninghampost.com/2010/09/30/sustainability-and-good-governance-a-work-in-progres/>

Josh Gay, our strategic technical advisor, blogged on this a couple of days later, using the definition of ESG as a launching pad for discussing how to communicate these ideas to broader audiences.

<http://joshuagay.org/blog/?p=13>

His post also includes a handy link to ESG on Wikipedia:

[http://en.wikipedia.org/wiki/Environmental\\_Social\\_and\\_Corporate\\_Governance](http://en.wikipedia.org/wiki/Environmental_Social_and_Corporate_Governance)

Bill

- elaine

October 11, 2010

---

Thanks Bill for a kind and informative response. The Murningham Post is terrific and always packed with relevant and topical content - a pleasure to read.

- AshleyHamilton

October 12, 2010

---

Great post!

I tried to tackle the topic of alphabet soup in my blog post "The ABC's of ESG" found at <http://blog.ashleyhamilton.ca/2010/07/abcs-of-esg.html>

My post was also cross-posted on [www.social finance.ca](http://www.socialfinance.ca)

Ashley Hamilton

## GE: Responsibilitimagination

Tuesday, October 05, 2010

General Electric does imagination with everything. Ecomagination. Healthymagination. Whatnextimagination? I reviewed their recent **Corporate Responsibility Report** - responsibilitimagination (my nickname - but GE are welcome to use it - haha - for a small fee:)) in my regular slot in **Ethical Corporation Magazine (click here for subscribers)**. You can download the full review from my website **here**. The real problem, of course, in reporting, for a company such as GE is, well, just how much everythingimagination can you fit into 40 pages?

Quite a lot, is the answer, especially if you back it up with a jampackedimagination **website**. Starting off with **Responsibility 101**, to ensure we are all on the same page, moving through a detailed look at **Employee Survey Feedback**, passing through GE's **priorities**, and **how GE strengthens the global economy**, and a range of **stories** giving detailed insights and case studies, and more, GE does a pretty commendable job in clear and reasonably transparent reporting in a nicely navigable website and short summary report. This report is called "Renewing Responsibilities", which is a statement about finding new ways to revive plans, partnerships and programs after the "Great Recession", which doesn't seem to have hit GE all that hard, but with a recognition that there are now even more "complex and pressing problems" to fix in the world, GE wants to do its bit.

Here are the first few paragraphimagination of my review:

"A report from a giant such as GE, a *"diversified infrastructure, finance and media company taking on the world's toughest challenges"* with over \$150Bn annual revenues and 288,000 employees, raises high expectations. Sam Nunn, the Chair of GE's Public Responsibilities Committee and Board Member, confirms that *"Citizenship is not a spectator sport"* and that companies with global reach and impact must set priorities to increase shareholder value whilst having a positive impact on society and the environment. There appears to be no doubt that GE is serious about their framework to *"make money, make it ethically and make a difference"* and happily for us all, planning to do more, not least because of the tangible business benefits this delivers. GE is an icon in Sustainability Strategy and Sustainability Branding – one of the first globals to adopt the language of strategy rather than the touchy-feely do-good give-back rhetoric of most early adopters - and this pays off. Ecomagination product sales have grown faster than any other segment and now account for 28 percent of GE's industrial product portfolio, almost doubling its revenue in 5 years. Healthymagination is GE's six-year \$6Bn commitment to healthcare innovation, established in 2009 to help deliver better lower-

cost health-care, tapping in to a growing global \$3.5Trn market. GE's strategic choices are inspired and executed with attention to a broad range of stakeholder needs, alignment with key Millenium Goal world problems, an impressive commitment to transparency and an eye for where the profit is.

This, GE's sixth Citizenship Report, entitled "Renewing Responsibilities" is a response to the need for renewal after what CEO Jeff Immelt calls the "Great Recession" and definitely not for those short of time or lacking concentration. It is a packed 40 page printed summary, backed by extensive online content, including "deep-dive" articles on key themes from employees, unedited commentary from customers and external experts, individual country fact sheets showcasing the local flavour of GE's citizenship and much more. Taken as a whole, the GE report focuses on the core global themes of GE's citizenship: Energy and Climate Change; Sustainable Healthcare and Community Building, exploring these themes in depth, providing contextual commentary and describing GE's performance in each area. GE's approach is persuasive. They set the scene and describe how they do their bit. It's hard not to get swept along with the logic of it all."

So where is the "BUT", or, as they might say at GE, the butimagination ? Is everything total hunky-dory at GE? There are a few things I addressed in a later section of my review:

"Overall, of the key sectors that make up GE's business, the largest share of revenue comes from GE Capital, which engages in financing capital assets, real estate, loans and even private label credit cards. This \$50Bn revenue business, effectively GE's own private Bank, has a fundamental impact on corporate and consumer financial behaviour but is barely mentioned in this report. What is GE's position on the principles of responsible finance and responsible lending? Who and what is GE financing? How GE approaches 32% of its revenue engine remains, in my view, an omission. In fact, this goes to the core of the challenges of balanced sustainability reporting facing a mammoth diversified global business. Whilst GE reports impressively on material themes, and some localized country perspectives, coverage by business segment is lacking. Technology and Energy segments are largely addressed through the Ecomagination and Healthymagination discussions, with some reference to GE's consumer business, but GE's approach to managing its capital and media businesses (including NBC Universal, theme parks, digital media etc) are not discussed. I believe, for a business of this size and diverse scope, a briefing by segment would also be appropriate. One other area which deserves greater disclosure relates to lobbying practices. GE's public policies (China, Iran, Free Trade etc) are clearly stated, and make sense, but a \$25Mn annual lobbying spend in the US alone deserves a line or two at least. "

Overall, this report does show GE as one of the leaders in sustainability thinking and practice. I have always maintained that **a branded approach to sustainability** focuses the mind and corporate energies behind the most important things and delivers business benefit. The GEmagination branding is good. It works. And it delivers.

Anyway, time now for a little ChunkyMonkeymagination ....

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of CSR for HR: A necessary partnership for advancing responsible business practices Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 08:28PM (+02:00)

# CDL and the sustainable Singapore skyline

Tuesday, September 28, 2010

A colleague of mine, Rajesh Chabbara, who is the Asian Editor of **Ethical Corporation Magazine** and writer of an excellent blog, **CSR Works**, alerted me to an interesting report from Singapore, published by **City Developments Ltd**. I reviewed this report for **CorporateRegister.com**. You can find my full review [here](#). You can download their report [here](#).

**The first few paragraphs of the review are as follows:**

"City Developments Ltd (CSL) is a property and hotel conglomerate operating out of Singapore. The company is one of the biggest landlords in Singapore with over 7 square miles of leased and rented properties, and extensive interests overseas in a range of locations. This report covers Singapore only where the company employs around 300 people. The first thing that strikes me about this report is its pleasant design using pastel-shaded vines as the core theme. I love their bar charts of data designed in the form of leafy vines. Managing Director Kwek Leng Joo (brother of the Company Chairman) says: *"The CDL Sustainability Report 2010 is aptly entitled "Grow". The vines symbolically articulate the rapid expansion of the sustainability movement in our Company."* Indeed, this is one of the nicest designs I have seen – creative but not over facing, bold but modest, and one which blends perfectly with the spiritual undertones of this report, as in the opening sentence *"We set our sights on higher standards, remain nimble and strive to reach for the skies"*.

Beyond the aesthetics, this report is of high quality and claims to be the first Sustainability Report that has been assured using the AA1000 AccountAbility Assurance Standard (AA1000AS Type 2 Assurance) in Singapore. It is the Company's third report, complies with GRI application level B+ and has 5 main sections: Marketplace, Environment, Employees, Community and Governance. What is apparent early on in this report is that CDL targets to be somewhat of a leader in Singapore with a desire to spread the CSR message and drive the market forward. This is a declaration which we do not always see in sustainability reports, and several examples of how CLD put this into practice make this more than just an empty promise. This is the first company I have seen reporting use of the ISO 26000 framework as a guiding document for its CSR planning and development. I wonder if it offered them any new insight. "

Aside from the really great report design, and advanced progress in green building and prominent position in developing a sustainable Singapore skyline, including the **11 Tampines Concourse, the first carbon neutral development in Singapore**, what is interesting about this company is the way it leverages its strong position in Singapore through the real estate, consumer and business markets to influence key stakeholders (indirect impacts) . CDL encourages **business tenants to Go Green!** and issues them with an **Eco-Office Kit** which encourages them to engage in environmentally friendly practices in their business. Similarly, homebuyers are offered **Green Home tips**. In CDL's shopping mall, shoppers are incentivised to buy eco-friendly products and can check the latest emissions level of the mall or solar energy usage as they engage in modest consumerism. What would round this off for me is whether any of these excellent initiatives are actually making a difference, not only in making Singaporeans more aware of environmental issues, but in whether any are changing their practices in business and the home, before being required to do so by law. I would like to see CDL present data about what impact they are having, in addition to the focus on what they are doing. However, what they are doing is a good start and appears to demonstrate leadership in this market. Globally, the Company has achieved a certain recognition, being the only Singapore developer to be included in the FTSE4Good index. City Developments is

ranked number 296 out of 1000 in the **Global 1000** published by CRD Analytics on **Justmeans**, a pretty good position, and is also ranked 81 in the **Corporate Knights Global 100 list** for 2010.

As an aside, the CDL website links to the **Clean and Green Singapore (CGS) website**, where there is a CGS **song**. I have posted before about sustainability songs (**my blog called Sing Sustainability with Henkel**), and this one is also well worth a little singalong.

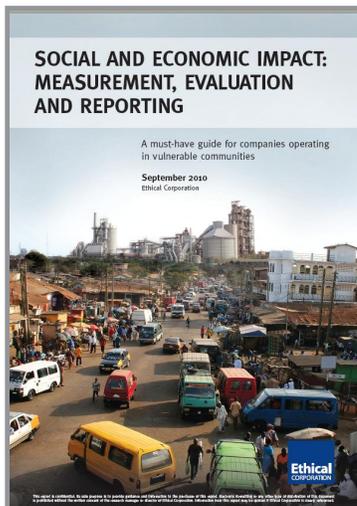
Anyway, now that I can count on you to join the local Sustainability Choir, take a look at CDL's report and yes, you guessed it, send them your feedback!

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of **CSR for HR: A necessary partnership for advancing responsible business practices** <http://www.greenleaf-publishing.com/productdetail.kmod?productid=3282> Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)

Posted by elaine at 04:25PM (+02:00)

## Measuring socio-economic impacts : new report

Saturday, September 25, 2010

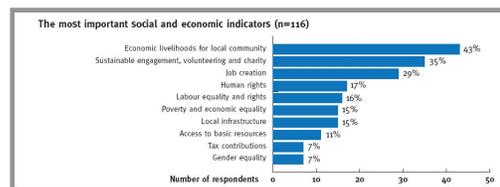


**Social and Economic Impact : Measuring Evaluation and Reporting. A must-have guide for companies operating in vulnerable communities.** This is the title of the fascinating new research paper written by Peter Davis and published this month by **Ethical Corporation**, and which I **promised to blog about** when released. Now it the time to deliver on that promise :)

Ethical Corp sent me a free review copy but they didn't tell me (or ask me) what to write.

*"Corporate interest in socio-economic impact is increasingly driven by much more important drivers than simply external reporting. Certainly reporting remains important, but more and more companies are realising that understanding socie-economic impact - the interrelationships between the company and the societies in which they operate - is also a vital tool for strategic and operational management and decision making."*

This quotation from the introduction to this study of socio-economic impact proves that it's not just about numbers for numbers



sake. It's about deriving value from measurement and reporting. This is quite heartening, despite the fact, as is also mentioned in the report, that at present, there is only a very small pool of (primarily large) companies who even get close to the level of measurement and reporting that actually delivers value. However, the authors of this report point to a fundamental redefinition of the role of business in society and the engagement of business in what otherwise might be known as "development projects" (as the NGO community tends to refer to them) such as poverty reduction, healthcare and human

rights.

The report was developed using data from a wide range of sources including a literature review, 2 anonymous surveys of CSR professionals and practitioners (116 and 50 respondents), a round table discussion attended by 100 experts, review of 60 MNE's CSR communications and reporting and around 30 telephone interviews with key CSR practitioners. Enough to get a good overview of the key issues, I would have thought.

The report identifies **four models of socio-economic impact monitoring**:

**Meeting global standards** - selecting which performance indicators to measure, eg. the **GRI**

As we all know, there is a plethora of external standards and indicators used by companies ranging from the loosely structured **UN Global Compact**, through various specific initiatives and indexes such as **DJSI**, **CRD Global 1000** and more, and culminating in the "ubiquitous" Global Reporting Initiative which claims that over 1,500 companies use its framework. Most companies use some sort of framework in deciding how to measure and report their social performance and economic impacts. There are upsides and downsides to this approach, described in the report.

**Managing supply chains** - standards which govern labor and procurement such as **Sedex**  
This tends to be prevalent in apparel, coffee, tea, timber, chocolate and footwear industries, to name but a few, with a focus on human rights rather than wider economic impacts. There are well known frameworks including the ILO Labor Conventions and others which address these issues, with auditing being one of the most widely spread tools. **Sedex** offers a platform for inputting audit data so that customers can evaluate the manufacturer's performance in this area. A case study from Nike described in the report helps understand the implementation and issues surrounding such auditing processes. Another case in point is the recent hullabaloo around the Hershey's cocoa sourcing supply chain, which you can **read in my blog here**, and the supply chain sourcing standards established in this industry sector.

**Assessing integration into the local community** - such as the **Anglo American SEAT toolbox**

This type of assessment tends to be used by companies which have a strong socio-economic footprint in a particular geographic area and is particularly relevant for the extractive sector. The report cites the Anglo American Socio-Economic Assessment Toolbox as one of the best-known tools to help companies understand their local impacts. In addition, a number of multi-stakeholder partnerships operate in specific sectors or industries to ensure consistent development of standards, management of expectations and a sort of level playing field for all. The report assigns primarily a commercial interest to the development of this type of assessment because the proximity to local communities creates a kind of interdependency which is critical to the success of the project or venture.

**Contributing to social and economic development** -Unilever in Indonesia or Heineken in Rwanda

This type of assessment is rare, and adopted by companies who have a sustained long-term interest in countries or territories in which they operate. Unilever, Procter and Gamble, Vodafone and Heineken are cited as examples in this area. Heineken for example employs 1,000 people directly in Rwanda but estimates that its activities in that country provide employment for over 35,000 people. This is a significant level of influence and Heineken has developed a tool to help them understand their impacts in more detail which is discussed in this report. You can also read about this in **Heineken's Sustainability Report**.

One of the things that surprised me in this report is the assertion that, whilst there are various states of play in measurement and evaluation of socio-economic impact by the corporate players, as mentioned above, there is much greater discipline and

advancement in this area by the NGO community, including the **DCED Standard for Results Measurement** in Private Sector Development programmes, which focuses on the scale of initiatives, the increase in income by the targeted enterprises and the net additional jobs created. This seems to be a very interesting tool, though the extent to which it is effectively used is not quite clear to me. Other frameworks such as the **WBCSD** model which was published in 2008 are also discussed in some detail. The use of these tools in the corporate sector is extremely fledgling, though there may indeed be some relevance to the argument that there is learning to be gained from NGO's in this area.

Some of the key findings which are quoted in the **Summary Report which can be downloaded free from the Ethical Corporation website** include:

**67%** of 116 corporate sustainability professionals who responded to an Ethical Corporation survey said their company "measures social and/or economic impact of their business on the communities where they operate" **73%** of respondents indicated that communication of their business impacts is one of the main reasons for conducting the studies. **71%** of survey respondents said that the results of impact studies directly affect their business strategy.

#### **What are the things most companies are measuring ?**

The summary report also covers some practical information which gives some benchmarking value to practitioners as they decide to embark on their own impact study. 30% of those who have performed such studies confirm they are not a five minute job, but take longer than 20 days to develop. (This surprised me, I would have thought that any serious study would take significantly longer than 20 days!) . 28% pay \$10,000 or less for such a study, and 18% pay between \$30,000 and \$100,000 (40% didn't spill the beans).

**All in all, this 55 page report provides a very interesting overview of most of the key points in this vastly complex area of CSR and Sustainability practice, which is growing in importance.** To quote the report, "Where the leaders lead, others follow", and there is no doubt that some of the advanced practices by the more forward-thinking companies are catching on. The report offers suggestions as to the directions this entire field of activity is taking and some recommendations for those thinking of developing their own practices. It's a good piece, informative, thought-provoking and educational. I personally gained important new insights from this report. I hope many companies will do also.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Author of CSR for HR: A necessary partnership for advancing responsible business practices. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.beyond.biz/en](http://www.beyond.biz/en) (BeyondBusiness, an CSR consulting and Sustainability Reporting firm)**  
Posted by elaine at 01:51PM (+02:00)

## Comments

- Dwayne

November 07, 2010

---

There appear to be some wonderful trends identified in this report - companies trying to understand how well they create value in the communities in which they operate.

There is an interesting tension here - companies that report how much value they create in local communities are increasing their brand value and perception of their ethical stance. But if companies aren't also understanding the complete picture in relation to externalities (that is, cost imposed onto local communities and wider society), they are creating false brand value for which (I'm guessing) some of them will not be able to account. Of course that's not an issue if the companies do all the good that they say they

do and don't impose externalities. But it may be an error to take that brand strategy if there isn't a relatively sophisticated understanding of externalities matching the measurement of creation of value.

I really like what I am seeing coming out of the likes of Unilever, SAB Miller and Anglo American. And I want to see that work continuing to develop. So I'm keen to see companies telling us how well they are protecting brand value by minimising externalities.

Keen to hear other thoughts on this!

## Hershey's real real CSR report

Wednesday, September 22, 2010



**Christine Arena**, CEO of **SparkUp** and great **CSR author, blogger** and **#CSR Debate moderator**, made me aware on Twitter of the "real" Hershey report. And that is well worth a blop (= blog post for those not used to my lingo. Yet).

Let's set the scene:

**First**, Hershey, **with great fanfare**, published their **first ever CSR Report** (GRI Level C). This is the **real** report. This report, as might be expected, presents Hershey's strong commitment to Corporate Social Responsibility in all aspects of its operations, including management of the Hershey supply chain and cocoa sourcing. **Second**, a group of activists and campaigners for human rights including **Global Exchange, Green America, The International Labor Rights Forum** and **Oasis USA** published a mock CSR report attacking Hershey for human rights abuses in the production of cocoa. **This is the real "real" report**. In this report, the campaigners focus primarily on what they allege to be



forced labor, child labor and trafficking in the Hershey supply chain, greenwashing regarding charitable and community activities in West Africa which mask the underlying human rights problems and urge Hershey to increase transparency and adopt full sourcing of Fair Trade Certified (TM) Cocoa.

**So which is the real real real report ?** First a look at both reports and then some perspectives of my own.

### The real report

The report published by Hershey confirms that the Company is no stranger to CSR, in fact the story goes that when Milton S. Hershey started the firm that would become The Hershey Company in 1984, he conducted his business according to the following principles:

**\*\* make and sell a high-quality product at a fair price \*\* provide meaningful work and fair**

wages to employees \*\* give back to the communities where the company operated \*\* be a good steward of the land and its resources

The Hershey report follows the Quadrant Model (marketplace, workplace, environment and community) and, despite no evidence of materiality thinking and prioritization, the key headlines are covered in greater or lesser detail. These include promoting responsible consumption of snacks and treats as part of a healthy lifestyle (really?), supplier diversity, nutrition labelling and nutrition research (how many phytonutrients in your daily diet, hmm?), promoting health and fitness, marketing with integrity, plus all the regular disclosures and case studies relating to environmental stewardship, responsible workplace and community contribution. There is a two page section on "Addressing the Challenges in Sourcing Cocoa" which reconfirms Hershey's commitment to *"embrace our responsibility to ensure that the cocoa we buy is grown and harvested in a sustainable manner. That means encouraging a cocoa supply chain that provides adequate incomes to small cocoa farmers, advances efforts to promote responsible labor in cocoa-farming communities, promotes gender equity and protects and preserves the environment."* All in all, Hershey says, through their efforts in West Africa, *"Hershey and its industry peers have made a positive impact on an estimated 500,000 farmers and their families—about 2.5 million people altogether."* There is no doubt that this is a good news report, very skillfully copywritten, designed to paint a very rosy picture of the Hershey Company. Its transparency is limited to the direct impacts that are non-controversial in terms of disclosure and the report is not assured. Nonetheless, it does demonstrate a certain level of CSR commitment and practice, which cannot be denied.

### The real real report

This report represents the "dark side" of Hershey's chocolate production and focuses on four key issues, alleging that:

**First:** In sourcing much of its cocoa from West Africa, Hershey does not have a system in place to ensure human rights abuses are eliminated.

**Second:** Hershey does not disclose its cocoa suppliers in West Africa, therefore making it difficult to monitor human rights issues.

**Third:** Hershey engages in greenwashing by reporting on charitable programs whilst masking underlying supply chain abuses

**Fourth:** Hershey does not adopt the Fair Trade Certification for Cocoa, "the strongest certification system available" for all but one of its chocolate products.

The report refers to a shareholder resolution submitted in 2006 to Hershey, that was rejected, to push Hershey into reviewing and reporting on supply chain sourcing and addresses why Hershey is purchasing from *"the three companies, Archer Daniels Midland, Cargill, and Nestlé, which are involved in the ongoing lawsuit in US courts on child labor claims"*. Similarly, the alternative report looks at leading practices in cocoa sourcing and commitments by other manufacturers and shows how Hershey is lagging behind. Additionally, the report makes recommendations to Hershey for resolution of this issue through to the year 2022.

### The real real real issues

So what should we make of all this? Here are some thoughts:

**Whether you are transparent or you are not transparent, you are transparent.**

No company can hide from transparency. It's either forced or it's voluntary. In the same

way that Gap Inc and Nike and others realised that the only way to gain benefit from transparency is to embrace it and work with it, so Hersheys, sooner or later, will have no option but to go this route. Whilst a first CSR report is a step in the right direction, transparency on the most material and critical issues cannot be avoided.

### **Don't cherry-pick at stakeholder engagement**

Hershey lists the stakeholders they engage with in their CSR report, which includes interest groups, NGO's and the **World Cocoa Foundation** (established in 2000, Hershey is a founding partner), but they don't drill down into the details of their engagement. The coalition of human rights activist groups who wrote the alternative report don't appear to rate this foundation, which focuses on good work without the same activist edge. In deciding whom to engage with, a company should not cherry-pick around who to talk to. If you do not engage with your strongest critics, you are at risk of them engaging you in a way you may not have anticipated. On the other hand, engaging with such critics may well provide a platform for your business to create new commercial opportunities and longer term sustainability.

### **Communications should be balanced**

Both the real report, which is good news, and the real real report, which is bad news, are guilty of imbalance in communications. Both tell one story only. The one which advances their agenda. And let's make no mistake. The profit agenda of a corporation and the non-profit agenda of NGO's are also driven by people with personal interests and much to gain, one way or another. This approach to one-dimensional reporting undermines the credibility of both players in this sad scenario.

### **Convert words into action**

There is no doubt in my mind that, even if Hershey people have an adequate defense to the allegations in the real real report, they must respond and disclose an action plan to address the issues raised. Whether or not everything is true, or not, there is surely something that Hershey can accept as a way forward. I don't believe that Hershey can maintain a credible CSR positioning without doing this. The first response should be a public invitation to the real real report authors to meet with Hershey leadership and table all issues at a facilitated conversation in open and positive spirit. Wow. That's a conversation I would be happy to facilitate!

This story reminds me of two other anecdotes:

The story of the Hershey Trust decision to sell the Hershey Foods Company to the highest bidder, which was recounted by Andy Savitz in his book, **The Triple Bottom Line**. The story is amazing and shows how Hershey blundered through a process that caused stakeholder uprisings and ultimately had to back down, "squandering valuable social capital". Hmm. A lesson not learned, it seems.

The story of **Starbucks and the Ethiopian coffee farmers**, which was the subject of an **Oxfam led campaign**, which went pretty viral with people from all over the world posting videos in support of Ethiopian farmers, eventually forcing Starbucks to give in. Starbucks did, and went on to build stronger reciprocally positive relationships with Ethiopian coffee farmers. A lesson learned, apparently.

Seems like Hershey has a knack for doing things the hard way. At least, as I have a few (ok, a lot of) pounds to shed, I won't have to ponder the issue of whether to eat Hershey's chocolate or not, for the time being. I will be watching for Hershey's to respond, however.

Hopefully they will do so before my diet turns once again, into the tomorrow diet. Haha.

(Oh, and in case you are wondering, I did write directly to Hershey with my queries about this issue. I hope they have something to say).

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict, author of CSR for HR: A necessary partnership for advancing responsible business practices. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 10:58AM (+02:00)

## Comments

- [ColinDey](#)

September 22, 2010

---

Thanks for the interesting post - readers may be interested to know that academic research in this area (surrounding what we refer to as 'shadow' accounts) has studied similar examples of contests between corporations and NGOs. The Centre for Social & Environmental Accounting Research has a good introduction to the subject at <http://www.st-andrews.ac.uk/~csearweb/aptoppractice/silentacc.html>.

- [elaine](#)

September 22, 2010

---

thanks so much , Colin, for this. I wasn't aware of this interesting work. I checked out the site and it looks fascinating. I will be looking at the shadow reports in detail as soon as I can. I can think of quite a few companies I would like to shadow-report as well!

Warm regards, elaine

- [LaviniaWeissman](#)

September 27, 2010

---

I learned about the Milton Hershey school tonight watching one of my favorite shows (produced by ABC- which owns Disney).

The show is Extreme Makeover and tonight they were featuring a project for educating kids in a residential based program. Hershey was an ad sponsor and advertised how they raise money out of every Hershey product to donate to the Milton Hershey School

See this link: [http://en.wikipedia.org/wiki/Milton\\_Hershey\\_School](http://en.wikipedia.org/wiki/Milton_Hershey_School)

This school has 1818 kids in residence and will grow to supporting 2100 kids by 2013.

These residential programs that I learned about tonight on Extreme Makeover are fulfilling a single mom's dream (like my own dream) to know her kids is safe and educated.

There was a very strong recognition in the presentation that these residential programs are so key for kids to have an environment of safety in which they can learn.

I have live in two unsafe neighborhoods raising a child a lone. One was a poor neighborhood in Boston MA - Mission Hill.

but the other was one of the most wealthy communities in America and home of Apple Computer, Cupertino MA

There were gang fights in the schools in Cupertino and issues of harassment and kids who went hungry.

Hershey is paying attention to a need in America that so many deny seeing or deny entirely.

Until you are a person in a country where you cannot assure your kids safety, you just cannot know the value of what Hershey is providing in America when so many of us think this is a problem in India and Africa and direct our support there.

Bravo, Hershey.

- Anonymous

October 03, 2010

Some great points here, especially regarding definition of stakeholders/including critics at the table, clarity about materiality and increasing depth on abusive child labor reporting. A bit more digging into the details/agendas behind both reports could help. For example, one thing that struck me about the Hershey report was the lack of real data in most areas, apart from some environmental and charitable. This seems like a big area for improvement for them.

As someone who has been engaged in broader supply chain labor issues for some time, I'm also aware that the report authors were behind both the shareholder resolution and lawsuits, which may be biased as well. Hershey established a supplier code in response to a resolution from a group of responsible investors and faith-based groups so they've engaged. In their ongoing activities, the report authors don't seem to act in a way that builds trust - they're selective in what they share, overlooking industry reports about progress on the issue, misrepresent facts, come to their own conclusions without full foundations and seem opportunistic - rushing out a report countering Hershey in one day being a case in point. As you rightly conclude, both can improve and it's essential for the greater good that they do so.

- elaine

October 08, 2010

Hi anonymous, thanks for reading and thanks for your input. We have been conditioned to believe that everything we hear from NGO's is the absolute truth, but, as you pointed out, there might also be an element of opportunism at play as well, regards, elaine

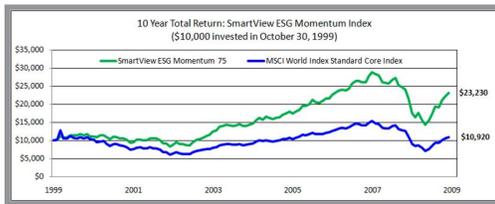
## The Race to Rank

Saturday, September 18, 2010



The Global 1000 Sustainable Performance Leaders ranking for 2009 was unveiled this week by **CRD Analytics**, made public for the first time, and hosted exclusively in a

searchable, filterable data base on **Justmeans**. I wrote an editorial for **CSRwire.com**, examining some aspects of this ranking which you can read **here**. In brief, this is a comprehensive ranking of Financial, Environmental, Social and Governance (FESG) performance of publicly traded companies with over \$1billion in market capitalization and having produced a CSR or Sustainability report. The top 1,000 companies are selected from a total pool of over 5,000 potentials. The ranking factors in performance data using



**GRI G3 indicators**, and more, with 200 individual metrics. The methodology which underpins the G1000 is called **Smartview(TM)** and is also used to power the **Nasdaq OMX CRD Global Sustainability 50 Index** which was launched

in June 2009. **Martin Smith, CEO of Justmeans**, who co-hosted the Justmeans-CRD Analytics webinar held on Wednesday said " This is the most robust methodology I have seen" (for ranking sustainability performance), and I agree with him. The purpose of hosting this ranking on the Justmeans platform is, according to Martin, to "speed up the rate of disclosure" With everybody's data out there for everyone to review, the expectation is that, in addition to the attention given to these rankings by the investor community, Companies will start to realize that transparency as well as performance is the name of the game for all stakeholders, and will be anxious to ensure that their place in the rankings continues to improve. This is the essence of the **race to rank**. Whether you like it or not, if you are a publicly traded company, you are in the race.

**The Smartview(TM) methodology** uses the four FESG dimensions, 20 key performance indicators and 200 individual metrics. The performance of each company is presented on a 360 spiders-web wheel , giving a visual representation of a company's total performance, and clearly highlighting areas where a company shows leadership or areas that need more work. One of the important factors in this methodology is the integration of actual performance as well as disclosure. If a company has not reported, they dont get a look in. And that's good, because responsibility without transparency is a non sequitur (That's Latin for oops!).

**Michael Muyot**, President and CEO of CRD Analytics, who developed the Smartview methodology, shared some interesting data about the improved performance over time of Companies who have been evaluated using this methodology.

This shows, in a rigorous, verified analysis, that global companies that improved on ESG performance from 2006 to 2008 outperformed the MSCI World Index by over **11.6%** from 2008 to 2009. That's pretty persuasive, and something investors are understanding how to work into their analyses and evaluations.

The value of presenting this ranking data for all to view, together with subsequent updates, serves to heighten awareness of the performance of companies, both for stakeholders and for the companies themselves who are looking to improve their performance and position in the rankings. CRD analytics do not consult to Companies who want to improve their position, in order to remain totally independent as they do their analytics stuff. Instead, CRD work with a range of consultants who know the **GRI framework** and the **Smartview(TM) methodology** well and who can advise Companies on what they need to do to improve their performance against the required performance metrics. (Disclosure: My Company is one of those consultants). CRD's core service provided to companies is reports - company reports, industry or sector reports, deep dive custom built reports etc which give companies a powerful set of analyses which can be used for planning, prioritization and performance improvement.

At present, the plan for the G1000 on Justmeans is twice-yearly updates aligned with the timings in the year that most companies tend to publish most of their data. However, the potential is to update more frequently - say quarterly or even monthly. The ultimate would be to update the list day-by-day, whenever companies publish new data, giving an absolute real-time view of where individual companies are and how they stack up against peers. This would certainly quicken the pace of the race. The faster you disclose performance, the faster companies will compete for top rank, just as they compete for investor attention, shelf-space in a supermarket or air-time in the media. This is a good

thing, as to improve rank, you need to improve performance. The faster this can be done, the faster we realise our global goals of sustainability.

Rankings are not just random or futile exercises. There are many which are not terribly scientific and not reliable as a reflection or predictor of sustainable performance. I am convinced that the Smartview methodology is different. And moreover, I am convinced that a professional, credible ranking drives companies to improve performance. Just looking at the Smartview data, which underlies the G1000 ranking, once can see the year-on-year progression of both transparent disclosure and quality of action.

I looked at the Company who has most improved its position in the 2009 rankings: **MOL Hungarian Oil and Gas plc**, one of the leading Hungarian chemical companies, which jumped from 976 out of 1000 rank in 2008 right up to rank 153 in 2009. This Company did not make the top 1000 in 2007. This is the result of a concerted effort on behalf of this Company to perform and report. This is what the Chairman and CEO say in their **2009 Annual (integrated financial and non-financial) report**:

*Our efforts towards Sustainable Development were also viewed positively by the capital markets, as MOL – exclusively in the Central-Eastern-Europe region – has become eligible for inclusion in the Sustainability Yearbook 2010 (bronze class), published by Dow Jones Sustainability Index's analyst, SAM. The acknowledgement that MOL is among the top 15% of Sustainability performers in the oil and gas industry is the direct result of our long-term focus on those environmental and social areas that are critical to our sector such as climate change, transparency, occupational health and safety, attracting and retaining top talent and customer relationship management. In addition, our managers' incentive bonus scheme is partly based on performance indicators related to their individual Sustainable Development targets.*

This strong position is reflected appropriately in the 2009 Global 1000 ranking. The 264-page 2009 annual report includes 34 pages on sustainability performance (assured) and a further 25 pages on governance. The report conforms to application level A+ of the GRI Reporting framework, an increase in transparency versus 2008 (B+), and 2007 (undeclared level). The improvement in the G1000 ranking position reflects stronger performance and stronger reporting in all ESG categories, whilst improving overall financial strength in 2009 versus 2008. Whilst achieving a higher ranking specifically in the G1000 may not have been top of mind for this Company, a focus on improving sustainability performance and disclosure was. As a result, this Company is now on the radar and very much in the race.

Being in the **race to rank** delivers reputational benefits and is a catalyst for performance improvement. Competing in the race is a sure-fire way to get stakeholders to sit up and notice, and even engage. Hah! And that is where accelerated positive impact on sustainability will be created.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Author of : CSR for HR: A necessary partnership for advancing responsible business practices. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 12:01PM (+02:00)

# The Big CSR Debate : Elvis rules!!

Friday, September 17, 2010

So, the **BIG CSR debate** has come and gone. Did we learn anything new? Well, frankly, the only thing that was new to me was the total extent of the disconnect between the views of Dr Aneel Karnani and Chrystia Freeland and today's external reality. At some point, the only way both could feel comfortable about CSR was by calling it simply "good management" or even better "acting in self-interest to make a profit by observing the law". If that is what CSR is all about, then, as Aron Cramer put it, there is a problem. Karnani let himself neatly off the hook by saying that there is no definition for CSR. In fact, this debate might have been called a "dialogue de sourds", where 5 out of 7 people were talking coherently, and two were throwing out a whole series of "wobblies" (a great term used by a former boss of mine), not many of which were accurate, relevant or even interesting. I missed the first part of the debate, so I don't know if it actually started out with an agreement of a definition of what people were going to talk about. In fact, 5 people were talking about one thing, and two people were talking about something else. And there was no middle ground.

At the point at which I hooked in, Chrystia Freeland of Thomson Reuters was referring to "CSR rhetoric", "milk and motherhood and apple pie", and "feel-good win-win Kumbaya language". This might have been relevant about 10 years ago, but her needle has clearly stuck in that groove. Today, CSR is about strategy, shared value, business opportunity and addressing global challenges. Karnani lives in a world where governments everywhere are icons, where they regulate for every possible impact of business, and enforce every regulation with such perfect finesse that no corporate anywhere is ever able to do any harm to society or environment in any capacity whatsoever. Aron Cramer says this exists only in North Korea, a model which he does not recommend for the entire developed and developing world. Guess we can understand why.

Ultimately, the CSR anti's were putting up smoke screens – the very smoke screens they accuse responsible business of wielding to mask their irresponsible practices and the "deceptive dangers" of CSR. Chrystia Freeland kept harping on about the fallen-halo of "Beyond Petroleum" when in reality, everyone stopped believing that slogan many moons ago, and no educated business person would consider that as part of the current CSR Kumbaya. Another needle, another groove. Chrystia then turned her sights to Microsoft who has just been accused of **collaboration with the Russian Government to crack down on outspoken advocacy groups and opposition newspapers**. Yep, not a nice story. But **Microsoft have issued a full and frank explanation** and confirm that "to prevent non-government organizations from falling victim to nefarious actions taken in the guise of anti-piracy enforcement, Microsoft will create a new unilateral software license for NGOs that will ensure they have free, legal copies of our products." Such is the world of CSR. No corporate is perfect. Georg Kell of the Global Compact made this point well. He said "we have to recognize that most big dilemmas are not so easy to solve - climate, poverty and other global issues do not follow a clean simple path, commitment to a non-financial issues is uneven progress, it is very hard to be on top performance in all domains all the time. We have to accept the dynamics of regulatory changes and what business can contribute. Private solutions spill over to the regulatory machine. Where there is a conflict you have to tackle the conflict and work out where you stand." This rings true. The multiple touch-points of any large corporation which impact on so many aspects of our lives are continually being discovered and addressed. The fact that companies haven't yet buttoned everything down in a nice neat package for every aspect of their business everywhere cannot be an argument for the failure of CSR. Real CSR is that they are willing to try.

Dave Stangis, who told Campbells Soup's Board when they hired him, that he is not a treehugger, but a capitalist who believes in helping them make more money (but in a way which creates positive social impact), says that this state of EITHER – OR makes him crazy. I identify with that, though Karnani and Freeland seem to have problems with the concept of co (co as in shared, together, participative, partnership, working together, interconnectedness, leveraging joint strengths, engaging). The possibility that there is an overlap between the contribution of business and the role of governments in contributing to global sustainability is off their radar. Bob Corcoran gave an example of how GE supported Transparency International in establishing a framework for anti-corruption. But this was dismissed by Chrystia as self interest on behalf of GE, because, she said, apparently GE is apparently not so good at corruption and their competitors are better, so leveling the playing field had to be about regaining competitive leverage for GE. Come on. Is this drivel or is this drivel?

Matthew Bishop, of the Economist, was an eloquent contributor to this debate and got to the crux of things quite effectively. He made the point, which I also subscribe to, that the problem with stock market capitalism is that it overly focuses on short term measures of performance. He says that visionary business leaders are on the side of preparing themselves to be doing things which move the business forward in a sustainable way. Karnani had an answer to this, of course. He says " Shareholders should demand that business be long term. It's a governance problem" . Perhaps Dr Karnani would like governments to regulate that shareholders may only invest in businesses whose governance allows only for a long term shareholder return? Yup. That would work. Not. Bishop again: "How effective regulation can actually be? There is a huge problem of corporate money in America, lack of transparency in corporate lobbying, a lot of our institutions are not being held to account properly" Nail on the head.

Chrystia, continuing in the self-interest groove, raised the issue of Pepsi who on the one hand, sells a product which has "no redeeming value to society" whilst engaging in all sorts of great CSR activities. She calls soft drinks the next "tobacco", pointing out that Pepsi lobbied hard against a soft drinks tax. Hmm. Matthew Bishop wasn't having any of that. He says that when companies make a claim such as the Pepsico "Performance with Purpose", they are held to account. He says that Indra Nooyi's performance in this respect should be judged by the media and all stakeholders on those promises "Where's the beef, Indra? everyone should ask. He says that this is going to be the defining issue of her career.

Rounding off on this short summary of this long debate, the likelihood is that the camp you started out rooting for is the camp you remained in. And that camp won. If you believe that CSR is a smoke-screen to mask corporate self-interest which is in conflict with the public good, and that the only bodies that corporations should be held accountable to are governments, then you can shake hands with the Karnani-Freeland double act. If you believe that CSR has a valid role to play in improving society and planet whilst enabling businesses to deliver long term shareholder and stakeholder value, in a way which is core to business strategy, then you have many more hands to shake.

If you are undecided, as Aron Cramer says, **50,000,000 Elvis Fans can't be wrong**. Go with the majority!

Kudos to Susan McPherson and Fenton for organizing this session and to Christine Arena for skillfully navigating the lion's den. And as it is the start of **Yom Kippur**, haha, I ask forgiveness for having no patience for arguments that hold back progress.

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)

Posted by elaine at 08:03PM (+02:00)

## Jo's Gems - Confino in action!

Sunday, September 12, 2010



Today, I had the most wonderful of days hosting **Jo Confino of the Guardian**. Jo was interviewed by a leading daily business newspaper in Israel, **The Marker**, spent an hour talking to about 20 editors and journalists of The Marker in an open discussion about sustainability and the media, and further two hours or so talking to a large group of CSR and sustainability professionals from the Israeli market. All in all, a fascinating day loaded with insights from the inspiring, multi-faceted, values-led and sustainability-minded Jo. Before I summarize the key insights, here are the

fotos (especially for those who would scroll to the bottom first in any case):

**Jo being interviewed for a front -page story in The Marker**

**Jo in full flight**

**Part of the audience enjoying Jo's insights**Ok, that's the easy bit over with. Now for some of Jo's Gems. Jo's talk was a fascinating mix of philosophy, the expression of values, the business case for sustainability, the difference sustainability can make to the Guardian and vice versa, and some practical tips and advice for companies. Below are just a few of the insights Jo shared.

**On Life and Zen** Everyone has to have meaning. Even someone who buys paperclips can have as much meaning as journalists.

A Zen Buddhist Master told me that "we are eating our children" (but neglected to say whether this is after they have been seasoned with organic herbs) (sorry, couldn't resist that last comment).

**On values** Integrity is not just a physical thing. You must also have integrity on the inside. There is a point at which you can hide from truth and change, and a point at which you cannot. You have to have a sense of purpose.

**On Web 2.0 and a new approach to journalism** We are opening ourselves up, allowing others to see what we are doing and get involved. Once, a newspaper printed an article and put it out there, and that was that. Now, putting the story on the website is just the beginning. It's like saying: Here's the article, now let's have a conversation. The web is about sharing and becoming a hub, and not being proprietorial.



### **On Sustainability Strategy**

It all depends on how you frame things. Once we started thinking in terms of "How can sustainability help ensure the long term success of the Guardian?", a whole new world of possibilities opened up. This was a positive framing of the issue, rather than the negative



framing we usually hear (stop doing this, don't do that, reduce this, change that etc.)

Businesses can now see that they can make money from sustainability and that it can be a core business benefit.

CSR is like the American Cavalry Bugle for businesses. Years ago, the only thing that businesses knew what to talk about was money, there just wasn't a vocabulary of

sustainability.

It is hard to envision exactly what the future will be. We can't see beyond the current system. But you have to set goals, even if you don't know how you are going to achieve them.

### **On Sustainable Consumption**

We are on a runaway train to hell .

We are using 5 planets.

Sustainable consumption may invite a lot of cynicism, but all the major companies are now talking about this.

### **On Sustainability Reporting**

Good reporting should be a force for change.

It is important to have an independent verifier. For the Guardian, this was critical because of the Guardian's independent voice in the media and the desire not to compromise that.

### **On the role of the media**

Companies are very fearful of the media, but if you are open and honest, you gain more respect.

### **On the future of the printed press**

We have to accept that eventually, the printed newspaper will become a niche product. The only thing that will keep newspapers going is the lack of technology to provide adequate alternatives.

### **On the Guardian's Project in Katine**

We wanted to tell the real story about the way community development took place in a local community.. not just tell the good news .. but tell the truth. We wanted to focus on one project and "get under the skin" of what's happening and leverage this in a transparent way. The success of the project wasn't the success of the project. It was how successfully we managed to bring out the true story, day by day. Our commitment was demonstrated by having two Ugandan journalists, one actually living in Katine, covering the progress and events on a regular basis.

### **On Leadership:**

The biggest Agent of Change is the leadership. The leaders have to "get it".

It is important to get the leaders on board, but then you have to create structures to make things happen.

One of the core challenges at the Guardian has been to ensure Directors set their own measurable targets in the areas they manage.

THANK YOU to Jo for giving of his time and thoughts so generously. Thanks to the local CSR organization, **Maala**, for working so hard to organize this event with us. Thanks to the local office of **BBDO (Gitam)** for hosting the event with Jo. Thanks to **The Marker** newspaper for their interest in what Jo has to say and for, we expect, great coverage of his visit in the local press. And thanks to all those who attended Jo's talk.

This was a great event and **Jo was an inspiration to all**, despite the fact that he didn't mention Chunky Monkey even ONCE in all the time he talked.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 11:52PM (+02:00)

## BT is getting connected !

Friday, September 10, 2010

I was preparing my review (coming soon!) for **CSRwire** and my **CSR-Books blog** of the recently published book, **Accounting for Sustainability**, in which there is a case study of **BT** and its approach to sustainability strategy and reporting. In the meantime, as I went to check out the **BT 2010 sustainability report**, I thought I would highlight what does appear to be their good practice in the analysis and quantification of sustainability initiatives.

The report covers **materiality**, the result of a considered process of analysing and prioritizing business and stakeholder-raised issue, and a range of other sections relating to social and environmental impacts. At the heart of the report is a KPI table, included as a separate PDF download **here**. There are 12 core non-financial indicators, with performance shown for the last three fiscal years, and a set of corresponding financial indicators, showing what financial impact is delivered by the performance against each of these non-financial indicators. The financial measure of the non-financial indicator "Improving Customer Service", for example, is total revenues and average revenues per UK household. An increase in the BT employee engagement score delivers a financial impact on employee costs. The lost time injury rate target has a financial impact on the cost of the business resulting from injuries arising at work. The implementation of BT's Human Rights Standard in supplier procurement has an impact on the value of human-rights-approved procurement as a percentage of total supplier spend. Investment in society delivers an impact on the financial bottom line in terms of the overall spend in cash, time and equipment donated. Reducing carbon emission intensity delivers a financial effect on overall energy costs. An ethical performance measure delivers an interesting financial impact which counts revenue support - the number of customer bids which require a sustainability component. Interestingly, BT have a diversity target to maintain a top ten placement in four of five diversity benchmarks, but note that they have been unable to develop an appropriate financial measure for this non-financial target.

I believe this is good practice and clearly influenced by the **"Connected Reporting Framework"** proposed by the book I have just read. However, it's just a start. The value of assigning a financial result to a non-financial target can only be meaningful if you show the investment in performance development alongside the overall result. Average revenues per household may have increased, but what cash investment in customer service programs were necessary to deliver this improvement? What incremental safety programs, and at what cost, delivered the reduced cost of injuries to the business. What investment in carbon emission intensity reduction was needed to reduce energy costs?

There is not always a clear linear relationship between all these numbers. This demonstrates the rigour of thinking necessary to put all these sustainability initiatives into nicely separate "financialized" compartments. I think BT are doing well to make a first stab at this, and I would be really interested to see them take this thinking further.

Oh and as for diversity .. no financial measure ? What about the cost of additional efforts to recruit and retain a more diverse workforce against the benefit of low non-diverse turnover ? What about the financial contribution of women / minorities / disabled etc as a percentage of revenue generation? What about the cost of competing in all these external rankings against the value benefit of reputation enhancement ? Haha. That one was tongue in cheek.

Anyway, if all this is a little too intense for you to handle, BT also provide a little light relief from the metrics with some **interactive sustainability games**, which is why writing this blog took about 13 hours. (I am much better at metrics!)

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict, author of CSR for HR: A necessary partnership for advancing responsible business practices. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (Beyond Business, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 04:22PM (+03:00)

## Comments

- [KevinMoss](#)

September 13, 2010

Elaine, thanks for taking the time to review our reporting and for your constructive criticism. Great timing as we are into the review process and commencing planning for next year's report. The balance of your remarks resonates with our challenge. On the one hand you call for us to provide more data. On the other, your lighthearted but important ending comment about our online interactive games highlights that the general public don't care much for data, but want to be engaged and motivated. I guess we have to strive to do both !

## Getting the CSR message through!

Tuesday, September 07, 2010



I am pleased to make you aware of a first **Communication on Progress** published by the great CSR news distribution company

**CSRwire, LLC** - whom most of you probably know via the News Alert which promptly pops into your inbox every morning with the latest CSR news and interesting editorials (haha, disclosure, some of them are mine!) . Anyway, if this plop thing doesn't happen to you, I would strongly recommend you **sign up and get the News Alert**. Whilst you are doing so, check out the rest of the site and see how CSRwire can help you get greater exposure for your CSR news and get your CSR message through!

Anyhow, I digress.

What I really wanted to do was **congratulate CSRwire** on the submission of a first COP to the **UN Global Compact**. (oops, time for another disclosure, I worked with CSRwire and helped develop this COP).

As most of you may know, the UNGC is a voluntary policy framework established 10

years ago by the UN to help drive responsible business practices according to **10 core principles**. Businesses who wish to participate will send a signed commitment to the effect that they will uphold the principles, spread the word around and report annually on what they have been doing in this respect. Over 5,000 businesses across the world have committed to support this framework. A Communication on Progress is usually a positive document which doesn't require full disclosure in the same way as a comprehensive Sustainability Report type GRI does, but it can contain considerable information and is an excellent route to supporting accountability and developing a culture of transparency.

Accountability and transparency is not new to CSRwire as they are a **certified B Corporation**, and have been practising responsible business practices since the very start of their operation in 1999. However, the CSRwire COP is a very full document, **the most transparent ever published by CSRwire**, and describes their business mission, profile, history, responsible practices, targets for the future and most importantly, the most material element of the company's work, the way CSRwire delivers and distributes CSR news so that **the CSR message gets through** to an increasingly wider range of readers all over the globe including corporate practitioners, CSR professionals, non-profits, academics, students and opinion leaders. With over 5,600 members and 250,000 page views per month, and growing, this is a strong reach.

Also important is the fact that CSRwire is an SME, a small business with 12 employees. Even a small business can do their stuff responsibly, and actually, it is vitally important that small businesses **do** do their stuff responsibly. The UNGC route is a great framework for smaller businesses to start building their **Sustainability Stamina** and gain global recognition. SME's who read CSRwire's COP can gain inspiration and ideas for how they might follow suit. I hope many do. **See it on the UNGC website here.**

Anyway, rushing off now to a Chunky Monkey event. YEAH!

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](https://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 03:44PM (+03:00)

## Is the Guardian Sustainable?

Friday, September 03, 2010

Not too many daily newspapers around the world report on sustainability. In fact I don't think any others do. In this respect the Guardian seems to me to be unique. It is also unique in that it has Jo Confino, the passionate and committed champion of the Guardian values. It's no coincidence that I decided to post about the Guardian's report(ing) at this time. You see, **Jo Confino** is coming to visit us in Israel this month, and we have organized, in partnership with **Maala**, the local **BSR** affiliate, **a meeting of members, clients and the general public**, for Jo to share his insights, experience and achievements at the Guardian, and talk about the role of the media in supporting (or not) sustainable business practices. We are very proud to host a true **Sustainability Celebrity**. I am expecting he will teach the Israeli press a thing or two!

The Guardian has been producing Sustainability Reports called "Living our Values" since **2003** but I am going to fast-forward and stay present with the **2010 Living Our Values report**. I guess it's not easy to be a print newspaper in this digital on-line-everything age when the world has become one big citizen-journalist and headlines reach Twitter before most have even realised they are headlines. **A report in the Media Guardian in June 2010** talks of overall decline in newspaper circulation in 20 out of 30 OECD countries, with a 30% decline in the USA and a 25% decline in the UK between 2007 and 2009. Sales of

the Guardian fell by 10.5% in the year ending May 2010. So the first question that springs to mind whilst reading a newspaper sustainability report is whether this is actually an **unsustainability** report, for a business which is slowly becoming an anachronism. If that's not a material issue, I don't know what is. (OK, I do, but I'm not telling).

The Guardian, or GNM at they like to be called (Guardian News and Media) deals with this. They say "**The current business model does not work for newspapers any more. So we will have to build a new one that does**" Pretty straight-up, I guess. This is how the Guardian plans to do it:

\*\* A new revenue stream through the creation of the **Digital Agency** which is producing websites for clients, rather than just selling them advertising.

\*\* The creation of **Guardian Sustainable Business**, a venture aimed at supporting companies in acting on their social, environmental and economic impacts.

\*\* Investing in new software to enable optimisation of **online advertising** revenues

\*\* Recruiting like-minded web businesses to **Guardian ad Networks**, which take advantage of scale and special skills in selling to big advertising agencies

\*\*Opening up **new licensing models** and new platforms, such as subscriptions on Kindle and the Sony eReader. Both the iPhone app, which is paid for, and the iPad photography app, which is free because it is sponsored by Canon, are making a positive financial contribution. The iPhone app sold 121,000 in its first 16 weeks on sale.

\*\*Significantly expand **international operations**, given that the overseas audience represents more than half of total audience, but only 7% of revenues .

But what about the fact that everyone is now a journalist? The answer appears to be "**collaborate or dry up!**" The Guardian recognises that "preaching to 21st century stakeholders is no longer the answer". Engagement with stakeholders is the name of the game and the Guardian does this well.

The core theme of the report is well in line with its concept and title - living the values. Perhaps this is best demonstrated in the section relating to the engagement of employees and **the commentary about the employee survey**. This is a fine example of good disclosure relating to employee practices and includes some self-criticism. Other aspects, such as fair and free journalism are discussed at length, including the position of values related to **earning from advertising which is in conflict with editorial principles**.

I must confess that for a simple soul like me, the online format of the Guardian Living our Values report is a little confusing. It all looks like the Guardian newspaper-on-line and until the penny (sheqel) (cent) dropped, that all the Sustainability Report content pieces are dated 6th July, it took me some time. The Sustainability Report even has an **Editorial**, which is not run-of-the-mill CSR report lingo. Alongside the actual report bits, there are also actual archived news bits. I like a simple life. I like to see reports in a clearly defined location, distinct from the rest of the corporate communications. However, I cannot deny the advantages of this format, which facilitates buzz-up of every page, and invites comments from the general public on each individual article which makes up this report. It's a bit like **how to eat an elephant**. You can digest the Guardian Report one bite (byte?) at a time. A nice touch is for those who really can't stomach an elephant, no matter how many bites, is a save-the-elephant **15-minute digested read** providing the basics of the report in an Executive Summary.

I also struggled with navigating this report. There is no content index, and finding specific information requires some digging. Side-navigation bars disappear when you go to read specific articles. I think that, whilst the concept of a newspaper making a Sustainability

Report look like a newspaper is quite neat, in practice, I think I would prefer it to look like a report. However, for the general Guardian readership, this may well be the best way to get the report noticed.

This being said, the pioneering Guardian is serious about sustainability as their fine set of **targets** and reporting against those targets shows. There is well considered thought about **materiality** and **stakeholder engagement** is covered off nicely. The journalist-Guardian-article style format has broad readership appeal and is less dry than some of the report doing the rounds today. And the report is **assured**. There is no doubt that values are alive at The Guardian and integrated into the core business model.. Oh, and if you don't know what mutualisation means (guilty!), **here** is your chance to find out.

PS: The Guardian Media Group is owned by the Scott Trust. That's an interesting story. Check it out **here**.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict, author of CSR for HR: A necessary partnership for advancing responsible business practices. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 08:58AM (+03:00)

## Comments

- [CathyJoseph](#)

September 03, 2010

What an inspiring reinvention - a true redefining of what a newspaper is and can be. I love the "Ten Principles of Mutualisation" in the Editorial - simple and powerful statements that are in no way limited to publishing.

I look forward to reading your blog on Jo's speaking engagement in Israel later this month. I'm sure it will be a fantastic experience!

- [LuisOliveira](#)

September 05, 2010

There is actually one more newspaper that has been reporting on sustainability. As a matter of fact, Estadão, the São Paulo, Brazil (where else) newspaper, has been reporting for quite a while. Portuguese only, as far as I know, which kinda figures why you never heard of it before. Still...

<http://www.estadao.com.br/ext/especial/extraonline/especiais/relatorio/>

## Dow Chemicals CSR Report 2009

Tuesday, August 31, 2010

I recently reviewed the Dow Chemical Company CSR Report for 2009 for the **CorporateRegister.com** website. The most significant thing about this report, aside from it's content, is it's structure. Here is the first section of the review as it appears in the **CorporateRegister.com Expert Review section**:

The Dow Chemical Company is a diversified chemicals manufacturer with specialist expertise in the electronics, coatings, plastics, health and agricultural sciences fields and

more. The company operates at 214 sites in 37 countries around the globe, employing over 52,000 people and netting nearly US\$45 billion in sales turnover. A veteran reporter, Dow published a first Environmental Report back in 1997 at a time when reporters were true pioneers. The uniqueness of Dow's reporting is that not only is it written in accordance with the GRI guidelines, it's actually named after the GRI framework and called a "Global Reporting Initiative Report", following the flow of GRI disclosures and indicators point by point and question by question (with the addition of a "GRI Read me first" section which provides highlights of Dow's sustainability activities during past years). Aside from the GRI's own reports, I don't recall seeing many others structured in this way. There are upsides and downsides to this approach. The upside is the absolute clarity and discipline with which the report is written, which adds much to its credibility. The downside is that Dow's overall predominant value contribution to global sustainability gets lost. Dow has apparently considered what issues are most material for the company and has translated these into Sustainability Goals to the year 2015, which, due to the structure of this report, are best reviewed as a group of goals on the Dow website. Exactly how these goals were developed, and whether they are the result of a structured materiality analysis, is unclear. In fairness however, Dow presents the most comprehensive set of quantified goals, described in plain language, that I have ever seen. They are grouped in three focus areas: Collaborate, Innovate and Elevate. The goals include: Local Protection of Human Health and the Environment, Contributing to Community Success, Product Safety Leadership, Sustainable Chemistry, Breakthroughs to World Challenges, Energy Efficiency and Conservation and Addressing Climate Change. I am just missing a goal related to the Dow workplace, but this is impressive nonetheless. However, in my view, what this report gains in credibility as a result of rigid tick-box style application of the GRI framework, it loses in terms of focus, resulting in a kind of fragmentation of the real Dow story. With an organization of this size, scope and diversity, the highlighting of some key material themes, with case studies and more in-depth exploration of impacts, would have brought a little life to this report. This rigid structure, together with the impersonal nature of the report (only one photo of the Chairman and none of employees or any other stakeholders) made me think of comparing the Dow report to a chemistry experiment - sterile laboratory conditions, detailed lab notes, exact measures of all materials, a process conducted in perfect sequence and an output which delivers a predictable result. A CSR Report is, after all, not just a report. It is a story. A story of how PEOPLE are doing sustainable business. Even chemistry labs need people. However, my review concludes that:

Dow appears to have integrated a sustainability mindset into its core business, with product development driven with sustainability aspects at the fore, such as solar solutions and photovoltaics, water solutions for sustainable drinking water, a system to reduce usage of solvents and much more. The company seems to be doing great at sustainability. Now it's time to put the chemistry set back in the box and take a broader view of how the company's reporting can serve a wider range of stakeholders and truly assist Dow in leveraging its core sustainability strengths and key material issues. If you want to read the full review, complete with my recommendations for The Dow Chemical Company's future reporting, go to [CorporateRegister.com](http://CorporateRegister.com). But don't just take my word for it, take a look yourself and send DOW your feedback :)

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict, Author of CSR for HR: A necessary partnership for advancing responsible business practices. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business**

website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)

Posted by elaine at 03:33PM (+03:00)

## Comments

- [LaviniaWeissman](#)

September 01, 2010

---

I am going to dig into this report myself tomorrow.

A few questions appeared for me

1. Where are they in finding substitutes for chemicals that are hazardous?
2. Given they are in the chemical business, what are they doing for occupational health to protect their employees?
3. More important for me right now, Dow acquired Union Carbide, which means they acquired a company that was responsible for the death of 15,000 people as a result of the Bhopal disaster. Given the BP Oil Spill and their acquisition of Union Carbide how are they approaching business to exercise precaution with regard for all stakeholders and the regions in which they manufacture?

- [Ben](#)

September 01, 2010

---

I agree Lavinia, the key issue for me is Union Carbide and Bhopal. It needs to be addressed, specifically and at length, and until this happens their CSR reporting will for me ring hollow.

- [LaviniaWeissman](#)

September 01, 2010

---

Ben,

Thank you for commenting here. I would like to see a discussion ensue on measuring CEO and Director performance for exercising precaution.

The new Deloitte UNGC framework asserts that Leadership methodology cannot be the only focus in sustainability. I agree on that.

This is why I teach social network analysis as part of my coaching and organization methodology.

I do believe at this time the greatest gap in CSR continues to be the inability of Executive Officers to lead initiatives with an understanding of how the social network integrates sustainability as a market (not organization) strategy.

Yet CSR traditionally has viewed market skill from the perspective of PR and communications.

The United States as a country is culpable in my opinion for not demanding the resignation of the Union Carbide CEO, which was very different from our response to BP asking for Hayward's resignation from BP. This time the US was harmed directly, but the US and Union Carbide protected its CEO, Warren Anderson by supporting his escape out of Bhopal. The harm was not US territory.

And yes it was a different time and a different President.

That said, any country is culpable for not building a bridge between industry, government and local regions to exercise precaution.

You cannot exercise precaution for safe chemical practices without realigning conversations in the social network that are far more complex than how we now view "stakeholder engagement,"

The UNGC has been inspiring to me for how communities of practice are emerging to make these changes.

Personally, I see a high business benefit opportunity in forming safe chemical practices to exercise precaution that has to be addressed.

The less than satisfying response of "sweeping problems under the rug" will continue and translate to cover ups of responsibility through mergers and acquisitions.

Genzyme right now is preparing to deal with a possible hostile take over by Sanofi Aventis. Genzyme has been battling for years the gap of understanding of value of knowledge management as a practice of sustainability to build and invest in its human capital to broaden the success of their research and development agenda using strategies to track and share knowledge practices that they can easily harvest from documents they are required to complete for FDA, Sarbanes Oxley, and systems of compliance.

This is in part reflected in the decrease of their stock value and the fact that BioPharma overall is losing 50% of its \$260+Billion profit margins due to the changing world.

In a triple bottom line scenario Genzyme could become the GE or the Walmart of Biopharm reorganizing itself into a sustainable economy by building initiatives core to its products, market and purpose that go beyond claiming "green" by building a new GREEN Building. The new agenda for sustainability for chemical and biopharm industry has to adopt a platform based on occupational, geography and patient health.

In my opinion, Dow needs to look at itself closely as well and tear apart a sustainable agenda that is not obvious to the eyes of consumers related to what dust they hid with merger acquisitions.

Elaine, again thanks for featuring this report. After reading the Danisco report that you consulted to, I have to say you and I are very aligned.

Just as you look to the "ingredients" of what makes a good report, I look to the ingredients of the social network and hidden history to make sense of a new agenda for sustainability that reflects and clearly presents a need for that agenda to be led by the Directors and CEO and translated as investment into the social network from an economic view.

- LaviniaWeissman

September 01, 2010

---

Ben,

Thank you for commenting here. I would like to see a discussion ensue on measuring CEO and Director performance for exercising precaution.

I have a much longer proposition and response to offer here, so I will set up my

response at my blog and link it here.

Lavinia

- elaine

September 01, 2010

hi lavinia and ben... actually, I confess to struggling with this a little. Dow bought UC 2 years after Bhopal. Does this mean they bought responsibility for Bhopal? Clearly, as a big player, exercise of precaution is critical and I agree, not everything will show up in CSR reports. However, there does appear to be a good degree of systematic approach to responsible practice in the Dow report.

Thanks both for reading and comenting, elaine

## How do you measure sustainability?

Monday, August 30, 2010

How do you measure sustainability ? I have been fortunate to gain a little preview of the input supporting the soon-to-be-released report offering answers to this very question. The report has been compiled by **Ethical Corporation** and is called "**Social and economic impact: measurement, evaluation and reporting: A must-have guide for companies operating in emerging markets and vulnerable communities**". This report promises to offer answers to many of the questions that most CSR practitioners and observers have been seeking. If only there were a way to capture all of a Company's sustainability impacts in a clear and consistent measurement methodology, we would all be much wiser, and probably, much more sustainable. The Ethical Corp report promises to include "a break-down and analysis of impact measurement methods, tools and processes currently available" based on insights from a survey of 116 CSR professionals worldwide, 30 in-depth interviews, a review of 60 Sustainability Reports and will include case studies from Henieken, Vodafone. SAB Miller, Tata, Unilever, Nike and more. There have been some spectacular impact assessments produced, such as **Unilever's economic impacts in Indonesia, published in 2005** and further studies in **South Africa** and **Vietnam**. In fact, Unilever measure quite a lot, including their **water footprint** and more.

This focus on metrics and measurement is certainly welcome, as, beyond carbon footprinting and community giving, most companies haven't a clue as to how to calculate their sustainability impacts.

Some early results show that:

**67%** of the 116 survey respondents said they do measure their company's impacts. **73%** of respondents said they measure impacts primarily for the purpose of communicating to stakeholders. **72%** of respondents said they measure impacts as a way to build reputation.

The top three indicators that are measured by comanies include (1) economic impact on communities, (2) community impact and employee engagement in volunteering activities within the community and (3) job creation. Oops, only **9%** measure gender equality.

There are many different measurement models out there, some more relevant than others, some partial, some more comprehensive, though there is very little consensus on metrics methodologies that can be perceived from Company disclosures in the current state of CSR and sustainability communications. However, I won't continue now. I will review this promising Ethical Corporation report when it is published and share more

insights at that time.

In the meantime, what is YOUR company measuring ?

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict and author of CSR for HR: A necessary partnership for advancing responsible business practices available now on Greenleaf, Amazon and other online sellers. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 11:49AM (+03:00)

## Comments

- [ethicsblogger](#)

August 30, 2010

---

I'm a bit confused by the terminology here. Is the assumption that the terms "CSR" and "sustainability" are interchangeable?

Also, there's the fact that the title of the report implies that it's about neither of those things, but rather about "social & economic impact."

Clearly, measuring impact is a start on evaluating sustainability, but only just a start. (And, of course, there's at least the possibility that there will sometimes be a Corporate Responsibility to do something that is not sustainable, which renders it very risky to use the 3 terms interchangeably.)

- [elaine](#)

August 30, 2010

---

Hello Chris, Yes, generally CSR and Sustainability are used interchangeably these days, through there is a distinction. My take is that CSR has more of an internal focus - ensuring the business listens to stakeholders and accounts to them for its impacts, usually direct impacts - carbon footprint, responsible workplace, ethical marketing and ethics etc. Sustainability is more about the external focus (indirect impacts) - solving the world problems through a broader business contribution, often in partnership with other sectors of within sectors for example the Round Table on Sustainable Palm Oil. Things beyond the control of one single company but which all companies are dependent on. In this sense sustainability means both the sustainability of the planet and the sustainability of the business itself.

In both cases, measuring impact is a core element and serves as a way to manage and a way to disclose performance to stakeholders.

And as for the Corporate Responsibility to do something not sustainable .. well, we would argue that if it's not sustainable (long-term), it's not good business, therefore why should there be a (voluntary) responsibility to do it ?

Hope that helps (though there are many different versions and definitions out there...)

Thanks for reading and commenting, elaine

## SCOOP! Karnani responds.

Monday, August 30, 2010

**Many thanks to Professor Aneel Karnani of Michigan** who has now responded to the myriad of comments, blog posts, commentaries, tweets and all other reactions to his article published in the Wall Street Journal of 23rd August. **See the original article: "The Case Against Corporate Social Responsibility" here.**

**This is the full, unedited text of Prof. Karnani's response provided to me by email today 30th August 2010 for which he gave permission for me to post here:**

\*\*\*\*\*

As the author of this article, I am grateful for the amount of interest and commentary it has attracted. The world faces many social problems such as climate change, resource depletion, disease epidemics, and pervasive poverty. While there are no easy solutions, a good starting point is a widespread public debate on the appropriate approach to tackling these challenges. A critical element of that debate focuses on the roles that business, government, and civil society should play in solving these problems. I hope my article has helped stimulate this debate by challenging some widely held views.

I strongly believe in social justice and that companies should not be left free to pursue the greatest possible profits without regard for social consequences. So, how can we get companies to act to increase social welfare? Whether companies will do so voluntarily or have to be compelled to take such actions depends on whether private profits and public interests are aligned or in conflict.

Many of my critics have pointed out that CSR can and does drive profitability. That is absolutely true when private profits and public interests are in harmony -- the invisible hand at work. That is exactly why the capitalistic system is so good. In these instances, firms driven by the profit motive will also achieve social objectives. Equivalently, firms acting to increase social welfare will simultaneously increase profits. In these cases, the profit motive is the driving force, even though companies might trumpet CSR.

However, the 'invisible hand' argument depends on markets being efficient. We must also be aware of the limitations of markets. Market failures occur due to three causes: externalities (such as pollution), asymmetric information (such as in pharmaceuticals), and market power (such as in electricity distribution). Many of the social problems confronting the world are linked to market failures. In these instances, private profits and public interests are fundamentally in conflict. CSR, a voluntary mechanism, will not be effective in these cases. Then it is the role of government and citizen activism to compel companies to act to achieve social objectives.

It is true, of course, that much government intervention has not been effective either. A practical challenge is to weigh the costs of market failure against those of government failure. However, there is a big difference between market failures and government failures. For example, the externality of pollution is inherent in the nature of gasoline cars. But, incompetence is not inherent in the nature of government, and the costs of government failure can be reduced with improved management. The challenge is to design and implement an effective blend of government regulation, citizen activism and self-regulation that strikes the right balance between private profits and public interests. Government regulation, or at least the threat of such regulation, is a critical element of this blend. It is very unlikely that large social problems linked to market failures will be solved only through voluntary CSR.

Finally, a red herring of an argument is to claim that the conflict between profits and social welfare is caused by companies being short-term oriented. The shareholders collectively want the managers of companies to maximize long-term profits, not short-term profits. In cases of market failure, long-term private profits and long-term public

interests are in conflict. In practice, there is, of course, much uncertainty about the long-term impact on both profits and social welfare. But, that does not change the conceptual argument about the role of business in society.

\*\*\*\*\*

When Prof. Karnani talks about " an effective blend of government regulation, citizen activism and self-regulation [of corporates]" , I think we share a common ground. Clearly, no-one believes that voluntary CSR alone can solve all the world's problems. But it is my firm belief that CSR AS WELL is a critical element in doing just that.

**Thank you again to Professor Karnani.** Whether or not we agree with his original article, his willingness to respond and engage is in the spirit of ... well ..... CSR . Haha.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 07:22AM (+03:00)

## Comments

- [LaviniaWeissman](#)

August 30, 2010

---

Elaine, this is wonderful. What I would enjoy is shifting a view of this note from debate, protect and argue to finding out if you and others learned something from Karnani discourse?

Have a great week. Waiting to see my guest blog post on Vault.com about how this inspired me to think and think on the progress of CSR progressing from movement to sustainable change.

- [WesleyGee](#)

August 30, 2010

---

I don't think that what Karnani and his 'opponents' believe are much different...indeed I am sure that they would agree on almost all points raised. Many CSR folk just get defensive when their acronyms/buzz words get challenged - rather than digging deeper and looking at the attributes of the discussion.

Successful and responsible companies will be those which focus on understanding and meeting the needs of their most important stakeholders - whoever they are, whatever they are (some are bound to be linked to reducing ESG risk). If they can do this they will end up on top.

Linked to this is that if they do things that seem completely misaligned from their business objectives (so called "random acts of kindness" - e.g. auto company giving bicycles to children, or beverage company trying to cure malaria) they may take a nasty hit. Focus on business objectives, and performance measurement, and you'll end up on top.

One big challenge though is I don't think Karnani can speak on behalf of shareholders and corporate investors in knowing what they want. Most don't know what they want outside of more money, and leave investment decisions to their advisors (who are largely uninformed or sceptical of ESG risk and still use P/E ratio) - this is a major issue.

We need to focus on how to work collaboratively with folks like Karnani, to focus on areas of common interest, so that many issues related to CSR can hit the (grumpy old

white man) mainstream.

- [SusanMcPherson](#)

August 30, 2010

---

Excellent, thank you for sharing, Elaine. Debate is healthy and helps encourage those who don't agree to come to the table, engage and possibly walk away with new inspiration!

Best,  
Susan

- [CelesaHorvath](#)

August 31, 2010

---

Thanks for posting this, Elaine, and thanks to Professor Karnani for providing more content to chew on.

I thought it was most revealing that Prof. Karnani refers to "externalities" such as pollution as a market failure. The real failure is that our "capitalistic" market economy does not include the direct environmental cost (or social cost, for that matter) of industry in its accounting, thus allowing the conflict between private profit interests and public interests to arise.

All of the direct costs of business and industry, whether its a labour or materials cost, an emissions control cost, or other, should be internalized; this is the 'responsibility' part of CSR. A company should not be able to generate profit by transferring a cost burden to a third party. Through licencing and other regulatory mechanisms, companies acquire the privilege of exploiting a public natural resource. Over time, our society has allowed industry to act as if such permissions also grant an implicit right to pollute (or otherwise transfer costs out of their profit equation). Corporate responsibility is necessary, in part, to remind all stakeholders that the onus is and should be on the polluter to pay.

The private interest profit motive will be aligned with public interests of environmental and social health when such "externalities" are seen for what they are: internal costs of doing business.

- [elaine](#)

September 01, 2010

---

Thank you Lavinia, Wesley, Susan and Celesa for reading and for taking the time to comment.

Lavinia, got your post on Vault. Excellent post!

Wesley, i agree that businesses need to meet the needs of STAKEholders. But Prof Karnani specifically talks about meeting the needs of SHAREholders. Between SHAREholder and STAKEholders is a world of difference, and that is usually where you find CSR.

Celesa, I fully agree with your point about externalising costs. This has been in part a negative outcome of globalization. That , I think, is why so much of the CSR focus today is on supply chains.

thanks again to all  
elaine

# Learnings from six first-time CSR reports

Saturday, August 28, 2010

I **love** first-time CSR reports. A first report is an opportunity to create a new slate, set up a foundation for future reporting, position the Company's sustainability message in the most appropriate way, and establish a presence amongst the leading companies in the world that value transparency. It is a blank page, which you can fill to describe your most important impacts. You can be creative, innovative and have a little fun at the same time. Unfortunately, the production of a first report is usually fraught with so many first-time issues for a Company to address, that, wonderful as first reports are, they sometimes fall short of seizing the opportunity. Common issues with first reports are around the substance of data and information available to include, whether to disclose or not even if the info is available, what sort of a report to write (GRI or not GRI and at what application level). Report format in print, PDF or online or a combination of all three. Reporting period. Structure. Scope. Style. Concept. Length. Summary report or not. Who approves the final version. Design issues. Print run. Many things to decide and not always easy decisions to make. Every first-time report provides a massive amount of learning for the reporting organization.

I have taken a look at 6 first time reports published in 2010, randomly selected. (Thanks to [CorporateRegister.com](http://CorporateRegister.com), as usual, a wonderful research source for all reports). Whilst I can't be sure what each company learnt in the process, I have tried, as an outside observer, to extract what I think **WE** can learn from **THEM** in this first cycle. Here we go, in no particular order:

## **Maruti-Suzuki India 2008-2009 Report** 94 pages, GRI A+ level

This leader in car production in India, the Indian subsidiary of Japanese Suzuki, has manufactured over 7 million cars since 1983 and in addition, has produced a very nice first Sustainability Report entitled "Give Get Grow", because, as they say, you have to GIVE in order to GET and to GROW. The report is nicely designed, clearly written, good on disclosure, includes a materiality matrix, a Japanese glossary of management terms and principles, GRI Index and verification statement. Despite quoting Mother Theresa for a little local flavor, this report reflects a decidedly Japanese culture. This is a male-dominated company with only 207 of the total 7,159 employees being women. It always makes me wonder when a company claims they do not discriminate, how it is that there are so few women. However, this is one of the better first reports around, both in terms of transparency and content.

**Key learning:** A great concept always adds credibility and interest to a CSR report.

## **Office2Office plc CSR Review 2010**

30 pages, not GRI

This is a business services supplier based in the UK, employing around 1,000 people. The report follows what I call the Quadrant Model - workplace, marketplace, community and environment - and does a good job in covering core practices relating to corporate responsibility in each quadrant. It's layout is clear, language is readable and coverage comprehensive. However, it's a "good-corporate-citizen" report in the sense that it reports (well) what the Company is doing (well), covering off all bases in the basic model of "we are ethical". The Company explains its initiatives well, such as closed-loop paper recycling - office paper supplied is returned and recycled, and re-supplied by the

Company. Clearly the Company is earnest in its first base approach to Corporate Responsibility.

**Key learning:** Method and system in reporting delivers good credibility.

#### **Edcoms Ltd Corporate CSR Report 2009** 15 pages, not GRI

Who is Edcoms? Not sure. The "report" says they are a "leading communications and research agency working for the private, public and third sectors". But don't expect to find any disclosures in this "report", which follows what I call the Marketing Brochure Model. It a nice round-up of what this company is doing in their education and leaning programmes. There appear to be two initiatives of value - a staff survey on what CSR means to them and a project to implement ISO 14,000, which at the time of publication they had not completed. Aside from this, there is plenty of opportunity to produce fuller reports in the future. However, I do think that, if it's not a CSR report, it should not be called a CSR report.

**Key learning:** Something is better than nothing - and even the most basic of reports can be a foundation for more in the future.

#### **Biogen Idec Inc 2009 Corporate Citizenship Report**

14 pages, GRI C level

This report is called "Driving towards a sustainable future", a title which immediately made me think of a transport company, but Biogen is actually a "leader in the development of innovative therapies" for multiple sclerosis, lymphoma and rheumatoid arthritis, employing 4,750 people. This first report follows what I call the 3P model - split into three main sections - business, environment and society. It's short, but demonstrates evidence of strong progress on sustainability issues. The report includes a high-level materiality matrix, evidence of serious thinking about the company's impacts. Biogen has developed their own risk-weighted environmental index which shows improved performance since 2007, though the methodology is not transparent. Biogen also makes a Sustainability Award internally for the best efforts and positive impacts of employees - a nice program. Indeed, this short report contains much about employee workplace responsibilities and impacts which is quite impressive. The report was printed using certified wind power. Whoosh!

**Key learning:** If you have a strong CSR program in place, you can deliver a meaningful, short, report, covering key bases, without going the full stretch on transparency.

#### **Tamro Corporation Corporate Responsibility Report Feb 09 - Jan 10** Web based report with a PDF download of 55 pages, GRI C level

Tamro employs around 6,000 people in the pursuit of their mission which is to be a vital link in the healthcare system, as a pharmaceutical wholesaler and pharmacy operator. This is a report designed for web, not particularly interactive but with a good web structure. The PDF download is simply a copy of the web-pages, which doesn't work if you are just reading the PDF, but adequate if your first point of reference is the website. The hyperlinks also take you to the annual report for relevant sections. There is a glossary and a feedback section. The report follows what I call the 3P model - economic, environment and social responsibility sections. The report is excellent, including a materiality index, and a table showing prioritization of stakeholder interests based on structured feedback solicited from stakeholder groups. (Incidentally, compliance is the most important, and energy consumption the least important!) . The web site includes case studies in each of the report sections, with a video from employees and also from the Managing Director of a customer company. I had to smile at one of the videos of a Tamro Customer Service Director who says : "*When it comes to Tamro's weaknesses, Kaselaan cannot think of anything major.*" (As a woman in a business with no women on

the Executive Team or Board, I would be able to think of something major haha) However, all in all, a very impressive web-based first report.

**Key learning** : A web-based first report can provide great possibilities for showing the faces of the company.

**Barilla Group 2008 Sustainability Report** Web report with PDF download of 90 pages GRI C level

This is an Italian Food Group with 16,000 employees, bringing the Mediterranean diet to the world. This 2008 report, published in August 2010, follows a deep exercise in assessment of CSR strategy and core impacts, which took two years to complete and therefore delayed the timely publication of a first report. The report covers a systematic approach to stakeholder mapping, analysis, engagement in a transparent way and includes stakeholder recommendations and performance indicators adopted as a result. One of the most thorough treatments of stakeholder engagement you can find in a CSR report. The report also includes targets in each section to the year 2014 - clearly a long term approach. Actually, the PDF, not the web, works better for me in this report, which follows what I call a Materiality Model, structured around the prioritization of material issues, taking in this case, nutrition as the first and supply chain as the second issue addressed in the report, followed by other topics such as environment, people, community etc. Each section is introduced with a philosophical and contextual commentary, which adds a personal touch to the report and also a certain charm.

**Key learnings:** Better late than never ! AND a great stakeholder mapping process.

So, to conclude, **even the first-timers can teach us old-timers something**. Considering the extra effort necessary to produce a first report, I say Bravo! to all these Companies. Support them by taking a look and giving them your feedback!

Actually, I planned this post to cover 20 first time reports but I found that doing justice to each is rather time-consuming and also, due to my August diet, I am suffering from a severe deficiency of Chunky Monkey. Still, as we can learn from Edcoms, **30% of something is better than 100% of nothing**.

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, CSR Consulting and Sustainability Reporting firm). Elaine is the author of CSR for HR: A necessary partnership for advancing responsible business practices.

Posted by elaine at 09:06AM (+03:00)

## Will Karnani respond?

Wednesday, August 25, 2010

Sent to Professor Aneel Karnani at his email address at Michigan: [akarnani@umich.edu](mailto:akarnani@umich.edu)

" Dear Professor Karnani

Your op ed in the Wall Street Journal was incomprehensible to most, saddening to many and ridiculous to several. It generated much comment.

You may have seen a range of responses :

My own response: <http://bit.ly/dwvaOc>

Aman Singh : [http://www.vault.com/wps/portal/usa/blogs/entry-detail/?blog\\_id=1462&entry\\_id=11749](http://www.vault.com/wps/portal/usa/blogs/entry-detail/?blog_id=1462&entry_id=11749)

James Epstein Reeves on Forbes : <http://blogs.forbes.com/csr/2010/08/24/an-open-letter-to-the-journal-why-csr-is-good-for-shareholders-and-society/> :

Perry Goldschein: <http://sdialogue.com/csr/the-case-against-csr-not-four-csr-myths-debunked/>

The New York Observer : <http://www.observer.com/2010/daily-transom/wsj-be-evil>

The Inspired Economist : <http://inspiredeconomist.com/2010/08/24/wsj-the-illusion-of-csr/>

Ashley Hamilton <http://blog.ashleyhamilton.ca/2010/08/csr-is-not-dead.html#more>

Leon Kaye <http://www.triplepundit.com/2010/08/the-case-against-csr-aneel-karnani-government-regulation/?utm>

Mag Shapiro <http://www.socialcapitalsa.com/sustainablemags/csr-is-business/>

Nathan Sherdoff <http://www.triplepundit.com/2010/08/the-case-for-corporate-social-responsibility-aneel-karnani/>

Aron Cramer: <http://blog.bsr.org/2010/08/wsj-takes-aim-atcorporate.html>

Dave Douglas: <http://www.greenbiz.com/blog/2010/08/24/perils-oversimplifying-csr>

Nathan Bomey: <http://www.annarbor.com/business-review/university-of-michigan-professors-case-against-corporate-responsibility-in-wsj-is-incomprehensible-e/>

to name but a few.

I was wondering if you would be kind enough to publish a response to all these critics of your position. As a Professor in a respected business school, your voice has the potential to be of great influence.

I will publish your response, if you reply directly to me, otherwise I, and many others, would be happy to see your response on the WSJ or elsewhere.

Many thanks, elaine cohen"

**Now that Aneel Karnani is famous, will he respond ?**

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)

Posted by elaine at 08:37AM (+03:00)

# Response to the Case Against CSR

Monday, August 23, 2010

I suppose a response on this blog is preaching to the converted, but I still couldn't let pass the professorial post from Dr. Aneel Karnani, associate professor of strategy at the University of Michigan's Stephen M. Ross School of Business.. Dr. Karnani explains why CSR is flawed in his article of 23rd August 2010: **The Business Case Against CSR**. The flavour of his piece, which at the time of posting already generated 52 responses, some for, some against, can be seen in the following excerpts:

"Can companies do well by doing good? Yes—sometimes. But the idea that companies have a responsibility to act in the public interest and will profit from doing so is fundamentally flawed. Large companies now routinely claim that they aren't in business just for the profits, that they're also intent on serving some larger social purpose."

"Irrelevant or ineffective, take your pick. But it's worse than that. The danger is that a focus on social responsibility will delay or discourage more-effective measures to enhance social welfare in those cases where profits and the public good are at odds. As society looks to companies to address these problems, the real solutions may be ignored."

"Still, the fact is that while companies sometimes can do well by doing good, more often they can't. Because in most cases, doing what's best for society means sacrificing profits."

"Executives are hired to maximize profits; that is their responsibility to their company's shareholders. Even if executives wanted to forgo some profit to benefit society, they could expect to lose their jobs if they tried—and be replaced by managers who would restore profit as the top priority."

"In the end, social responsibility is a financial calculation for executives, just like any other aspect of their business. The only sure way to influence corporate decision making is to impose an unacceptable cost—regulatory mandates, taxes, punitive fines, public embarrassment—on socially unacceptable behavior."

So, ok, stop, think. It amazes me actually how many business people actually think like this, that money is the sole thing that interests shareholders. It **frightens** me that a Michigan professor thinks like this. I doubt that any amount of rational retorts will change the mind of this CSR-dissenter, and I guess he is entitled to his opinion and I guess the Wall Street Journal is entitled to print it. For the record, the Wall Street journal is owned by the **Dow Jones Company**, who has both a Code of Conduct and a Corporate Environment and Safety section on its website, which includes voluntary contributions. Not a wholehearted leap into CSR practices and transparency, but a toe in the water. The fact that regulation, taxes and fines will not comprehensively change corporate behaviour and never have done, should be clear enough to a Professor of Strategy, I would have thought. The fact that CSR is a financial calculation, just like any other aspect of the business, is not really in dispute - CSR should support delivery of stronger financial returns over time, and data shows this to be the case. The key flaw in this prof's argument is the trade-offs between short and long term. Many generally believe that shareholders want to maximise SHORT-TERM profit at almost any expense (though there is a growing body of evidence that this is not the case) whilst CSR is by definition focused longer term. Yes, there is an element of sacrificing short term profit for greater long term profit, which continues to be in shareholder real interests. Talk to Ray Anderson of Interface, Stuart Rose of Marks and Spencer, Jeff Immelt of GE and many others, and they confirm that CSR-type activities repay themselves many times over. How can a professor of STRATEGY be so hooked in the short-term vision box? Perhaps

he is a professor of monthly strategy ?

The other core flaw in Dr Karnani's writing relates to the fact that the adoption of business of social policies will delay governments doing it themselves. Excuse me ? Is not the response by business to social and environment global issues required precisely because governments have not resolved these issues, and almost certainly never will. The essence of this argument pits businesses against governments and civil society, ie that each has a role and each should stay in their own corner, ne'er the twain shall meet. What we are seeing today as the concept of CSR matures, is the convergence of these roles, the fuzzying of these boundaries and the coming together of the complex interplay and multiple influences in which law influences business, business influence law, and both are influenced by effective NGO activism. In fact, I have just read an outstanding book (my review to be published soon on [www.CSRwire.com](http://www.CSRwire.com)) called **The New Corporate Accountability - Corporate Responsibility and the Law** in which these issues are discussed intelligently and cohesively. I recommend this book to Dr. Karnani. The more we try to keep business in splendid isolation to make as much money as possible, governments in splendid impotence to prescribe social and environmental regulations and NGO's in splendid righteousness, accusing and condemning, our planet will not be sustainable. CSR is much more than a business strategy, it is a convergence strategy of partnership within and across sectors, and across narrow-minded artificial boundaries. The good news is that the arguments of short-termists are good only as long as their thinking lasts. Fortunately for us, and the world, in the case of Dr Karnani, this is about a month. Then we can get back to doing the business in a way which benefits people and environment, in other words, we can revert to the case for CSR.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 08:41PM (+03:00)

## Comments

- [StewartMcKie](#)

August 23, 2010

Elaine - This guy needs to read his E.M. Forster "Only Connect". If companies really reported the connections between their financial data and their sustainability data they would start to realize that it's not one or the other - they are inextricably linked. Arguments like this continue to treat financial performance and sustainable behaviour as two unconnected aspects of organizational life but as someone else once said "silos are for grain"...

- [JenniferHicks](#)

August 24, 2010

An issue I have with the WSJ piece is that Dr. Karnani appears to equate CSR with "do-goodism" by companies he sees as destined to fail or as marketing techniques of more savvy companies that he seems to think look at CSR benefits to people, planet and profit as a (perhaps) short-term thing to be exploited.

Karnani uses the word sustainability only 2 times -- once in terms of shareholders looking for continuing profit; once when referring to the work of the Rainforest Action Network.

I think until we can marry CSR and sustainability -- which to me would mean care of people, earth, and business concerns -- it is likely that Karnani and others will continue

to think in the old paradigm.

- TerriRylander

August 24, 2010

---

Excellent reply Elaine! I knew you'd have something to say about this. I appreciate your thoughts and clarity.

- elaine

August 24, 2010

---

Thanks Stewart, Jennifer and Terri for reading and for commenting. This certainly has been a topic that has gained much reaction from our #csr/business/twitter community.

I just hope they cancel a few of Karnani's classes haha give him a chance to cool off !

elaine

- JoeMcCarthy

August 24, 2010

---

I like this analysis, especially on the short-term vs. long-term impact of social responsibility on financial responsibility (or at least returns).

You state "Many generally believe that shareholders want to maximise SHORT-TERM profit at almost any expense (though there is a growing body of evidence that this is not the case)"

Can you offer any pointers to this growing body of evidence? Nearly everything I read suggests that people are increasingly anxious about their jobs and other elements at the lower levels of Maslow's hierarchy of needs, which would lead me to believe that most people are increasingly thinking and acting in shorter cycles. Of course, the thinking and acting of those who still have resources to invest in shares of corporations may have different perspectives.

In any case, I'd welcome the chance to learn more about the trend you describe. Thanks!

- elaine

August 24, 2010

---

hello Joe, thanks for reading and commenting. Certainly, I think we are seeing shifts in investor focus, with the socially responsible investment market gaining ground year-on-year, and slowly, more ESG factors being build into investment analyses. This is the reflection of longer term thinking (and also, good returns!) see this speech from Pax CEO  
[http://www.paxworld.com/pax\\_code/articles/JKeefe\\_Boston\\_Economic\\_Club.pdf](http://www.paxworld.com/pax_code/articles/JKeefe_Boston_Economic_Club.pdf)

The HIP Investor (book) by Paul Herman et al also shows a correlation with social investing and Maslow's needs and also gives evidence for greater investor interest in socially responsible long term investments. Also, the book One Report covers investor interest in ESG factors. Bloomberg issue ESG data to over 100,000 analysts directly to their PC terminals.

Also, Paul Pohlman of Unilver specifically stated in his AGM 2010 address that Unilever "adandoned short-term market guidance to focus on long term viability" and refuses to give short term market forecasts. This is excellent news and hopefully, the start of similar practices by other large companies.

These are the things that spring to mind, although, I do admit, that we are still far from mainstreaming long termism :)

Thanks again for your question  
elaine

Thanks again, elaine

- ArtHuston

August 24, 2010

---

Hi Elaine,  
Nice post, and great comments from everyone.

The larger point I take from Dr. Karnani's article is not that CSR is dead but instead that depending on businesses to practice CSR is not sufficient. There are times when profit and the environment clash, especially in the short term. For this reason we need to use every means possible to encourage CSR and responsible behavior, but also to pressure governments to legislate and enforce it.

The biggest problem with Kulkarni's article is the title "The Case Against Corporate Social Responsibility" which is misleading. I think there are substantial areas where you share common ground with Dr. Karnani, for example his assertion that "pressure from shareholders for sustainable growth" can change a company from short to long-term thinking. We can all agree that short-term thinking has gotten us into an economic and environmental mess that badly needs fixing.

Thanks again.

- PerryGoldschein

August 24, 2010

---

Thanks for the quick response on this op ed, Elaine. I was glad to see you and other CSR colleagues agreeing on one of the major shortcomings of this piece being short-term thinking as opposed to long-term thinking. I also made a post, debunking some of the myths of this and earlier, similar pieces, titled "The Case Against CSR? Not! Four CSR Myths Debunked," at <http://sdialogue.com/csr/the-case-against-csr-not-four-csr-myths-debunked/>

- Katie

August 25, 2010

---

I really enjoyed your analysis and insight. Thank you.

- elaine

August 25, 2010

---

Hello Art, Perry and Katie, thanks so much for reading and taking the time to comment, I appreciate that. It looks like we are agree on the key issues. Now, how do we make business school profs take notice ?!

Perry, read your excellent post (and tweeted it!) thanks for letting me know.

elaine

- JoeMcCarthy

August 26, 2010

---

Thanks for the references on longer termism!

I was just reading an article in The New Republic about Get Ready for Sebelius v. Insurers, and found myself wondering about the applicability of CSR and long termism in the context of health care [insurance].

I'm not sure whether / how much you want to delve into this in yet another comment, but here is a brief excerpt from the article:

One of the central challenges of health care reform is getting insurers to behave better. And it's really a round-peg-into-square-hole sort of problem.

The primary obligation of a for-profit insurer is to satisfy its shareholders and make a lot of money. But that's not always, or even usually, good for the people who want or need insurance. To take one classic example, somebody with a serious chronic disease will need expensive, ongoing care. An insurer who has that person on its rolls may try to skimp on that person's care, in the hopes of spending less money or, better still, convincing that person to switch policies.

Non-profit insurers may or may not want to pursue similar business strategies, but, in a market dominated by for-profits, they don't really have much choice if they want to compete.

- elaine

August 26, 2010

---

Hello again Joe, thanks for the dialogue. Yes, I think you have hit the nail on the head with an example from the insurance sector - selling insurance policies in the interests of profit or in the interests of the insured client. But I actually don't see this as so different from the short-term / long-term trade-off in any industry sector. Every sector has its specific sustainability issues where long-termism has to play a part - this is where the material focus ought to lie. Fast fashion, electronics, banking, food and nutrition - all of these sectors and more have similar issues. Ultimately, the long-term, responsible, sustainable approach will deliver best results over time. There are several reporters in the insurance sector who address these points, but at the end of the day, it is the individual agent who needs to take this on board and act with a sustainable mindset.

warm regards, elaine

- AurenKaplan

September 11, 2010

---

I quoted your blog post in the CauseCast Cause Integration blog. Please read my post, and then let's connect! Email me at [aurenkaplan@causecast.org](mailto:aurenkaplan@causecast.org), it would be great to establish a cross-post collaborative relationship.

Here is the post link: <http://www.causeintegration.com/2010/the-cases-for-corporate-social-responsibility/>

Best,  
Auren Kaplan  
<http://CauseIntegration.com>

## 39 CSR reporting keywords

Friday, August 20, 2010

The **Business Civic Leadership Center** of the US Chamber of Commerce is celebrating its 10 year anniversary, and has put together a series of interesting videos in their **TEN campaign** linking the number 10 with core CSR themes. **The 10 most common words they selected** got me thinking a little. The 10 most common words in CSR today according to the BCLC are

1. Sustainability
2. Stakeholders
3. Green
4. Value Add
5. Core competencies
- 6 Best Practices
7. Leverage
8. DNA
9. Philanthropy
10. Accountability

Now, you might find some of these a little surprising, as I did, so I thought I would do a little check of my own. I analysed 12 CSR recently published CSR reports (listed on **CorporateRegister.com**) for a selection of 39 keywords, including the 10 that the BCLC selected. With interesting results.

These 39 keywords appeared a total of 12,648 times. Here are the additional 29 words I looked at:

\*\*award \*\* biodiversity \*\* carbon \*\* climate \*\* community \*\* consumption \*\* customer \*\* dialogue \*\* diversity \*\* emissions \*\* energy \*\* engage(ment) \*\* environment \*\* employees \*\* ethics \*\* feedback \*\* governance \*\* impact \*\* leadership \*\* materiality \*\* offset \*\* partnership \*\* recycle \*\* risk \*\* target \*\* volunteer \*\* waste \*\* water \*\* women \*\*

My analysis of the top ten words are: 1. Environment (1,288 times, 10% Of total)  
2. Sustainability (1,194 times, 9 % of total)  
3. Employees (989 times, 8% of total)  
4. Customers (875 times, 8% of total)  
5. Energy (806 times, 7% of total)  
6. Community (651 times, 5% of total)  
7. Impact (545 times, 4% of total)  
8. Waste (510 times, 4% of total)  
9. Emissions (486 times, 4% of total)  
10. Water (450 times, 4% of total)

Clearly the environmental agenda is dominating CSR report content, though employees and customers, and, pleasingly, impact, are up there with the waste, water and emissions.

The BCLC ranking in my analysis works out like this:

Rank 2. Sustainability (Hurray! we agree on one word!) Rank 14. Stakeholders  
Rank 17. Green

Rank 34. Value Add  
Rank 39. Core competencies  
Rank 36 Best Practices  
Rank 38. Leverage  
Rank 37. DNA  
Rank 35. Philanthropy  
Rank 33. Accountability

Most of the top ten words the BCLC selected rank just nowhere in twelve 2010 published reports, appearing less than 50 times each in a total of 1054 keywords per report on average. Wonder how the BCLC made their selection.

My analysis yielded some disappointments : "women" appeared only 161 times (rank 23) and materiality appeared only 61 times (rank 31) and "leadership" appeared only 152 times (rank 24). Stakeholders were mentioned only 366 times, less than 3% of the overall total keyword usage.

Within the numbers, there are some interesting facts:

The top 25% (10) words account for 61% of all mentions of the 39 keywords. That's kind of Pareto-ish, right ?

Ten of the twelve reports analysed had environment as their most used word amongst the keywords

Two reports had no mention of "dialogue", 6 reports had no mention of "materiality" and **one report had no mention of "customers"**

But apart from a little fun in crunching the numbers, what does this tell us about the status of sustainability reporting? Can the focus of the organization be correlated to the frequency of keywords used? Can we tell from an organization such as The **Cooperative Group**, whose top 5 keywords are sustainability, customer, employees, community and diversity, that they are more social-centric in their approach to CSR versus **Ball Corporation** whose top keywords are enviro-centric sustainability, energy, employees, water and recycle ? What about the approach to sustainability of **BAE Systems** who is the only one of the 12 companies who has "leadership" in the top 5 keywords? or **Provident Financial**, where the keyword "customer" accounted for 32% of this Company's keyword usage, more than any other report of those analysed ? And what does it tell us that Kinross used the keyword community for 16% of its total keyword usage, double that of any other report?

So maybe there's a case for keyword analysis of CSR reports, which reveals more about where the Company is placing its focus than the actual commentary? Of course, my analysis is a little rough and ready and relies on a consistency of language which is not always available - many companies refer to employees as colleagues, associates, team members or other such encouraging terms, so a search for employees might not reveal the true picture. But, on the whole, maybe CSR reporting keywords are a predictor of a Company's CSR mindset.

However, if you want to prove my analysis is totally screwy, all you need to do, when you are writing your next report is add this sentence at the start of each section:

**Our award for best practices in biodiversity, relies on our DNA and core competencies related to the management of carbon emissions, energy, waste and water, which we recycle, in order to provide value add for customers, whom we engage in dialogue about the climate and the environment, because they are stakeholders, and we target to get their feedback, which is in line with our governance and ethics principles, and our desire to be a green company with high impact and leverage in matters of high materiality, in order to mitigate risk and offset high consumption, so that our community can benefit from greater diversity, and sustainability, and our employees can volunteer in philanthropy activities in partnership with our leadership, which is composed mainly of WOMEN, because we value accountability.**

NB: for info, the 12 reports I analysed are:

\*\* USG corporation \*\* Tamro Group \*\* Kinross Gold \*\* Provident Financial \*\* Barilla Group \*\* The Co-operative Group \*\* Network Rail \*\* Johnson Matthey \*\* Ball Corporation \*\* Premier Farnell \*\* AEP \*\*

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm). Author of: CSR for HR: A necessary partnership for advancing responsible business practices

Posted by elaine at 09:30AM (+03:00)

## The Personality of CSR Reports

Friday, August 13, 2010

**Personality:** per-son-al-i-ty Function: noun (one of four definitions) : the complex of characteristics that distinguishes an individual or a nation or group; especially : the totality of an individual's behavioral and emotional characteristics

Now, personality is a complex thing. So are CSR reports. But there is no getting away from it, CSR reports have a personality all of their own. They have a look, style, tone, and a set of specific traits that make up their personality. In psychology (not that I know too much about that, but the internet is a wonderful thing) there are apparently **FIVE BIG PERSONALITY TRAITS** or dimensions of personality which characterize human behaviour. Now, with a small stretch of the imagination, these characteristics can also apply to CSR reports. See the traits and the correspondingly traitful reports in the list below.

**Openness** : (inventive / curious). Appreciation for art, emotion, adventure, unusual ideas, curiosity, and variety of experience. Take a look at this **first report from Jain Irrigation Systems entitled Prosperity for Posterity** (what a wonderful report title!) - it's a delightful first report demonstrating openness of thinking, great creativity, wonderful artwork and quality reporting. **This report from WPP** also comes in nicely with an openness personality trait - including great testimonials from a wide range of people, super artwork, and a great pro-bono showcase.

**Conscientiousness** : (efficient / organized). A tendency to show self-discipline, act

dutifully, and aim for achievement; planned rather than spontaneous behavior. I think **this report from Kesko** is one of the most conscientious efforts around. It's high quality, very comprehensive and transparent, and demonstrates absolute detail in planning, acting and reporting on CSR.

**Extraversion** : (outgoing / energetic). Energy, positive emotions, surgency, and the tendency to seek stimulation in the company of others. Top candidate for this personality trait is of course the **SAP 2009 online report**. It certainly seeks stimulation in the form of interactive feedback requests on every page.

**Agreeableness**: (friendly / compassionate). A tendency to be compassionate and cooperative rather than suspicious and antagonistic towards others. I would put the **nice, creative report from Softchoice** in this trait category. The report offers good advice on things to do and things to avoid from this IT solutions provider.

**Neuroticism** : (sensitive / nervous ). A tendency to experience unpleasant emotions easily, such as anger, anxiety, depression, or vulnerability. Hmm, I had a little trouble finding a CSR report with a neurotic personality trait. Perhaps the closest I could get is the **British American Tobacco Report for 2009**, where the home page includes questions such as : "Who would want to work for a tobacco company *anyway* ? "

But that's not all. With every personality there is a corresponding disorder. More about that another time :) However, I will note that I have a compulsive-obsessive-addictive personality disorder when it comes to CSR reports and Chunky Monkey. What about you? **Try the Personality Disorder Test**. You don't need to share the results on Twitter. :)

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)

Posted by elaine at 09:34AM (+03:00)

## 19 textile sector companies sustainability profiles

Monday, August 09, 2010

Alongside the very worthwhile **Sustainability Initiatives study benchmarking of 100 top-notch Companies** and what they are doing to save the planet and us, **Sustainable Life Media** also released at the end of last month another fascinating report entitled: **"Exporting Textiles: March to Sustainability. Preview of the coming decade: Textile Supply chain Sustainability Plans by Brands and Retailers."** And as if that title weren't long enough, it has a subtitle: "Getting Manufacturers to Create Business Value through GHG (Energy), Water and Waste Conservation". The report was produced by **cKinetics**, and supported by SLM and **Nitra**. Anyway, now we know what it's all about, let's take a look.

We start off with a bit of context taken from the intro-page: "The 1990s was about the march towards manufacturing quality as the textile industry worldwide raced to adopt lean manufacturing and ISO driven quality practices. The 2000s were about ensuring ethical sourcing and labour practices. The coming decade is going to be about sustainability and optimally using natural resources to generate value in the textile supply chain. This report previews activities already underway that are harbingers of this coming movement." The report examines aspects of sustainability which concern the textile supply chain from the raw material (natural fiber or man made fiber) to the point that it is converted to finished product. The focus in the report is primarily on energy efficiency, greenhouse gas emissions, water and chemical footprints and logistics. This is important as, the report

says, the textile industry is the number one fresh water polluter on the planet, and is high in carbon intensity. In India, for example, 10% of the country's energy is consumed by the textile industry. 10% . Think about that for a minute..... OK. Stop. Move on.

The report provides detailed profiles of brands and their supply chain sustainability initiatives of 19 leading textile sector companies. Those that have programs under way are: **Adidas, Carrefour, Gap Inc, H&M, Ikea, Levi Strauss, Marks and Spencer, Nike, Otto, Walmart, Continental Clothing**. Those companies whose (supply chain environmental) initiatives are at the planning stage are: **Phillips-van-Heusen, Timberland, Inditex, Grupo Cortefiel, John Lewis Partnership, Primark, Lindex and Tesco**. None of the Companies studies are in the unfortunate position of not having anything in progress or in the pipeline, which is a good thing, I suppose.

A few interesting initiatives: Gap are extending their environmental footprinting assessment right throughout the supply chain , including the mills that convert cotton into fabrics. This is great. Marks and Spencer are going big on Fairtrade cotton with a target of 20 million garments by 2012. Levi Strauss have extended Global Effluent Emissions guidelines to second tier suppliers. And more and more .....

The report profiles each of these manufacturers using the following parameters:

\* Overall approach and key initiatives \* Aspects of supply chain sustainability the Company measures (eg energy, water, emissions etc) \* Standards and Frameworks used (eg GRI, GHG Protocol, Oeko-Tex or proprietary framework) \* Sustainability initiatives relative to the Company's suppliers.

Some Company reports are highly detailed, with some, such as Primark and Lindex, did not fill a page.

(NB: The report does not analyse reported data or benchmark or rank Company performance; it describes what the Company is doing and which processes it has adopted). (Sorry, I know you all like rankings, but this report doesn't go there. Hah! Gotcha!)

In addition, the report summarizes the provisions of the key standards and certifications for sustainability (environmental) initiatives in the textile supply chain and ends up with some predictions. The report's key conclusion is that "evidence pointing to a new wave of sustainability is quite clear". The report predicts that (environmental) sustainability initiatives in the textile supply chain will be adopted by all major players, and will become a differentiating factor in supplier selection.

I might add a couple of predictions myself:

**First**, the word "traceability" will necessarily be on the lips of every manufacturer sourcing textiles and suppliers will need to be able to operate systems which give total supply chain transparency and accountability.

**Second**, manufacturers will need to change their own internal procedures. It will not be enough to require suppliers to be more environmentally friendly. Manufacturers will need to review the way they manage consumer demand and production planning which in turn affects the way suppliers can respond, and impacts the production, waste and logistics activities. Whether or not the 18 companies benchmarked will succumb to the pressures of slow fashion remains to be seen, but even if they continue fast fast fast fashion, they will have to start doing it a little differently to generate greater total supply chain efficiencies.

**Third**, as a result of all these brilliant supply chain efficiencies, manufacturers will pay their suppliers a fair wage and also share their supply chain savings with consumers, and we will all be able to afford a new wardrobe about six times a year. Oops. You don't believe that, do you ? Just kidding. :) Only 5 times a year.

The big advantage of this report is the ability to review 19 of the top players in the sector side by side and gain an overall insight into what is driving environmental sustainability initiatives in this sector. The textile sector is fascinating and contains many lessons for

different industries. The challenges of environmental sustainability in the massively complex textile supply chains are incredible. This report is a useful addition to our body of knowledge and hopefully will serve to accelerate progress.

By the way, most of the data provided in this report was sourced from Corporate Responsibility Reports. YEAH! I **bold** you CSR reports were good for something!

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)

Posted by elaine at 10:22PM (+03:00)

## BBC, Cummins, Mauser CSR reports highlights and insights

Saturday, August 07, 2010

Random selection of recently published CSR / Sustainability Reports and my totally frank opinion. Hah!

**The BBC 2010 Corporate Responsibility Report** Period: 4/9-3/10 GRI: not. Assured: yes. UNGC: not Pages: 45 Reporting since: 2001 One Liner: **Very impressive report indeed, reflecting impressive performance.**

Talk about responsibility. The BBC says their audience reaches 233 million people EACH WEEK. That's some responsibility. What does the BBC see as its role in creating news and entertainment which makes the world a better place ? After brief intro by CEO Mark Thompson, the bulk of this report works through 6 core sustainability themes ("public purposes") (divergent) before giving the low-down on the business's direct impacts (convergent). The key themes are : sustaining civil society, promoting education, stimulating learning and cultural excellence, presenting the UK, bringing the UK to the world and vice versa, supporting emerging communications. This is quite an impressive list showing the overall value a broadcasting company can add to society. In each section, the BBC describes a range of initiatives and in most cases, includes quantitative data showing the impact of each program. Equally, environmental measures are reported clearly (and all, incidentally show improved performance in this reporting year). Key disappointment: the BBC employs 17,000 people and they barely get a mention in this report - aspects of the BBC as a responsible employer seem to be outside the scope of this report which is an omission, in my view. NB: The Assurance statement from "The Virtuous Circle" is one of the best I have seen.

**Cummins Sustainability Report 2010**

Period: 2009 GRI: not. Assured: not. UNGC: not Pages: 116 Reporting since: 2000

**One Liner: Long but worth the read**

Cummins is an industrial engineering firm with turnover of around \$10 billion, employing 36,000 people in 51 countries (with an expectation of 30% increase in employee numbers over the next 3 years. This report is called "Meeting the challenges of global sustainability" The company's vision is "Making people's lives better by unleashing the Power of Cummins" and this report is a testimony to a powerful approach to social responsibility where the philosophy, the activities and the data are thoroughly presented. The report is presented "in the spirit" of the Global Reporting Initiative, though exactly what that means is unclear to me. The report has five main sections (environment,

governance, corporate responsibility (society), employees and finance), each one followed by a case study of Cummin's community partnerships and activities. These include the flagship Earth University designed to create ethical agricultural engineers, a college of engineering for women in India, and another project in India where Cummins developed a way to power a rural village of 65 households by using Cummins generators running on a locally available renewable energy source – non-edible vegetable oil produced from the seeds of Pongamia trees. Amazing! The report is nicely padded with case studies, quotations from a range of Cummins' employees and snippets of context, such as the following background to the Cummins decision to ban cell phones while driving: *"Nearly 80 percent of all crashes in the United States involve some form of driver distraction within three seconds of impact, according to the National Highway Traffic Safety Administration."* Another interesting aspect of this report is the description of the Six Sigma system which Cummins reports has saved them over \$3 billion in 10 years. A nicely transparent report which, if a little long, is truly worth the read. Inspiring progress!

#### **Mauser Group 2009 Sustainability Report**

**Period:** 2009 **GRI:** B. **Assured:** not. **UNGC:** not **Pages:** 38 **Reporting since:** First report

#### **One Liner:**A good start but many promises to deliver on in coming years

Mauser, headquartered in Germany, is a provider of industrial packing solutions, selling over 1 Billion Euros worth of solutions to the chemical, lubricant, pharma and other sectors, and employing 4,000 people. Mauser calls sustainability a "key business driver" and it is part of their new vision formulated in 2009. What is nice about this is clearly this company has come to the realization that sustainability is strategic and represents a different way of doing business. More importantly, a key element of this is "strengthening their HR department" As my regular followers will know, this is a point on which I have a lot to say and regrettably Mauser don't elaborate on what they are doing with their HR Managers to equip them to address this new direction. Mauser do confirm that they have conducted a stakeholder analysis, and consulted with stakeholders but none of this is disclosed though promised for further reports. As a minimum, in this first report, a list of key stakeholders would have been advisable. Mauser has made progress in mapping out its key environmental impacts and establishing directions for the future (though not targets). Key areas of impact are use of post-consumer resin in the manufacturing process and the development of Life-Cycle Analyses for total product impact evaluation and reduction. This report is in my view a little lightweight for a GRI B report, but it is a good start and time will tell as to how Mauser deliver on their promises to expand, develop and report annually in the future.

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)**

Posted by elaine at 11:02AM (+03:00)

## Sustainable thank you

Thursday, August 05, 2010

Thank you. Two little words that go a long way. Writing Sustainability Reports take quite some effort and I was wondering how Companies go about publicly thanking those who have contributed to improved performance and to the production of the sustainability report itself. A little common courtesy and appreciation makes a big difference and adds

a human face to reports. Even to the most boring of reports (mentioning no names :))

Who should you thank in a CSR Report?

\* **Employees** who have done their stuff \* **Stakeholders** for reading the report and for (hopefully) providing feedback \* **Consultants, advisors, designers, assurers, copywriters** etc who have worked with the company and/or on the report (yes, we are people too!) \* **External organisations** who have supported the Company's sustainability initiatives \* **The CSR Reporting Manager** ?

Who are the best thankers?

Thank (you) appears 6 times in the **EasyJet Annual Report and Accounts (integrated CSR report) for 2009**. Twice for retiring Board Members, once for the CEO, once for everyone who helped produce the report (by name) and a nice thank you to Easy Jet pilots (page 16) : *We have outstanding people, including our front line cabin crew and pilots who are highly trained and professional. They all make a crucial contribution to our success and help to create an easyJet personality which is an important competitive advantage. I would like to thank them all for helping to deliver such a resilient performance in very difficult economic circumstances.*

Thank (you) appears twice in the **Verizon 2009/2010 Sustainability Report** - actually it's the same thank you to all employees from the Chairman and CEO which appears once in his opening remarks and once again, highlighted, at the end of the report. That's good enough for me. Twice.

Thank (you) appears once in the **GoLite 2009 first sustainability report**, and this is addressed to readers who are apparently as passionate about sustainability as the GoLite company is .

Thank (you) appears once in the **Zeon Corporation Report 2009 of Japan**. Again addressed to report readers as it does in the **Union Pacific Report for 2009**.

Thank (you) appears once in the **Bacardi Report for 2009**, thanking readers in anticipation of their feedback.

Thank (you) does not appear at all in the **Barilla 2008 CSR report** (published August 2010) though there are 9 instances of the phrase thanks to .. thanks to the collaboration of, thanks to the team of ... but thanks **to** is not thank **you**. So I don't count it. Tough, aren't I ?

Thank (you) does not appear at all in the **Cooperative Group Sustainability Report for 2009**, nor in the **National Bank of Abu Dhabi's first report for 2009**, nor in **Vodafone's Report for the year to March 2010**, nor in **Dong Energy's report for 2009**, nor in **AEP's 2009 Corporate Accountability Report**, nor in **P&G's 2009 report**. **Intel's 2009 Report** doesn't thank anyone directly either, though it does refer to employee programs in which employees are thanked for every day performance. Actually, this surprises me. After I have worked on a report with a client, I feel soooo grateful to all those who have helped put it together, that it seems obvious that thanks are in order. Putting thanks in print is a positive thing to do - everyone like their efforts to be appreciated even if it is not individually by name. Thanking them in some other way (nice letter, box of chocs, bunch of flowers, life-time supply of ChunkyMonkey) are good too, but do not replace the impact of public recognition. Let's remember that it's people who run companies and people who write reports. **Well done to EasyJet and Verizon** for being the winners in my brief random analysis.

Thank you for reading this post. **Thank you for reading this post. Thank you for reading this post. THANK YOU for reading this post.**

Ok, you can overdo it a little as well. :)

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and**

## 100 companies benchmarked for CSR initiatives

Tuesday, August 03, 2010



There are so many reports on CSR and Sustainability published by so many different people, companies and groups that it is hard to keep up with all of them. I find myself having to skim many of them, and even that's usually not before around 2 in the morning. Many offer minimal net additional value to the wealth of words and numbers reaching my screen. So when a report is produced that makes me stop everything and study deeply, I am thankful because it means I am learning something new and important that contributes

to my knowledge and thinking about sustainability, and that makes me a better consultant, a better CSR blogger and a more critical and contributing member of the professional CSR community. This was my experience with the new **Sustainability Initiatives 2009 Report** from SLM Insights, a division of **Sustainable Life Media**, and **Zumer.com**. **An Exec Sum can be downloaded here.**

This report analyses over 6,000 individual sustainability initiatives from 100 companies in 10 sectors, producing detailed results showing: the relative rankings of each company in each sector based on the quantitative (cost-reduction driven) initiatives and qualitative (revenue-generating) initiatives. There is also a comparison of the nature of the initiatives in each sector, showing where most companies are putting their time and energies. The sectors analysed (and the three top-ranked companies in each sector) are:

\* **airlines** ( Quantas, British Airways, Cathay Pacific) \* **alcoholic beverages** (Anheuser Busch, Foster's Group, InBev) \* **automotive** (Daimler, Honda, Toyota) \* **clothing** (Gap, H&M, Inditex) \* **consumer electronics** (Sony, Samsung, Toshiba) \* **diversified foods** (Nestle, Kraft Foods, Danone) \* **footwear** (Timberland, Adidas, Puma) \* **oil and gas** (Royal dutch Shell, Total, Suncor) \* **paper products** (Weyerhaeuser, Norske SKkog, Catalyst) \* **personal household** (Procter and Gamble, Kimberley Clark, SC Johnson) Each sector is a mini-report in itself, and offers a comparable study of the focus and achievements against 38 different data points accross 4 categories:

\* **Environmental Initiatives** (leading iniatives here are GHG reduction, energy use and impact of products on the environment) \* **Social Responsibility Activities** (leading initiatives here are community impact, employee benefits and employee health and safety) \* **Product Responsibility Activities** (leading initiatives here are consumer health and safety, customerr satisfaction and marketing ethics) \* **Corporate Citizenship activities** (leading initiatives here are transparency of political contributions, anti-corruption and CEO compensation).

What is also interesting in this report is the feedback from 1,700 consumers surveyed. In each of the consumer goods sectors, consumers were asked what is important to them, data that can be contrasted with where the sector is actually focussing its efforts. In the Personal Household Goods sector, for example, energy efficiency is of most interest to consumers (42%) whereas the sector focuses 17% of its efforts in this area, with GHG reduction and material use being prominent iniatives. In the consumer electronics sector, consumers are most intersted in recycled materials used in product manufacture (48%) rather than the level of GHG emissions. Overall this report shows there is "significant discord between industry activity and consumer demand". A stark contrast reported in this context is that Companies see community giving as an integral part of their

sustainability program whereas consumers see corporate philanthropy as "old fashioned" , rarely affecting their purchasing decision. These are most interesting insights which could assist companies in considering how their sustainability efforts address consumer concerns, rather than more generic sustainability considerations, for added consumer engagement.

Findings and conclusions from this report are multiple. Some are:

**Consumer interest in sustainability initiatives differed across industries** - as a result, companies must address the specific consumer pain-points for each industry **Minimal inter-industry collaboration occurred**; opportunity exists for companies to share and learn best practices **Consumers only prioritize GHG emissions reductions in categories where there is a direct, visible output**, for example in the automotive sector, where fuel efficiency was mentioned by 81% of consumers and GHG Emissions levels by a further 16%. In the clothing and apparel sector, for example, GHG emissions were not mentioned by consumers. **Waste reduction and recycling is an increasing priority** **Companies are reporting on their sustainability activity more frequently** and releasing shorter, targeted reports as a result **Companies are prioritizing supply chain efficiencies** and seeking ways to reduce costs by improving energy use, water use and waste recycling programs and perhaps one of the most significant conclusions of all, and one of the most disturbing, is this:

**Few companies view sustainability as a core part of their global strategy; most still view sustainability policy as a means to mitigate risk and achieve operational efficiencies.**

This means that CSR and sustainability is still at the level of short-term project-focused thinking and less at the level of creating true long term triple bottom line value - but more about this in my editorial for **CSRwire.com** which will be published later this month.

I have lots more to say about the implications and insights this report raises and hope to find time to blog more with specific insights in coming days/weeks. In the meantime, these headlines should serve to give you an appreciation for the richness of this study.

elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) (BeyondBusiness, an inspired CSR consulting and Sustainability Reporting firm)

Posted by elaine at 09:59AM (+03:00)

## 13 takes on the SAP 2009 Sustainability Report

Saturday, July 31, 2010

Finally, I have gotten around to doing what I love doing. Reviewing one of the great new CSR reports to be issued in the past few months. **The SAP 2009 Sustainability Report.**

It was hard to miss the commotion around the launch of the SAP report, proclaimed by many as the most innovative and forward-thinking, hi-tech, interactive and engaging report in the history of CR reporting. I have bounced in and out of the online report a few times, finding the online format a touch cumbersome to navigate, despite its objective of delivering a compelling interactive experience. Now it's time to take a deeper look, and whilst I am at it, consider just how much interactivity this interactivity pioneer has interactivated in its first few months of issue. Let's do it this way: 5 things I like about the SAP report. and 8 things I don't ..err... 8 things I like less. Good news first, as always.

**I like:**

**The Tour of the SAP 2009 Sustainability Report.** If you can't be bothered to read the whole thing, then 7.43 minutes of highlights and insights for a Magical Mystery Tour of this report is time well spent. Nicely done. An Executive Summary on video.

**The open feedback facility on every page.** "Issue Experts" and other SAP people conduct open dialogue in response to feedback and queries so that all of us folks who thought it and didn't feedback it can get the benefit anyway. Very nice feature which I hope will be adopted by many other Companies. Comments are not moderated which demonstrates great transparency in this Brave New CyberSpace World. It kind of turns the report into one long blog. Hmm. Now there's an Idea ... a Sustainability Report in the form of a BLOG. What a great thought. Remember: you saw it HERE first. Also, when you post a comment in the SAP report, a pop-up enables you to share your comment to Twitter, FB and LinkedIn. Nice feature.

**The materiality matrix.** I LOVE materiality matrices. This one is great. Not only does it clearly MAP the SAP issues, it gives detailed descriptions including commentaries by external experts on each issue, describes the changes in materiality focus year on year **AND** it enables you to play around with the bubblewrap-style matrix and reposition everything that's important to SAP so that it defines what's important to YOU, and feed it back to SAP. Really neat. I could play with this for hours. And when you save your new SAP Materiality Matrix, a little pop-up pops-up and says " Thank you for your valuable feedback!" Such a polite report :)

**The SiteMap:** This is about the best way to navigate this report, enabling an overview of the different sections. It is, in effect, the Report content list.

**The Advisory Panel Statement:** I liked this statement, finding it to be balanced and astute in its commentary on SAP's advances in sustainability processes and also the limitations of this report. This adds a degree of credibility to Sap's efforts and reporting.

**I less like:**

**No download:** I find it soooo tiresome and time-consuming reading reports on line. Online reading is ok for blog posts and other articles with short bytes. The SAP report is long enough to make me tire of the online version after half a dozen clicks. Sorry SAP. A PDF download, as an additional option, is a format which I find much easier and much more efficient for reading the entire report. The online is great for dipping in and out but makes for a disjointed reading experience as moving around is interrupted with click and wait to load the page. Drives me insane. I like to work fast and totally online reports often slow me down and this SAP report is no exception.

**Feedback feature:** When you go to enter comments, the comment box expands and overrides the page you want to comment on. Since I turned 21, my memory just ain't what it used to be, and if I cannot see what I am commenting on, I forget what I wanted to say. Yep, fact of life. I had to comment with the report open in two web pages, and toggle between them. Rather tiresome.

**The Sustainability Map:** This is a product marketing brochure for SAP solutions. It looks nice and organized well, but it's promotional rather than substantial. It's not reporting the IMPACT of SAP's sustainability solutions, it's describing SAP's offerings. I believe SAP must think in terms of **measuring** the way the company is creating a difference in the market place and reporting on that, rather than focusing on the way it maintains a presence.

**It's Boring:** This report may be interactive, but it is boring. The style and tone is dry and consists of mechanical, descriptive, often technical commentary. Where is the true spirit in this report? It seems to be taken up in the self-congratulatory smugness of the online presentation rather than the way sustainability comes alive at SAP. Where are the SAP employees in this report? What about a few faces and names of key players (beyond vids of the CEO's and Sustainability Director)? A few case studies. Anecdotes. Chunky Monkey. Something to inspire.

**It's shallow in key areas:** The report content doesn't dive deep enough into core issues that are of critical importance to SAP's culture and development as a sustainable business. The section on **Women in Management** does not adequately explain why

SAP's results are consistently poor despite a string of initiatives to make women superwomen. The section on **Employee Engagement** which dropped 84% to 69% in 3 years - an alarming result - a third of the workforce are not engaged - doesn't inspire confidence that SAP knows how to address this as an organization. **Customer Satisfaction** declined by two percentage points from 93% to 91% in 2009. Is this significant for SAP? The commentary does not really describe specific efforts that will ensure higher levels of satisfaction in the future aside from a change to customer service options and no increase in service fees.

**It's tactical not strategic:** This Sustainability Report gets high marks for transparency and interactivity. However, it is focused on SAP inputs and not outcomes. Despite spending rather a lot of time in the report, I still fail to get a clear substantiation of the contribution SAP is making to advance a sustainable society. The few **case studies from Lexmark, Rohm and Hahs and John Deere** do not really provide clear measurable benefit, they are more like technical specifications for software solutions. This report lacks a concept and a theme which tells the story of SAP's sustainability. The **Advisory Panel** says that SAP has unambiguously embraced the role of enabler. Well, frankly, if they hadn't made this point, I am not sure anyone would have got it. SAP needs to stand back from the technological magic and think about what they really want to use this report for and how to project their real contribution, beyond making money.

**No Sustainability Action Plan:** Contrast this report with the "we said, we have, we will " of master-reporters Vodafone and you realise that the SAP report really does not achieve clarity about its sustainability journey. I wasn't able to get a sense of overall plan, performance against that plan, or quantifiable future targets. Maybe I just got tired of clicking and waiting.

So, on balance, the "**less likes**" rule the day for me. I commend the team at SAP for the most significant feature of this report - open live unmoderated transparent feedback - and for a report which meets the highest transparency level of the GRI framework. Clearly, much effort has gone into this report and it certainly is a worthy player which can proudly take its place amongst the better reports of 2010. Personally, however, as you can see, there is much about this report that I found less engaging and less mature in terms of what I might expect from a highly developed sustainably conscious company such as SAP. Still, any Company who is open to feedback will surely continue to evolve and improve, so I am confident that the SAP 2010 report will be an absolute blockbuster :)

**elaine cohen, CSR consultant, Sustainability Reporter, HR Professional, Ice Cream Addict. Contact me via [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) on Twitter or via my business website [www.b-yond.biz/en](http://www.b-yond.biz/en) Beyond Business Ltd, an inspired social and environmental consulting and reporting firm.**

Posted by elaine at 08:01AM (+03:00)

## Comments

- [LaviniaWeissman](#)

August 01, 2010

Elaine,

Excellent summary thank you. I am giving considerable more thought while you were on vacation about Women and the issues they face working in technology.

I am waiting for a company like Oracle, SAP, and some of the 250 EMR HIT companies to step up and let me conduct a focus group.

The Catalyst Report from 2003 and the new AAUW report on Why So Few just cut the surface of the ice for women in STEM careers. STEM = science, technology, engineering and mathematics.

I want to dig under the ice and find out more why so many women feel working in companies like these is a track for burn out and why they cannot express their talent.

Aman Singh reported last week that CSR employment marketplace is still in its early stage of formation. Employers want skills more than CSR. CSR is still at a frontier where employers regard certification in responsible management of various forms CSR, Sustainability, GRI Reporting, etc as something to value.

As a mentor with Ethical Markets Research Group I have influenced a plan of action to archive research related to these issues at the Ethical Markets Research Group website (which is now under construction).

I have already submitted an archive note that integrates recent reports from Aman Singh, myself and others who have joined my AboutWorkEcology editorial group (that includes you).

I will send out a twitter notification from @workecology and @wecarehealth when this archive is public on the web.

I invite SAP to step up to the plate and work with me on this.

My post at <http://aboutworkecology.typepad.com> begins to speak to that. This post has become a chapter for my new book proposal.

My dream is to have a companies focused on science, technology, math and engineering permit me to run focus groups to expand an understanding of what women need to be more effective in STEM careers.

Given CSR is proving to be an attractive career for women, I wonder how many women moved into CSR from STEM and how many women in STEM careers want CSR?

I am looking forward to learning more.

Warm thoughts,  
Lavinia  
@workecology  
<http://aboutworkecology.typepad.com>

- BillBaue

August 02, 2010

---

Elaine,

VERY interesting deep dig into this report that did indeed get lots of hype at its launch. A few quibbles.

First, you say "Comments are not moderated which demonstrates great transparency in this Brave New CyberSpace World." I agree with the value of removing moderation as a technical issue, ie when you have to wait for a comment to get "approved," and potentially censored. By the same token, however, I do think there is value in moderation in the other sense of the word, namely, facilitation. I'm seeing a number of online dialogues that spiral down and fail to fulfill their potential because they don't have

an independent third party facilitating the conversation. Think of an in-person stakeholder dialogue -- we wouldn't dream of hosting one without really good facilitation. Yet we do it all the time online -- hence the spotty results.

My other quibble (which I'm having trouble remembering, since I have to navigate off the page in order to comment...) had something to do with your claim of being the first to suggest a blog as a sustainability report. I'll remind you that The Guardian uses blogging as an integral part of its sustainability report. Perhaps not the same thing you were suggesting, but certainly worth a mention.

Keep up the great work!

Best,  
Bill  
Bill Baue  
Principal | The Transition Group  
Editor in Chief | The Murningham Post

---

- elaine

August 03, 2010

Hi Bill, thanks for your insightful comments as usual. I agree with you about moderation - I think I was referring more to censorship rather than moderation - ie that anyone can say anything as long as its not obscene - the Issue Experts tend to respond as far as I have seen so this serves as some form of moderation in the sense of facilitating the dialogue.

Re the Guardian, yes, I admit, I have been meaning to push their reporting and dialogues higher up my radar - their approach to interaction which influences their reporting is impressive. Thanks for the reminder.

Warm regards, elaine

---

- elaine

August 03, 2010

Lavinia, thanks as always for your detailed response to my post. You always make great connections to a range of topics and this serves to broaden our thinking and holistic view of specific areas of CSR and sustainability. Warm regards, elaine

---

- JamesFarrar

August 04, 2010

Elaine -  
interesting post, good food for thought.

@Elaine @Bill --- though, by my count at least, this is SAP's 3rd 'social' report. But by my best estimation I think Marcy Scott Lee at Sun Microsystems may have been the first to integrate social media to sustainability reporting. Someone should check and record for posterity. ;-)

## One Unilever - two Marketing standards

Friday, July 23, 2010

An excellent article in The [Guardian.co.uk](http://www.guardian.co.uk) called "**Stand Up to Unilever's hypocrisy over skin lightening**" followed by a long thread of comments, largely disagreeing with the author, prompted me to think about the essence of CSR and the responsibilities of

companies to align their messages with all their brands. Unilever has been targeted for some time with charges of hypocrisy - on the one hand, promoting self-esteem and "real beauty" for women with Dove, whilst on the other hand, denigrating women with sexist and humiliating ads for Axe deodorant, and now with skin whitening offers via Vaseline brand to encourage people to represent themselves on Facebook with lighter skin, which doesn't quite align with the concept of "real" beauty. Is this hypocritical or is it just horses for courses in the aggressive competitive beauty industry?

**Unilever** (disclosure: I worked for Unilever in the role of VP for Human Resources in Israel for 8 years) is highly regarded as a leader in CSR. Just this month **Unilever was recognised by Business in the Community as the Company of the Year**. Unilever has been a consistent CSR reporter for years and years - you can view their latest **2009 Sustainable Development Report** here. Unilever sources tea from Rainforest Alliance Certified Farms, and palm oil with GreenPalm Certificates, and 44% of Unilever's food portfolio is in line with internationally accepted guidelines for saturated and trans fat, sugar and salt. A DowJones Sustainability Index Industry Sector leader for the 11th year running and a UN Global Compact signatory, Unilever consistently reduces its environmental impacts whilst helping people to look good, feel good and get more out of life.

Unilever say: "**We are committed to responsible marketing** ." Examples quoted are the successful campaigns related to Dove and Omo and the awards that Unilever has received for good marketing and advertising campaigns. And good they are. But doing good is not a license to do bad elsewhere. Unilever, originally the merger of two Companies, the Dutch Unile and the British Lever, has worked hard over the past 5 years or so to create One Unilever - the dismantling of the dual CEO structure which characterised this corporation for decades. There appears to be one part of the Company which has not made this transition quite so smoothly - the marketing division. It really is not acceptable to enhance self-esteem with one campaign and destroy it with others. Needless to say, these issues are not addressed in Unilever's voluntary CSR reporting which is rather good-news oriented.

So come on, Unilever, get your One Unilever act together and stop allowing unprincipled and irresponsible marketing campaigns to tarnish your otherwise impressive CSR and sustainability record. Get the concepts embedded. Get the Marketing people on board. Rewrite the marketing manual. Do more Doves.

(NB For good order's sake, I will add that my experience of Unilever as an employer was always positive - a Company with a high work ethic and care and concern for people and society.)

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:50PM (+03:00)

## Betting on a sustainable (MBA) future?

Friday, July 23, 2010

This is just a reminder to interested readers of the CSR Reporting Blog that I also run a blog which is specifically focussed on the role of the HR function in driving CSR. You can find it at **CSRforHR.com**. This is in anticipation of my forthcoming book: **CSR for HR - A necessary partnership for advancing responsible business practices** (publication in October). Please do take a look at this blog and I would be delighted if you would

subscribe by email :)

My most recent post on **Green MBA's** , which follows my editorial on **CSRwire.com** entitled "**Will Green MBA's save the planet?**" relates primarily to the recruiting practices of corporates who talk sustainability but blithely ignore the thousands of Green (sustainability) MBA grads who enter the job market each year.

As I continue to read and scrutinize numerous CSR reports, I will be watching for those Companies which mention the encouragement of appropriate CSR and sustainability education in their recruiting programs. It seems to me that a Company who is betting on a sustainable future ought to be concerned enough to support the business schools that are aligning themselves with this objective.

**elaine cohen is co-founder and co-CEO of Beyond Business, an inspired leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:24AM (+03:00)

## Where is the divergent CSR ?

Thursday, July 22, 2010

I thought I had a pretty good command of the English Language. Now my vocabulary is enriched with terms such as Convergent CSR, Divergent CSR, mimetism, institutional isomorphism, coercive isomorphism, mimetic isomorphism, normative isomorphism (geez, don't these isomorphisms breed fast?), causal ambiguity, rivalry mitigation and others that I am ashamed to admit I had never heard of.

Where do all these terms appear in the same place ? Not in my personal journal, that's for sure. Perhaps in a Guide to Ultimate Scrabble Excellence ? Or in the manual of Easy Words for Dyslexics? Or in a dictionary for the monosyllabically-challenged ? Maybe. However, I found them in an article by Nicola Misani, of Bocconi University, Italy, entitled "Convergent and divergent corporate social responsibility" which appears as a chapter in the outstanding book **Innovative CSR** , edited by **Celine Lalouche, Samuel O. Idowu and Walter Leal Filho, published by Greenleaf**. Aside from the tongue-tying linguistics, this is one of the most original and illuminating articles I have read on CSR in a long time. Basically, the author asks the question: why do most companies content themselves with "convergent" CSR when the real opportunities lie in the pursuit of "divergent" CSR ? A really interesting question. Let me explain the terminology, or rather quote the author's explanations:

**"Convergent CSR:** Firms adopt practices that have already been adopted by rivals in the industry, or are within their reach, or collaborate with these rivals (and with stakeholders) to develop new practices that will be open to other adopters."

**"Divergent CSR:** Firms try to use social performance to obtain competitive advantage; these firms want to be unique in their CSR practices and build barriers to imitation by rivals in order to protect the profits they expect from their position. "

In other words, joining the club versus leading the pack. With Convergent CSR, firms are not trying to achieve a competitive advantage, but pursuing another objective. With Divergent CSR, the motivations are clearly related to business advantage. Nicola Misani offers six possible strategic reasons that Companies go the convergence route. These reasons include, yes, you guessed it - isomorphism in its various guises, the most basic being that "firms need legitimacy in order to attain their ends" and therefore choose to align themselves with the social perception of what is appropriate corporate behaviour. Another suggested reason is bandwagons - "responsible firms may be tempted to seek safety in numbers and emulate the practices adopted by their rivals". Another interesting reason is "rivalry mitigation" Nicola Misani claims that "socially responsible firms may not

want to be *too* responsible" ie. they want to do just enough to gain the benefits but not enough to involve them in any risk. And more. Clearly, I cannot reproduce the entire article. You will have to buy the book...or buy the Chapter PDF download :).

So back to the basic question. If a Company is going to adopt a CSR approach - why be content with convergence? A little more effort and divergence pays off. I once talked about **CSR as a brand**. The CSR program of a business having its own identity and core message, such as M&S Plan A, or GE Ecomagination, or Timberland Earthkeepers. These branded CSR programs are clearly divergent and they are also clear winners that I believe produce value for their moms and dads. Nicola Misani's analysis of the causes and consequences of convergent CSR is fascinating. And as this is a Reporting blog, I will end up by saying that, as I read CSR reports, I will be looking for evidence of divergence that will point to a more mature and sustainable way of doing business. Chunky Monkey anyone ? Only if you promise not to overdo the isomorphism.

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:58PM (+03:00)

## Comments

- Neo

July 27, 2010

---

I guess we can use a new term instead of "Divergent CSR". That is "Corporate social Entrepreneurship" You may like to read this [www.hbs.edu/research/pdf/09-101.pdf](http://www.hbs.edu/research/pdf/09-101.pdf)

## GRI Stakeholder Council Elections 2010

Thursday, July 22, 2010

Voting has now commenced for the **Global Reporting Initiative** Stakeholder Council elections. The first round of voting takes place from 21st July through to 8th September. The Stakeholder Council is the GRI's formal stakeholder policy forum, similar to a parliament, that debates and deliberates key strategic and policy issues. The SC meets annually and comprises a balance of stakeholder and geographic constituencies. Only GRI Organizational Stakeholders can vote in this election of members to the Stakeholder Council.

My nomination to be a member of the GRI Stakeholder council has been approved. This is what I wrote as my reason for wishing to be part of this important group at a time when the status and evolution of reporting is more critical than ever.

*I am passionate about sustainability reporting and spend most of my professional time and much of my personal time reading, analysing, writing, conceptualizing, reviewing, publicizing, commenting on, voting for, thinking about, producing videos about and advising companies on sustainability reports :-)*

*The GRI framework is a leading light in sustainability reporting and has critically changed the reporting landscape . As an Organizational Stakeholder for the past several years, GRI Data Partner and attendee at GRI conferences and events, and contributor to the GRI blog, I always do what I can to support the GRI. Together with my business partner, whose initiative it was to translate the GRI guidelines into Hebrew in 2006, we wrote the*

first GRI G3 report in Israel for a large banking client, and have produced several GRI reports since then, effectively leading the GRI presence in the local market. We have held 3 annual (GRI) reporting conferences in Israel, all attended by a GRI team member, the only conference in Israel focusing on reporting and transparency. We produce a Transparency Index for our local market, analysing the CSR transparency of the top 100 public companies with methodology inspired by the GRI framework. I believe all this demonstrates my commitment to the continued success of the GRI.

Whilst I am committed and supportive, I am also critical. I have strong insights about reporting and the role of both the reporting process and the report itself, and how this should evolve. Whilst intuitively I support the notion of integrated reporting, I have strong reservations about how this can be developed in a way which is inclusive of all stakeholder interests, rather than focussing only on those who have a financial interest, and I would like to be involved in discussions leading the way integrated reporting will map out in future years. Whilst I see the need for robust assurance, I believe the current approach of the GRI on assurance is inadequate and would like to see changes made. There are many other areas in which I have a "supportively critical" view and believe I have much to contribute in a direct way, and indirectly through work I do to support reporting through all my various channels of interaction. I feel that my experience of the GRI framework and global mindset on sustainability will help me become a collaborative value-adding member of the Stakeholder Council. Thank you! So here it comes: If you are a GRI Organizational Stakeholder, **PLEASE** vote for me !

elaine cohen is co-founder and co-CEO of Beyond Business, an *inspired* social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 09:30AM (+03:00)

## Another year , another CSR conference

Wednesday, July 21, 2010



As CSR consultants working at a global level but based in a small, sluggish market from a CSR perspective (Israel), we see our roles as much more than providing a service to clients who pay. We are on a mission to drive awareness and encourage as many Companies as possible to understand, adopt, excel at and benefit from responsible business practices, sustainability and transparency. After all, as CSR consultants, we also have a CSR responsibility.

Amongst the many activities we undertake in this respect, the flagship is the **Beyond Business** Annual Conference on CSR, Reporting and Transparency. For the past four years, we have organized a professional conference, free of charge, in the service of companies, academics, NGO's, students and professionals involved

or interested in sustainability. (In 2009 there was a small nominal charge due to high



Ness Technologies (ninth place) Liad Ortar, co CEO of Beyond Business, my partner  
Presentation by Avraham Bar Ilan of **Bank Hapoalim** and the wide range of CSR activities conducted by this leading Israeli Bank, showing how good process and good communications are critical to embedding a CSR culture in everything from managing the environment, to offering preferential credit on solar installations, to supporting positive workplace practices, employee recycling initiatives and much more.

Illuminating presentation on the implications of Israel joining the **OECD** and the significance of responsible business practices by Ms. Lena Zeiger, the Director of the Multilateral Agreements Department at the Israeli **Ministry of Industry, Trade and Labor**. I am confident that this will be the catalyst that will finally awaken business leaders in Israel out of their CSR slumber.

And three presentations by more of our clients:

**HP Indigo** - the local digital printing arm of the global HP corporation - who has transformed digital printing processes to become significantly more environmentally friendly, presented by Yossi Rosen who heads up HP Indigo's Environmental Leadership programs. **Mehadrin Tnuport** - the largest grower and exporter of citrus fruits in Israel whose famous brand name Jaffa means quality and excellence. Mehadrin have undertaken a long process of Carbon Footprinting of oranges and grapefruits and other produce which represents groundbreaking progress. **Lior Shmueli** , our friend and colleague, presented on behalf of Mehadrin - Lior supported Mehadrin on this specific project, whilst we are working with Mehadrin on other aspects of CSR.

**Maccabi Health Services** - the second largest health services organisation in Israel presented their **IPRA award winning project** on expired-drugs collection and safe disposal, which was devised and supported by my partner Liad. This was another groundbreaking project in Israel and significantly raised awareness of both the health and environmental dangers of random disposal of expired medication. Dr Nurit Friedman presented this project and demonstrated how this benefits not only society but also the organization through highly positive press and reputation value. The project research prior to launch showed that 80% of people simply throw drugs into their household garbage.

All in all, this was a short but rich program and we are grateful to our sponsors, all the speakers, and all those who participated. We believe in getting the message through and were proud to have the opportunity to showcase leading clients and businesses in Israel who are moving our local market forward.

One question from the audience was : How does a small business who is CSR-minded manage to make progress? My response was that there are many ways small businesses can make a contribution to a more sustainable world. As a small business ourselves, we are constantly engaging in activities which advance the body of professional knowledge in our specialist areas of expertise - this conference being a prime example. It's hard, you have to devote time and energy to making things happen, but when you do, they happen!

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 12:42PM (+03:00)

# Not everything is engagement

Friday, July 16, 2010

Communities and NGOs  
526 interactive sessions in 35 countries



**GOAL:** Enhance trust and communication by sharing information and listening to concerns  
**EXAMPLE:** Community Leaders Gathering

We reach out to surrounding communities to provide a better understanding of our operations and community investments. Since 1978, our operation in the Nagregro Aceh Darussalam Province of Indonesia has been striving to build trust and a close relationship with local NGOs, community leaders, and government officials through community development projects. In 2009, ExxonMobil Indonesia hosted a Community Leaders Gathering in North Aceh. More than 300 community members attended the event, representing 15 local NGOs, government, media, and community groups. The event included displays from our NGO partners demonstrating each organization's community development programs in the area. This gathering provided our partners and stakeholders an opportunity to exchange information and gain firsthand understanding of our local programs. ExxonMobil Indonesia is planning another gathering in 2010.

That's the thing about some words. The kind of sneak into daily use and then they become so widely used that their unique, valuable meaning is diluted and ultimately, lost. So it can be with "engagement". The particular type of engagement I refer to is "Stakeholder Engagement" as reported in CSR Reports. In listing stakeholders and the type of stakeholder engagement a Company undertakes, there are a number of common **genericitis-infected statements** which weaken the true contribution of the essence of "Stakeholder Engagement" in corporate responsibility processes. Stakeholder Engagement is a **focused, often structured approach** to dialogue with stakeholders or stakeholder groups in order to ascertain stakeholders' concerns and aspirations relative to a particular business. It is a **dialogue** about corporate responsibility and the role of a particular business in society. It should be an insightful, open exchange of views, needs, concerns, potential

STAKEHOLDER ENGAGEMENT ACTIVITIES	
Stakeholder Group	How We Engage with Them on CSR
NGOs	Roundtable sessions, listening tours, strategic partnerships, board memberships, internet-based engagement
Employees	Employee engagement surveys, focus groups, newsletters, intranet, community volunteering days, CSR in Action Week
Suppliers	Supplier Guiding Principles program, work on carbon and water footprinting
Customers	Dedicated customer management teams
Consumers	Consumer research, responses from consumers, satisfaction surveys, focus groups through The Coca-Cola Company
Governments and regulatory bodies	Briefings, meetings, regulatory filings
Local communities and civic organizations	Community engagement programs, volunteer days, facility tours, CSR in Action Week, local replenishment projects
Investors, shareholders, and analysts	Annual Report and CSR Report, quarterly conference calls, shareholder meetings
The Coca-Cola Company	Top-to-top Coca-Cola bottler meetings and regular contact of all levels within the organization
The media	Press releases, new forms of digital media such as Facebook and Twitter

**PARTICIPANT A**  
I saw a recent news story about LGE's union declaring its intention to petition UNICEF (United Nations Children's Fund). This caught my attention because I had never before heard of such a thing, and it raised my expectations for tangible, proactive action by the union. I also learned that the company was experiencing labor-management problems at some overseas locations, including Brazil. I sincerely hope that LGE will apply the same standards of labor relations to the company's overseas workplaces as it does here in Korea. One suggestion might be for LGE to set aside one day for all employees to think about, discuss and understand LGE's history and traditions.

**PARTICIPANT B**  
I don't think that Korean companies are very concerned about human rights. Note how their production operations are increasingly being off-

**PARTICIPANT C**  
I think that Korea has a rather poor image in Southeast Asia, and I hope that LGE will take the lead in raising the country's reputation in the region with various proactive activities. Effective strategies might be focusing on anti-poverty activities, as Korea did during its development, including local economic development and job-creation projects, rather than just donating money. While LGE's "base-level" activities in developed markets are matured, further efforts are expected to be made to eliminate "e-waste" in underdeveloped countries. Electromagnetic fields' impact on human health remains as a long-term sustainability issue. LGE should conduct related research, and provide consumers with objective information about their progress.

**PARTICIPANT D**  
As 87% of LGE's sales come from foreign markets, and especially the

solutions and expectations. It is not any form of interaction or communication that happens to take place in the normal course of doing business.

**Bill Baue of Sea Change Media and Marcy Murningham of Harvard Kennedy School wrote a paper on the use of Web 2.0 Technology for enhancing Stakeholder Engagement** - well worth reading if you didn't catch it when it was published a couple of months ago. You can also catch the interactive **stakeholder engagement session video from the GRI conference** where Bill Baue presents this paper. Whatever method you select to engage with your stakeholders, however, the reporting of this engagement is also

**Formalising the stakeholder engagement process in Germany**

In 2009/10, Vodafone Germany launched a new strategy to formalise its engagement with internal and external stakeholders through dialogues on material issues and analysis of their feedback by a new Sustainability Council.

The aim is to ensure stakeholder input on sustainability issues is integrated in the development of Vodafone Germany's corporate strategy by assessing potential risks and identifying opportunities for new business models or products in the German market. Working closely with the strategy team, this will provide useful insights to integrate sustainability issues into the core business, as well as guiding the local sustainability team about which issues to focus on.

The new stakeholder engagement strategy was developed in response to feedback from our assurers in 2008/09. It aligns with the AA1000 process by mapping and consulting key stakeholders, and using their feedback to prioritise the most material issues.

important to drive credibility in your sustainability programs and reports.

Here is what Stakeholder Engagement is not:

**Irish Life and Permanent plc 2009 CR Report, under the heading "types of engagement"**

**Engagement with Suppliers:** *Our Group Procurement department meets suppliers in the normal course of business to agree contracts for supply of goods and services.* **Engagement with the media:** *Media relations and enquiries are handled by our media relations management consultancy firm.*

**Hess Corporation 2009 Corporate Sustainability Report, under the heading "types of engagement"** **Engagement with suppliers:** *Local content and mentoring programs, contract discussions and negotiations, trade shows and conferences, business to business communications.* **Engagement with industry associates:** *Trade and professional association*

activities, benchmarking.

### **Volvo Sustainability Report 2009 under the heading "Stakeholder Dialogues"**

**Employees and trade unions:** *We all communicate with each other during daily work but also in formalized forums such as personal development plan discussions and yearly attitude surveys. All employees can pose questions directly to the Group's CEO via the intranet. For top-down communication we often practice cascading from manager to manager. There are also other channels for information from the company to the employees such as: the intranet, in-house magazines, team meetings, films. Internally, we communicate in many different languages. We believe that open dialogue contributes to improvements.*

**Suppliers:** *The Volvo Group works closely with suppliers. We value long-term relationships and the transfer of knowledge and understanding of each other's processes, procedures and values. Forums for formal communication are our supplier portal, training sessions, dedicated supplier days and awards.*

**And here is what Stakeholder Engagement is :**

**Exxon Mobil 2009 Corporate Citizenship Report** provides 2 pages on stakeholder engagement with specific examples of engagement events around Corporate Responsibility issues, such as this example on page 10. **Nexen** provide details of how they engage with different stakeholder groups: in their **2009 Sustainability Report** as in the following example: **Engagement with NGO's** : *We work with NGOs through a number of formal and informal channels. These include multistakeholder groups such as the Canadian Boreal Initiative and our own Expert/Stakeholder Advisory Group. We also meet with NGOs one-on-one to address specific issues or concerns.*

**Coca Cola Enterprises** include 5 full pages on Stakeholder Engagement describing the detailed activities of interaction and dialogue with core stakeholder groups and the outcomes of such interactions in their CRS Report for 2009, providing comprehensive background against this overview:

**LG Electronics 2009 Sustainability Report** includes a very detailed section on Stakeholder Feedback linking to a materiality analysis, and also report verbatim responses from external members of stakeholder consultation discussions. Very interesting!

And I cannot finish up this set of positive examples without a look at **Vodafone 2010 CR Report**. Vodafone has led the pack consistently, in my view, on stakeholder engagement and provides depth of data and information across a range of stakeholder groups including this example from their German operation:

Stakeholder engagement is the ultimate proof of a credible and embedded approach to sustainability. Companies who do not have the interest, courage, time or inclination to engage with stakeholders are not completely committed to sustainability principles. Assuming that you know what stakeholders think is not sustainable. It has to be a focused and specific series of actions. I believe comprehensive coverage of well planned and executed stakeholder engagement processes adds more credibility to a Company's reporting than an Assurance Statement, and ultimately, of course, provides significant added value to the business.

**elaine cohen is a CSR consultant, Sustainability Reporter and Ice Cream Addict. She is co-founder of Beyond Business, an inspired social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:17PM (+03:00)

## Comments

- James Osborne

July 16, 2010

---

Hi Elaine,

Thanks for pointing this out. I quite agree with what you say. And this is typical of many companies' approach to reporting where non-pertinent information gets thrown in with the aim of saying as much as possible about all CSR issues.

But I wonder if there is a grey area here for companies such as those operating in the energy or resource industries, where it's hard to distinguish between "ordinary business relations" and "responsibility". What about routine meetings with regulators (for example, about the safety of deep offshore oil drilling)? Business as usual or a critical question of responsibility?

Thanks for your thoughts.

James.  
(Lundquist Srl)

---

- Lavinia

July 16, 2010

---

Elaine

Thanks for this intelligent research. I am starting to wonder if we in CSR and Sustainability can create story boards that counteract the press and media's reports that disempower the possibility of change.

Your analysis with other people in our network I believe is helping to embed education as part of the culture of the journalism, I have spoken about on a regular basis.

And described here:

From #ceres10 to #sustain now - Road Map to Sustainability - A New Stage of Sustainable Journalism

May 10, 2010

<http://bit.ly/dsZwMR>

Your initial post on stakeholder engagement also led me to describe what is missing and used another post of yours to define a future for stakeholder engagement.

WorkEcology Insight Note 061410 - #safechem Stakeholder Engagement

Jun 14, 2010

<http://bit.ly/akl4hd>

I now believe we should start course for the new media in how to spark this kind of engagement, so less money is invested to fuel the pace of fury that the press creates as an obstacle to real education that can result in the change we need for ESG.

---

- user

July 16, 2010

---

This is a very important post, Elaine.

I can see the "engagement wash" just around the corner. Whenever a new buzz word gets into the mainstream business jargon, the danger of using it without actually understanding or practicing it becomes present.

Thanks for sharing.

Shirley

- elaine

July 18, 2010

---

Hi James, thanks for reading and commenting. Yes, of course there is a grey area, you are absolutely right. some regular business interactions could be considered "engagement" if they go beyond the normal course of business transaction and cover more strategic sustainability issues. In this context, though, stakeholder engagement means engagement on sustainability issues, in my view. Which is more than just serving customers well, or maintaining great relations with regulators or others.  
warm regards, elaine

- elaine

July 18, 2010

---

Hi Lavinia, thanks for your comment and for being such an avid reader and commenter on this blog. As usual, your insights are fascinating. Education as part of the culture of journalism is an interesting point. Warm regards, elaine

- elaine

July 18, 2010

---

Shirley, hi, yes, engagement-wash, cause-wash, green-wash ... you are right ... it's all part of the same syndrome. We have to keep reminding ourselves of the real meaning and intention of things. Thanks for a great insight, warm regards, elaine

- BillBaue

July 30, 2010

---

Elaine,

First off, thanks so much for the shout-out on our Accountability Web report. You link to the exec summary, so for folks wanting to read the whole report, here's the link:

[http://www.hks.harvard.edu/m-rcbg/CSRI/publications/workingpaper\\_58\\_bauemurninghan\\_full.pdf](http://www.hks.harvard.edu/m-rcbg/CSRI/publications/workingpaper_58_bauemurninghan_full.pdf)

And this is a VERY helpful post, both in terms of questioning the language we use to describe our work (and the shortcomings when a powerful concept such as stakeholder engagement gets diluted from overuse / misuse.)

Perhaps the most important part of this post is the examples you cite, both negative and, particularly, positive. Your knowledge of sustainability reports continues to amaze me, and educates me on best practices.

Best,  
Bill

Bill Baue  
Principal | The Transition Group  
Editor in Chief | MurninghanPost.com

- elaine

July 31, 2010

---

Hi Bill, thanks so much for your comments. Glad you enjoyed the post! Warm regards,  
elaine

# AHA! It's a sustainability report

Friday, July 02, 2010

I was intrigued to read the news release of **AHA! Sustainability Report**. Intrigued because with a name like AHA!, you kinda expect something special, something well AHA!. CEO Betsy Henning says: *"We wanted our first report to be as creative as we are and showcase the kind of strategic, engaging work we can do for our clients. We believe a sustainability report that is informative and also interesting will better connect with a wider audience. Rather than a document that sits on a shelf, it can be something people actually enjoy reading and learning from."* Hmm, sounds interesting. Can't wait. Race to open **report**.

The AHA! Sustainability Report is one web page. Includes a little scrolling, I admit, but one page. My first reaction, being a critical scrutineer of sustainability reports (you know me by now) was **23-20-6** ! (that's code for a popular phrase which is inappropriate to write in a blog. Hint: 23 = W, 20 = T, 6 = F) . How can this be a report? But then I said to myself, "Elaine, come on, give it a chance." I answered myself. "OK Elaine, but you have to give me a Chunky Monkey reward afterwards." I agreed to these terms and started reading. As I progressed, I began to sense a certain authenticity and I warmed to the Company and what they are trying to do.

AHA! is classified as a small business, 35 employees, one of the 48,158 similar sized businesses in the USA (a fact I learned from the AHA! report), and their story does reflect a genuine change in the way they run things, and a number of positive impacts. Whilst is not the standard type of report, not packed with the traditional data we might expect, skips sections that us reporters would normally include, and is far from the structure we have become familiar with, the storyboard gives a good insight into the kind of key impacts that a small business can control (environment, community, workplace culture) supported by credible numbers. It's an inspiring read, actually, showing both how AHA! onboarded sustainability principles and benefitted the business at the same time. There are also interesting pieces of contextual data which explains some of their thinking against the backdrop of external factors. The presentation is fun - little text bubbles pop out as you read and interactive flags highlight interesting tidbits of information. I would certainly recommend the other 48,157 small businesses to read this piece. And yes, AHA! met my expectation of causing me to think AHA!

As AHA! mature in their own sustainability efforts, they should start to move their thinking from direct impacts to indirect impacts - how to leverage their core business proposition to generate new value. What is it that a **communications** company can do best to advance sustainability? AHA! are doing some of this with significant increase in revenue (now 35%) coming from communicating their clients' sustainability. I loved the **HP Changing the Equation 2009 Sustainability Report** that AHA! worked on . Telling their own story is a great next step in this process. Moving forward, there is a natural progression that this punchy and creative company could follow to realise much greater business benefit and sustainability advances beyond recycling paper and cycling to work, that will make them even more sustainable. As HP says in their report: **While the IT industry contributes 2 percent of global carbon emissions, the larger opportunity is using technology to lower the other 98 percent**. In almost any business, the indirect impacts are exponentially greater than the direct. AHA! creatively show us they can do the 2% . But 98%, in their sector, is their real sustainability opportunity. Congrats to AHA! on an inspiring unreport report.

Oh, and Elaine, you promised Chunky Monkey ... a deal is a deal ...

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 05:20PM (+03:00)

## Comments

- SonaPai

July 02, 2010

Thanks for your comments on our sustainability report Elaine. Glad you enjoyed it! In your post, you ask: "What is it that a communications company can do best to advance sustainability? That's an excellent question, and it's exactly what we asked ourselves. Our answer: By helping companies with global reach effectively communicate their sustainability efforts, we can help move even more toward sustainable practices. To us, that means using the goldmine of information in a standard CSR report to engage a range of audiences and inspire them to act. It's a topic we write about frequently on our own blog: [www.shinygreenbutton.com](http://www.shinygreenbutton.com). Hope you'll check it out.

- elaine

July 04, 2010

Hi Sona, thanks for responding. Yes, I have seen your blog. Interesting stuff. Good luck in your ongoing CSR programs. Warm regards, elaine

## Engage CSR at #CSRExpo: totally engaging

Thursday, July 01, 2010

It was my pleasure and privilege to be a speaker and participant **PR Newswire's** first Virtual Conference and Expo called **Engage CSR 2010: The Growth of Corporate Social Responsibility in a Socially Connected World** on June 30, 2010. **The event had a fantastic agenda and speaker line-up.** Brainchild of the brilliant effervescent and ever-positive super-connector **Susan McPherson**, this event surpassed everyone's expectations and raised the bar in virtual conferencing, bringing CSR closer to so many people around the world (over 1,000 registrants) in an efficient, environmentally-positive, easily accessible format. **Engage CSR was truly engaging!** The event is archived at <http://bit.ly/cl3r2y> for 90 days those who want to hear the presentations again.

I participated in the panel called the **Who, What, Why and How of Sustainability Reporting**, moderated by John Viglotti of PRNewswire, and featuring co-presenters **Mike Wallace**, Director of the Sustainability Reporting Framework at the GRI, **Michael Muyot**, Founder and President of CRD Analytics, **Maggie Kohn**, CSR Director at Merck and **Kevin Moss**, CSR Director at BT. Mike and Michael talked about the importance of ESG information and the way investors now have greater access than ever before to non-financial data, and how this is used in evaluating companies. I then introduced the broader approach to Sustainability Reporting and how companies can go about it. Maggie and Kevin gave rivetting presentations about how reporting happens in their companies, the benefits and the challenges.

For those who were not able to attend the event (make sure you don't miss the NEXT one!) , here is my presentation.

**Engage CSR June 30 2010 Elaine Cohen on Sustainability Reporting** View more presentations from elaine cohen. My key points were as follows (there is only so much you can say in 5 minutes!) :

Reporting is more than just a report. It's not just a compilation of facts and figures. It is designed not only to assist investors in how to evaluate the company's financial sustainability, it should tell the story of what a company does **beyond making money**. It has real value because many stakeholders, other than investors and the financial

community, can view the report, and it influences them in making decisions about whether to buy from a company, whether to join a company, whether to support a company in the community and more. Not least, reporting is a tool for employees of the business to help them in their communications with everyone they interface with. **Reports improve levels of trust in the business...if they are done well.** Data from surveys proves this. Three elements of reporting well are **Concept, Content and Communication.**

Reporters should first and foremost consider their report **concept. Reports should tell a story** – they should reflect the message of the company's sustainability purpose – the way the company is contributing to a better quality of life and environment through its business activities and sustainability program. Every company has its unique way of doing this. Each company should think about this key concept and reflect this in the way they write the report. It's not just about listing information and data. It's about pulling all the data together that supports the company's story. **Vodafone's last report was called Mobilising Development.** Their contribution is to advancing the quality of life in developed countries in through mobile technology. **H&M's last report is called Style and Substance** reflecting the fact that their contribution in the world of fashion is underpinned by a strong basis of sustainability performance. **Campbell's last report takes the theme of nourishment** – nourishing the planet, the community etc – building on their core business which is not just about making a profit on selling soup, but about contributing to the nourishment in people's lives. These are strong PR themes, and must be aligned with the core concepts and strategy of sustainability in the business.

The **content** of a report should be the result of a broad team effort, which includes dialogue with external and internal stakeholders. It's no good if just the CSR manager or just a Communications Specialist writes the report. A wide range of internal departments must contribute to the content, and this content must be put in the **CONTEXT** of what external stakeholders expect. It should be structured in a way which both tells the story but also enables reporting against specific performance indicators, such as those defined by the GRI framework. The idea is not to run through a checklist of data items, but to embed the data in the way the story is told, providing a balanced perspective. It should not be just good news - the report should cover things that are challenging for the company. This has actually MORE positive value than just good news and ultimately is more credible. The content of the report should also be focused on the most important things for the business and for stakeholders. We call this materiality. The best reports include a **MATERIALITY MATRIX** which is evidence of structured thinking about the important issues. Ford, Centrica, General Electric, Vodafone, Dell, Sap, Allianz, ... many of the best reporters include this and build their report around the key subjects noted as material. This avoids a report becoming what I call a shopping list and containing so much information that no-one can track or digest it, and becoming too unwieldy to manage.

My view is that the report is a **platform for communication.** It's one document which contains all the material sustainability performance information about the company. No one single stakeholder or stakeholder group will be interested in everything. Each stakeholder group has a different standpoint and need for information and interest. The report should be a **common demoninator of information needs**, and communications with different stakeholder groups should build on this. For example, many companies produce an internal summary report for employees, or use podcasts, webinars, intranet, discussions etc to get them involved. Coca Cola Enterprises held an Action Week communicating CSR to their employees. Some companies produce exec summaries for investor meetings, or for customers, or for supplier conferences. The report should be the single comprehensive referential basis for all other communications. The other thing about the report is the format – a PDF download, an interactive website, **a video announcing key highlights (which I recently produced for Coca Cola enterprises),** a buzz

on social media. Whatever format(s) you choose, you should leverage it in a targeted way. Communication should be **two-way**. You should invite and encourage feedback. **The recent report from SAP** has a feedback option on every page. **AEP has videos and webcasts**, Intel and Verizon and many more have blogs relating to their reports, all of which encourage open dialogue. The design of the report should also reflect the concept, but not overface the reader.

**In conclusion**, a good report will have massive business and PR value, if it is written with a **clear concept, relevant content and a sound basis for clear communication**. This is no easy task and only very few reporters do it well. Look at some of **my report reviews on CorporateRegister.com or Ethical Corporation** to check out a range of different reports. Our role as stakeholders is to engage with companies to help them perform better and report better on sustainability.

And **engaging** brings us back full circle to the **CSR Expo Engage CSR 2010**. There were many other fascinating presentations and conversations and many new contacts and twitter follow-backs. **Well done** to all who organized, all the tech team for great support, and to everyone who joined in the fun.

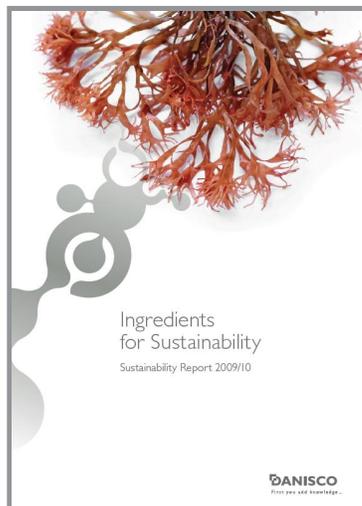
**elaine cohen is a CSR consultant, Sustainability reporter, Ice cream addict and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm.**

**Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 08:12AM (+03:00)

## B2B Yes you can! Danisco shows how.

Monday, June 28, 2010



It is quite a pleasure to write about a recently published Sustainability Report - this time from **Danisco**, the Danish bio-based food ingredients supplier. It is a pleasure not only because the Danisco report is somewhat different from most of the reports you will see flying around these days, but also, because, by way of disclosure, I supported Danisco in the development of this particular report. Don't get me wrong - Danisco did **all** the hard work - I came in at the back end of the process to offer some specific assistance to the reporting team. Anyway, let me tell you a little about Danisco and their **2010 Sustainability Report**.

Danisco uses raw materials from nature and transforms them into ingredients which contribute to the improved sustainability of our lives - mainly ingredients which

improve the quality and health properties of what we eat, but also of things we wear, drive, use and interact with in many different ways. In fact, I had been familiar with Danisco as a food ingredients supplier - I had no idea of the wide range of applications their products can serve. Danisco is based in sunny Copenhagen, Denmark, employes 6,800 people, and operates from over 49 manufacturing sites around the world. Danisco's ingredients are used globally in a wide range of industries including bakery, dairy, beverages, animal feed, laundry detergents, tyre manufacture, and bioethanol. Danisco's Sustainability Director, Jeff Hogue, is a frequent social-media-ite and tweets as **@JeffreyHogue**.

The most significant thing about Danisco's sustainability impacts are that they are greatest once the shipments have left the plant. Many companies' significant impacts are

indirect in this way. But Danisco's impacts are two degrees removed - first they sell to manufacturing businesses, then the manufacturing businesses sell their brands to the final consumer. So, although Danisco might not be a household name (well, except perhaps, in Copenhagen), Danisco makes a far greater impact on our lives than you might guess, doing so through the way the Company develops innovative technology and new products, and supports and collaborates with its customers who make the end products we consume. Take bread, for instance. Danisco tells us that "*In the UK alone, more than 320,000 tonnes of bread is discarded each year because it has lost its freshness. Methane produced by that waste equates to more than 1.4 million tonnes of CO2 equivalents.*" Addition of Danisco enzymes can help keep bread fresher up to seven days longer, potentially saving two million tonnes of flour per year and making more bread available with no increase in flour. In the UK alone. Think of that as applicable worldwide. Big numbers. How many times have you thrown out bread that became stale and unappetizing ? It happens, right ? Danisco doesn't make bread. But through Danisco's work with bread-manufacturing companies and bakeries, the consumers have access to a much more sustainable product and lifestyle.

Another example? Take this story about milk in Kenya: "*In 2007, worldwide milk production is estimated to be 655 million tonnes with over 30% produced in developing countries. The UN Food and Agriculture Organization (FAO) forecasts that demand for milk in the developing world will double by 2030. Developing countries are not self-sufficient with milk, and dairy imports to developing countries in value terms grew by 43% between 1998 and 2001. The vast majority of the milk in developing countries is produced on small-scale farms (fewer than five milking cows), without cooling systems. The FAO estimates that 25-50% of the milk from small-scale farmers is wasted.*" Danisco is working on a technology involving adding an enzyme to the milk at the point of production which would extend the life of milk for 12-15 hours without cooling - thereby avoiding most of the waste in this supply system. This development offers a tremendous economic, social and environmental benefit, a true sustainability springboard. Danisco does not produce milk either. As consumers, we are happily unaware of the positive impact on the sustainability of our lives that the Danisco range of products offer, yet we gain the benefit in many of our everyday consumption patterns. One final example of a super development is in the area of car tyre production - in a collaborative project with Goodyear, Danisco is developing a bio-based, renewable synthetic rubber for use in car tyres with an investment of \$50 million, to support our move away from dependency on fossil-based fuels. Renewable car tyres. Danisco are not in the tyre business, but when you are taking your new hybrid out for a spin, you will be able to rest assured that fuel consumption is low not only in the engine but also in the road-grip. These examples represent the core "ingredients for sustainability" proposition that is the backbone of Danisco's sustainability strategy and 2010 report.

Danisco's reporting squarely places these issues in context. Going way beyond the Company's internal, direct, impacts - and these are reported comprehensively (massive reductions in waste, total carbon emissions, water consumption and wastewater generation in the environmental sphere and significant positive workplace improvements including reduced accident rates etc,) Danisco's report addresses overarching challenges our global society faces in the run-up to 2050, where the global population will increase to 9 billion (from 6.8 billion) and will need solutions to food security issues, dependence on fossil fuels and petroleum-based chemicals, and growing health issues. Danisco explains the nature of these challenges, the associated risks, and strategy that Danisco has developed to adapt its core business proposition to support finding the right solutions - the right "ingredients for sustainability".

As mentioned, I am entirely not impartial in relation to this particular Company report, though I spare you many other interesting aspects that I would have been pleased to

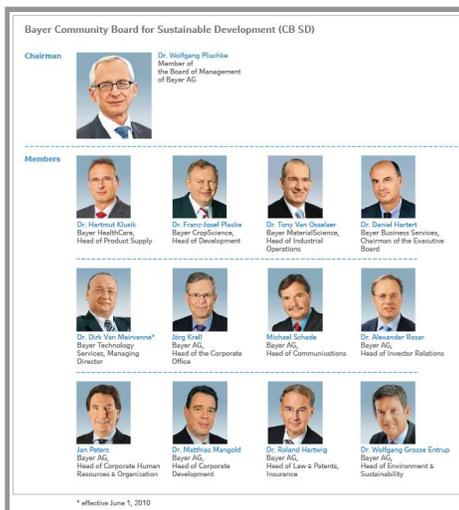
mention (I know blog-readers have short-attention spans) but I hope this will not prevent you from taking a look at the Danisco report and pondering the broader issues we face as a society and the role that responsible businesses play, even those whose brand-names don't jump out at us from the supermarket shelf or the car showroom. And when B2B Companies tell you that CSR doesn't apply to them because they don't produce consumer-facing brands, you can quote the Danisco report as absolute proof of the opposite.

elaine cohen is a CSR Consultant, Sustainability Reporter and Co-Manager of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 06:33PM (+03:00)

## Bayer Diversity Not

Wednesday, June 23, 2010



I was just looking through **Bayer's newly published CSR Report** and couldn't resist mentioning this, which jumped right out of the page (well, screen) and hit me in the nose (I can think of worst places to get hit). They say a picture is worth ...well, you know ... so here it is: Yes folks, this is the Bayer Board for Sustainable Development. What do you notice? Lipstick? Plucked eyebrows? A little rouge around the cheekbones? Not a chance. (Well, seems not). This entire 13-strong weak SUSTAINABLE NOT diversity-challenged team EXCLUDES women. Not even a little token woman to make the tea and serve the Chunky Monkey. Not even one of them that LOOKS

LIKE a woman.

Bayer report that *"Fostering the employment of women is one of the central elements of our diversity strategy. At the end of 2009, the proportion of women in the workforce worldwide was around 35 percent. The percentage of female managers is rising steadily. In Germany, it is currently 24 percent across all managerial grades and nearly 30 percent at the junior management level, which is the entry level for future managers. Moreover, the proportion is rising. At the most senior management level, the Group Leadership Circle, the proportion of women Group-wide is 5.5 percent."*

Some diversity strategy. It stops at the glass ceiling, apparently. Bad, Bayer. Still, I suppose that's what you get when you ask for transparency. At least they didn't use Photoshop to make them all look female.

elaine cohen is a CSR consultant and Sustainability Reporting Expert, co-CEO of Beyond Business, a social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 02:04PM (+03:00)

## Comments

- Ben

June 23, 2010

They're all white, too...

- BenR

June 23, 2010

awesome work, elaine...

- Lavinia

June 24, 2010

Elaine, I am beginning to imagine a meeting with this group to explore a new strategy. I see you, me and Aman at the table. Think it would be a great party.

Do you think they like ice cream? or they laugh and have fun, while do good hard work that makes a difference?

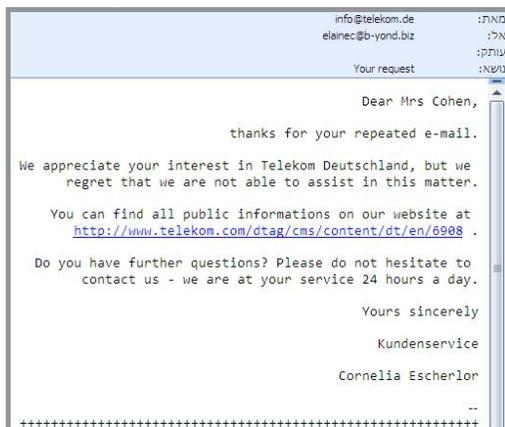
I was at the Catalyst presentation in 2003 at MIT Sloan Women Grads in Finance. It was the first time they presented their most critical review of why only 7%.

The remainder of the meeting was also very revealing. Most women, who were successful left Fortune 2000 to start their own companies.

I have been thinking how much I would love to work in BioPharm and begin direct brand and product dev. & research on some key issues related to environment and health, beyond an aspirin a day protects you from heart attack.

## Thumbs Down Deutsche Telekom

Sunday, June 20, 2010



This follows on from **my post about Deutsch Telekom's 2010 Corporate Responsibility Report and allegations of anti-union practices**. As I usually do, because I believe we have a responsibility to dialogue with companies and engage with them on their reporting, I wrote to the Deutsche Telekom to ask for some clarification. You never know, perhaps it's all a storm in a tea-cup.

My e-mail to the address indicated in the report bounced back. Dud e-mail address. It happens.

I then filled in the online form on the Deutsche Telekom website. This resulted in a standard response advising me that they "appreciate my interest in Deutsche Telekom" and that I can find all "public informations" on their website.

Ok, I thought, maybe I need to fill in the online contact form specially on the CR website repeating my request for specific information on a specific subject. I did. This was the response:

Frankly, I have nothing more to say.

elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 05:29PM (+03:00)

## Comments

- ThomasRosenmayr

June 21, 2010

Great example how not to enter into a communication! Please "do" hesitate to contact Deutsche Telekom!

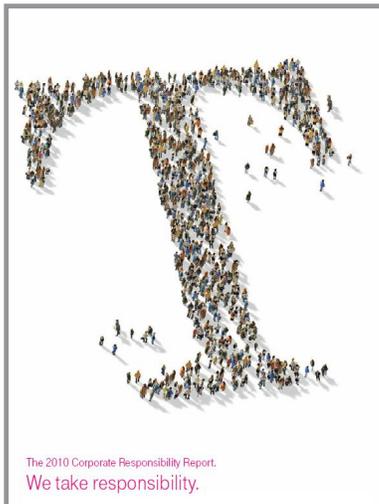
- elaine

June 21, 2010

hi Thomas, yes, I certainly will hesitate to contact this company in the future ! elaine

## What is Deutsche Telekom's report worth ?

Friday, June 18, 2010



I was disturbed to read about the criticism by its own employees of Deutsche Telekom's alleged unionbusting practices in the USA and commented on this in **my blog on CSR and HR practices**, with reference to Human Resources practices of this company. Clearly, this backlash was timed to coincide with the publication of **Deutsche Telekom's 2010 Corporate Responsibility Report**, announced earlier this week, and forms part of an ongoing and well-planned campaign which includes a **report called "Lowering the Bar" published by Dr John Logan of San Francisco University**, a seemingly credible figure, a **website**, and many interventions on Facebook and social media. An organized campaign designed to enable Deutsche Telekom's employees at T-Mobile in

the USA to unionize and discredit the Company for allegedly not allowing them to do so.

Why would employees have to resort to this sort of campaign for unionization? Freedom of association is one of the fundamental principles of the International Labor Organization and the United Nations Global Compact which Deutsche Telekom declare

support for. The German employee population are unionized and enjoy a strong position. What's the big deal here? Where is the truth ?

The Press Release for the 2010 report on **EthicalPerformance.com** stated:

*The report, titled 'We take responsibility', claims that Deutsche Telekom is well on the*

**International employee relations.** As a globally active corporation, we respect the established forms of collaboration with the employee representatives in the countries where we operate. As such, we do not believe that the "export" of the German culture of codetermination would be appropriate. In our Guideline for the Cooperation with Employee Representatives, we have made it very clear that we support the individual responsibility of national management bodies and their HR functions in building employee relations. We have established the Global Employee Relations Management (ERM) unit at Group level, which serves as the central contact point for all international employee and employer committees, as well as unions.

*way to adopting an international leadership role on sustainability and corporate responsibility and 'is making it easier for customers and suppliers to participate in modern everyday life with sustainable and international products, processes and services'.....The report has also been checked by the Global Reporting Initiative (GRI) for an A+ application level against the GRI G3 reporting framework.*

In this report, despite the GRI index, and UNGC communication on progress, I couldnt find any reference to labour disbutes in the USA. The most that Deutsch Telekom says in the report is this: I wondered how materiality was assessed and if the Assurance process for this for the A+ report touched on these issues.

**Re Materiality** - there is a nice materiality matrix which shows Employee Satisfaction and "Employee codedetermination and labor rights" in the top right segments, indicating high importance for the Company and for stakeholders, but, beyond the paragraph captured above, no further information. There is reference to Group wide employee safsaction but no disclosure of results.

**Re Assurance** - PWC's pathetic assurance statement says *"Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that the data of the CR Report for the calendar year 2009 marked with the check symbol ( v ) has not been prepared, in all material respects, in accordance with the GRI criteria."* This limited, partial assurance, covering a small section of the report data , is not worth the paper it is written on.

Now, what conclusions can we draw from this? One the one hand, a seemingly perfect and transparent performance by Deutsche Telekom in its reporting. On the other hand, a massive campaign which completely discredits the company's labour relations and human rights activities in the USA. Who should we believe ?

The point is, really, that it is of no consequence who we believe. I am sure there are two sides to every story and I learnt many many years ago that things are not always what they seem, so on the issue of labour rights, I suspend comment and judgement. But on the issue of reporting, I believe **Deutsche Telekom is abusing the system**. This is clearly a visible and higy material issue. **Even if Deutche Telekom believe they are squeaky clean in this respect, they should have made reference and provided a response in their 2010 report, in the name of transparency, and fair and balanced representation of their sustainability performance**. Equally, the Assurance statement, which does not cover employee issues, is a farce. If you are a stakeholder in Deutsche Telekom, you should be bombarding the Company with requests for detailed information on labour practices. As I complete this post, I will also be writing to them to ask for their position on this issue. After all, what is sustainability reporting all about if not issues such as these? And what other issues are hidden behind the glossy texts ?

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 10:16AM (+03:00)

## Coca Cola Enterprises

Thursday, June 17, 2010

**The VRA is the New Big Thing in CSR report announcements.** The first company to take advantage of this new service, the VideoReportAlert, offered by myself, together with **CorporateRegister.com** and **3BLMedia.com** is **Coca Cola Enterprises**, the largest marketer, producer and distributor of Coca Cola products covering North America and Western Europe and selling 16% of Coca Cola volume worldwide. **The Coca Cola Enterprises (CCE) report** is their fifth CRS report. Yes, I did say **CRS** and not **CSR**, because CCE use Corporate Responsibility and Sustainability to refer to their approach

and program. (though in this blog I will continue to refer to CSR, just because that's what I am used to!) CCE announce their report in the traditional way with **ReportAlert**, the leading CSR/Sustainability announcement service via email, and also using a VRA we specially prepared for them. The VRA video covers the key highlights of the report, though only a fraction of what I wanted to tell you about this report, as we didn't want to make the video too long. (After all, it's not Shrek 5). (Actually, before editing it was 11.5 minutes, so highly-talented 3BLMedia video-editor **Gretchen** had to trim it quite a bit. I could have done a feature-length video of this report, as it is packed with interesting information, so cutting down to a digestible 7.5 minutes was a real stretch.) Take a look here and then read on for some more insights.

CCE serves 421 million people across 8 countries in North America and Western Europe, with more than 70,000 employees working at over 400 facilities. In 2009, CCE sold **41 billion bottles** and cans of beverages generating \$21.6 billion in revenues. This report represents the first year of CCE's reporting against Commitment 2020, their long range plan to achieve goals in five social and environment commitments. This is the most comprehensive and transparent summary of their CRS work to date. In addition to points made in the video, the out-takes include the fact that CCE is a champion of **hybrid electric delivery vehicles**, having increased their fleet on 2009 by 196 vehicles, and now operating 336 hybrids that deliver Coca Cola all around the country – and this is the largest fleet of hybrid heavy-duty vehicles in North America. CCE have worked on their **water footprint**, having reduced water consumption significantly, but also calculating their water footprint in a study of the amount of blue, green and grey and water used to produce and deliver a bottle of Coca-Cola in the Netherlands. If you don't know the difference between all these different colour waters, take a look at the CCE report. To explain the complex methodology, they have developed graphics that illustrate the amount and type of water used in each step of the process.

Another thing I refer to very briefly in the video is CCE's Corporate Responsibility and Sustainability Action Week. This was a week packed with CSR activities designed to communicate CCE's CSR story, commitments, and goals to all employees and educate, inspire, involve and motivate them about the business, brands and CSR commitments of the Company. Employees and communities got involved in service projects, watched broadcasts of the Chairman and the CEO, John Brock, engaged in sustainability discussions, participated in virtual facility tours to see energy, waste and water sustainable practices. In Europe, there was a Carbon Challenge in which a group of employees measured and reduced their carbon footprint over a 4 week period and blogged about it, sharing tips for everyone. The power of digital communications and social media in advancing CSR clearly offers advantages. But the most significant thing from my perspective about this Action Week was that in a survey follow-up, **87% of employees said they knew more about CCE's CSR work, and 81% said they had a better understanding of what they could contribute to CCE achieving its 2020 commitments**. It takes effort and investment to truly engage your employees. And with 70,000 people, and over 81% of them now confirming they will do more at CCE, it seems like this investment is worth the effort. I wish more Companies would be more proactive about engaging their employees - in fact, this is the **subject of my book** to be published in October and that won't be a minute too soon!(modestly:)).

As with any CR report, we want to know not only what the Company has done but also what the company will continue to do. Clearly, no Company can do everything all at once, and focus and prioritization is necessary. This report visibly demonstrates Coca-Cola Enterprises' long range view, though it does lack a materiality analysis or details of how stakeholder feedback was processed overall to help create the five 2020 commitments.

CCE does report having tested the materiality of these 5 focus areas which were found appropriate by stakeholders, and also specifically addresses stakeholder feedback received on the last report. CCE's 5 core commitments take them right through to 2020. There is still clearly a long way to go, but the information in this report shows that CCE is taking steps in the right direction.

CCE also produces several localized CSR reports as you can see [here](#). I think it is important to ensure that local stakeholders in global or semi-global businesses can read about what affects them at local level.

In producing a VRA for any company, my focus is on announcing the highlights of the report, not providing a detailed professional critique or recommendations for improvement. There is ALWAYS something of value in ANY report, and I have no problem focusing on this value in order to help generate awareness and hopefully, encourage people to read and take interest. CCE's report is a GRI Level B and also serves as a UNGC Communication on Progress. My overall impression was that the report is comprehensive, clear, interesting and balanced. MBA students from Georgetown University review the report in draft and offer feedback to CCE, which is a great process which the Company has adopted now for the third year. However, this does not substitute a formal assurance process and I think some form of external professional verification would strengthen credibility. It is true, that as most reports, this one does focus on all the positive things that CCE is doing, and it is hard to find content related to the challenges that CCE may not be adequately addressing, which is why external professional verification would help.

In addition, in this report, you can read about Plastic Fantastic with Carrefour, the Made in Wakefield campaign, the TMR process, the first global employee engagement survey, climate risks, zero accident rates in Pueblo Colorado, GLBT commitments, solar panels and pipes, motion sensors for equipment energy efficiency, levels of women in management (I ALWAYS look at that!) , Passport to Employment, Coachella LEED facility in California, how Peter Johnson at Sidcup saved 50 million liters of water and more and more. This really is an interesting report, and those of you who know me, will know that when I want to be critical, I don't hold back. But don't take my word for it, and don't hesitate to be proactive about telling CCE what YOU think.

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 08:00PM (+03:00)

## Speaky Engleesh ?

Thursday, June 17, 2010

Let me start by saying that I admire any company who publishes a CSR report. I also admire companies who publish reports in English despite the fact that this is not their working language. As a linguist and polyglot myself, having lived and worked in at least 3 countries where I needed to talk, read and write in a language other than my mother tongue, and still do today, I know how tough it is to ensure that you can say what you want to say properly and accurately in a foreign language. I have understand those who make mistakes in the English language, as I do, frequently, in other languages I work in. But when a Company produces a CSR report in English which is badly translated and full of errors, I wonder what went wrong.

I agree that substance over style should always guide us in our reading of CSR reports, and the **OTE Corporate Responsibility Report 2009** , recently published, is actually a very nice, comprehensive, well thought-through report, and this is what counts. Most.

However, the English translation is very poor and makes it hard to read, giving a slight impression of unprofessionalism. Here are just a few of the errors and oddities in their English language version. Can you spot them ?

*Aware of society's calls, OTE has always offered a helping hand towards those in need.* Page 1.

*Utilisation of the convergence of technologies by creating commercial proposals and the development of the customer offer by adopting new systems and procedures.* Page 12.

*This is something we attend to address as CR is progressively integrated into OTE's business planning, which should also help to foster necessary agility and cross-functional collaborations.* Page 19.

*In order to ensure continuous and well-rounded information on CR developments, in 2009 OTE maintained participation in several national and international bodies as a member.* Page 21.

*Until today, OTE gave emphasis to the development of the necessary infrastructure, even in remoted areas, so that all citizens can have access to the new technologies and specifically broadband.* Page 34.

*All the complaints were handled with customer service as a guide and the average of written complaints that was answered within 20 days, was 92% while the majority of the verbal complaints were solved within 2 days Specifically:* Page 35.

*At the same time we look for the design and development of products and services that enable our customers in reducing their environmental impacts.* Page 56.

*OTE remained a bastion for vulnerable groups into 2009, by offering support to Non Government Organisations working in that direction.* Page 67.

*The devastating earthquake in Haiti touched people worldwide, and the need for humanitarian aid to the victims, demanded from all people to become aware of this devastation and mobilise.* Page 69.

I see the needing for a more thoroughly proofing reading that we should look for in the next time this company is reporting.Oops. Sorry. It's the Chunky Monkey talking.

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 12:05AM (+03:00)

## Comments

- [MikeNelsonPedde](#)

June 17, 2010

Elaine: I've sent comment to several websites correcting their English translations (while assuring them that their English is much better than my \_\_\_\_).

I agree, though, that for someone to publish a report in a given language, someone should proofread the copy to ensure accuracy in spelling, grammar AND content. To do

less looks unprofessional and lowers one's expectations of the document itself.

Mike.

- elaine

July 04, 2010

Mike, thank you for reading and thanks for your comment. As I write I just noticed another report published this week in English with a spelling or grammar error on almost every page. Such a shame. elaine

## Inhance Sustainability

Sunday, June 13, 2010

Occasionally, on [CorporateRegister.com](http://CorporateRegister.com), I come across a report that doesn't quite fit the standard categorization of CSR or sustainability report. This is why the report from Inhance Investment caught my eye. It is called **Stakeholder Engagement Report, Dialogue to Deeds, 2010**. Inhance is a Canadian mutual fund company with approximately \$75 million of mutual fund assets under management, active in socially Responsible Investment (SRI). Founded in 2001, Inhance is based in Vancouver and is owned by Vancity, one of Canada's largest credit unions.

The report, 13 pages short, opens with *"Over 2009 we engaged 23 companies on emerging ESG risk. Key areas of engagement include: climate change, product safety, ecosystem integrity, community relations and diversity. In early 2009 we also negotiated withdrawals on six shareholder resolutions filed in 2008 for 2009 annual general meetings."*

In the area of climate change, Inhance contacted 8 companies who had declined to report to the **Carbon Disclosure Project**. *"In particular we focused on the need for company boards to be aware of the evolving regulatory regime for climate change, and the opportunities in renewable energy, conservation and efficiency improvements."*

Inhance names the companies, but fails to report on whether there was any response to their contact, which is a shame. On hydraulic fracturing, the process used to release reserves of natural gas using high pressure water pumps, Inhance contacted six companies about their practice in this area, and received responses from three. Similarly, Inhance was active in the food area, contacting **General Mills** about misleading claims of reduced calorie breakfast cereals which were the result of playing around with portion size and not product modifications! Also, Inhance has taken up the use of **BPA** in packaging at General Mills and **Pepsico**. On diversity, Inhance engaged with five companies lacking in either gender or visible minority diversity at the board level. There are two points to make here, one good, one could-be-better.

The good is that this sort of activity from Investment Houses and mutual funds is highly welcome. Inhance's proactive stance and reachout to companies is exactly what more investment companies and investors and analysts should be doing, as most public companies will "voluntarily" change only when they are given a little encouragement on behalf of people who want to invest in them. This is a critical route to more sustainable practices and I am happy to see Inhance reporting on this. It's the vigilante work of the CSR community.

The could-be-better is that, having decided to produce a nice shiny report, couldn't Insight have gone the extra mile and reported on outcomes of engagement rather than just initiation? Wouldn't it be nice to know that all their hard work in talking to companies had actually yielded some benefit ? (assuming it did).

Anyway, their report is a 13 page document which takes 5 minutes to read, but it's worth

it. The principle of identifying issues you feel strongly about and making sure companies know it is a golden rule of stepping up sustainability. Give feedback. Ask questions. Request change.

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 01:48PM (+03:00)

## Warren Buffett on sustainability. Not.

Saturday, June 12, 2010

I often get asked about how many of the **Fortune 500** companies report on sustainability. I haven't seen a definitive number anywhere, so I thought I would check this out myself, perhaps starting with an analysis of the Fortune 100. I was happily working my way down the list, please to find in general that our leading business entities all have some level of CSR reporting, when I came accross **Berkshire Hathaway Inc.** whose website looks like it was built by a 6 year old some time in the 1920's. This company, as many of you may know, was founded and is run by the 80 year old **Warren E. Buffett**, the current chairman and CEO, one of the richest men in the world and, apparently, one of the most successful investors of all time. The Berkshire Hathaway company turns over about \$30 billion and employs 287,000 people. **It owns a long string of Companies**, 10 of which are in the insurance sector, and the other 60 or so in a diverse range of sectors including textile and apparel, jewelry, furniture, gas, electricity, steel and many more. **And now the moment you have all been waiting for:** ESG, CSR, citizenship, sustainability, responsibility or any from of similar non-financial disclosures are conspicuously absent from any of Berkshire Hathaway's communications. **The number 11 company on the Fortune 500 list is transparently non-transparent.** Apparently, the company seems to be sustainable, since, from its beginnings in 1965, the book value of the company has grown by 20.3% compounded annually, whatever that means, but it sounds successful. Will the Company be sustainable after Warren Buffett ceases to manage it ? Who knows. But in the meantime, he appears to have led a very successful financial venture. In a **A Special Global Pulse Report for the Boston College Center for Corporate Citizenship Corporate Reputation and Social Responsibility Rankings of The Most Respected U.S. Companies 2008**, Berkshire Hathaway was ranked 9th out of a total of 203 companies analysed. These rankings are not based on self-reported corporate information but over 20,000 ratings from people familiar with the company across the United States. What I want to know is: how do they know enough about Berkshire Hathaway to rate its workplace, governance, community contribution and leadership performance? (apparently environmental issues do not count in this index). Hmmm.

Some of the Berkshire Hathaway owned companies do mention CSR, sustainability or even produce a report on CSR.

**The Acme Brick Company devotes one full webpage to sustainability.**The R C Willey (home furnishings) company has a page on charitable giving.The Mid American Energy Holdings Company has a full section on environmental efforts and community involvement, but doesn't disclose environmental data or report in any way. **Clayton Homes has a webpage on giving back**, and offers eco-environmentally friendly e-homes.General Re takes CSR very seriously.. ahem... as can be seen from their couple of paragraphs on this subject.NetJets have a carbon offset program .. grrrrrrrrrrreat!Larson Juhl have a journey to sustainability paved with sweet spotsBusiness Wire has a mission statementWesco Financial Corporation has a Code of

## Business Conduct and Ethics

but the jewel in the crown of Berkshire Hathaway companies is... tarararara.....

### **Shaw Floors, who have a fully-fledged real genuine Sustainability Report for 2008.**

Interestingly, there is an opening message from, yes, you guessed it, Warren E. Buffett, though he doesn't say anything remotely connected to the concept of sustainability. The report is a first report and nicely done.

Well, all I wanted to say, really, is that it astounds me that there are still leading, influential, financially successful businesses such as Berkshire Hathaway, with the potential to do so much to engage 257,000 people in over 70 companies in a sustainability mindset and don't. Even some basic things such as a common sustainability charter for all Berkshire Hathaway businesses, or attention to very basic direct impacts would be a good start, let alone the potential to develop business opportunity and advantage.

Is Warren E. Buffett missing a trick here ? Or is he cleverer than most? Is his financial leadership so powerful that it blinds all stakeholders to all other aspects of doing business ? I don't know the answer. But it just makes me a little sad that we don't see sustainability leadership from the direction of the Buffett empire.

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:33PM (+03:00)

## Comments

- Lavinia

June 12, 2010

---

Elaine, this is so powerful. It is very much aligned to support something I have been ruminating on for about 10 days now. There are glimmers of a new eco-system of thought emerging around us right now and you are contributing to this wave.

Thank you.

- NatalyaSverjensky

June 15, 2010

---

Hi Elaine, what a great catch! It never ceases to surprise me either, the number of highly influential companies who either make no attempt at CSR communications or maintain extremely basic (yes, childlike) websites that achieve next to nothing. I'm thinking this is one of two issues that are affecting CSR reporting right now, the other being that, often among the companies that are most proactive about CSR communications, the strategies are becoming extremely self-referential. So many companies are only benchmarking based on their competitors' efforts, which means a lot less impact on sustainable development. What do you think?

- elaine

June 21, 2010

---

Thanks Lavinia and Natalya for commenting. Yes, good CSR communications is a tough balance to achieve and it is also an area in which competitive forces play a role. I agree that Companies should be considering impacts first, competition second. But then, I always was a little naive :) elaine

- lally111

July 28, 2010

---

What is wrong with the simple website? All the website needs is to convey the message

to people. Don't be fooled by extra decor. Have you learned that already in life? You think that company with a CSR report or some CSR messages means that it cares about CSR. Look deeper. Don't just fish at the surface.

- elaine

July 29, 2010

hello lally111, thanks for your important comment. I quite agree that nice websites and CSR reports are not the only way of getting to the true sustainability practices of companies. And I agree there are many sides to every story. However, in the absence of any information about Berkshire Hathaway's CSR practices on their website, and in the absence of any other report that is publically available (after a search), How exactly are we expected to know what is actually happening? I believe a company's accountability demands a certain level of transparency and yes, this is exactly why I look on the surface. What we see what's there, we can probe further. If I see nothing on the surface, I can only assume there is nothing underneath. Please do point me in the direction of any other information you might have re Berkshire. I would be happy to learn that there is more than meets the eye!

warm regards, elaine

## Is any report better than no report ?

Saturday, June 05, 2010



Is it worth producing a CSR report when you have no data to report or is it better to wait until you have more performance to share? I will illustrate my answer to this question with a look at **Perenco's first Corporate Social Responsibility Report for 2009**.

Perenco is an independent Anglo-French oil and gas company with onshore and offshore operations in 16 countries, ranging

from Northern Europe to Africa and from South America to the Middle East. The Company is present in exploration basins such as Brazil, Peru, Northern Iraq, Australia and the North Sea. The company was founded in 1975, has about 4,000 employees and around 250,000 barrels of oil production per day. And now they have a first corporate social responsibility report. Of sorts.

The report is 16 pages long, beautifully designed with the most wonderful photographs of children and environmentally breathtaking scenes, which take up far more space than the written content. The content contains a series of brief declarations:

- a message from the CEO
- a statement of business integrity
- a statement about employees
- a statement about community policy

- a series of short case studies relating to community investment and contribution
- a statement of environmental policy

This publication demonstrates how far this Company is from understanding what CSR and sustainability really is, where it impacts their business and how to communicate it. Despite the CEO opening message *"Our stakeholders, including employees, governments, partners and financing community, are showing an increasing interest in understanding our CSR activity. It is becoming extremely important to better explain our strategy, and to show tangible examples of positive social actions. At Perenco, we have never seen CSR simply as a way to maintain the company's short-term reputation."*, there is little in this "report" to satisfy any stakeholder or to assist in understanding the Company's CSR and sustainable development activity, beyond a few nice stories. This is not a report, there is not one piece of performance data or any of the elements we would consider representative of a "real" CSR report.

What prompted this Company to publish this simplistic kind of document ? Do they not have **any** performance data they can share ? No calculation of **any** of their social or environmental impacts ? Do they really think that CSR is just about observing the law, applied ethics and community contribution? Do they understand the concept of transparency? Do they think this improves their reputation or builds trust ? I will, of course, write to them to give my feedback (despite the lack of a contact point in the report) , but in the meantime, I revert to my opening question. Is it worth producing this type of document or better to do nothing?

**My view is this:** it is always better to produce any type of report, however inadequate it might be. This document shows that this Company has an initial awareness of the concept of CSR, however basic. If this is the best they can do, so be it. For now. At least it is a written commitment of their position on a number of important CSR issues. Someone has made an effort. It does show some sensitivity for managing impacts and behaving responsibly. This report, at least, serves as a basis for feedback and dialogue and the very beginning of a willingness to disclose, whatever might be prompting this. There are many who might say that this kind of reporting is a waste of time and gives reporting a bad name. But I always prefer to see the opportunity rather than the loss of opportunity. Perenco shows us with this first publication that they have a **real** opportunity, and perhaps a need, for a comprehensive **RATS** programme: Responsibility, Accountability, Transparency and Sustainability.

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/enore](http://www.b-yond.biz/enore) read my tweets at [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen)**

Posted by elaine at 04:14PM (+03:00)

## Comments

- Lavinia

June 06, 2010

Elaine, I am pleased that you wrote this entry here and how you see reporting versus no reporting.

As I continue to explore why so few women are able to work in environments that rely on science there are two issues that have come to the surface for me.

1. the educational system does not support the type of learning in most workplaces that you describe in the context of no reporting versus the opportunity of reporting.

2. the "softer" issue relates to introducing a value of encouragement to travel in waters that are difficult and not easy to navigate and imply pushing ahead in territories unknown with a lot of uncertainty.

If there is any lesson, I carried away with me this week after going to Washington and revisiting the amount of money that is invested to author legislation and regulation and the amount of energy and work put into media to lobby against funding and inspiring the research that goes into the learning that is necessary to author a report; I am inspired by what you write here.

I am puzzled by how much money is wasted in debate, protest and promotion and frustrated by the lack of funds to create jobs that create workplaces that pull and encourage people to continuously learn by not getting it perfect and at least doing something.

- MehrdadNazari

June 06, 2010

---

Thanks for your review of Perenco's first CSR report. And I agree with your conclusion that its good to report. Inaugural sustainability reports, even if they don't hit all the right notes, empower internal champions and create opportunities for better stakeholder engagement and transparency, and can help drive performance improvements. But are you not intrigued to find out what catalyzed and motivated Perenco, an independent oil and gas company operating in places like Gabon, DR Congo, Peru and Guatemala, to create its first CSR report? I decided to speculate about it on my blog (after reading yours). Best, Mehrdad

- elaine

June 06, 2010

---

Thanks for your comments, Lavinia. Glad to have added insights to your learnings and research. You see, the world of sustainability reporting has implications for everything :) best, elaine

- elaine

June 06, 2010

---

Hello again Mehrdad, thanks so much for your comment, and, I read your blog post, which I found absolutely fascinating.

<http://prizmablog.com/2010/06/06/perenco-oil-gas-published-first-csr-report-%e2%80%93why-now/>

I think this shows how the value of context is so critical in understanding sustainability reporting and how an assessment of what is material and relevant often needs some prior knowledge of the business or the sector. Thanks for sharing your insights. best, elaine

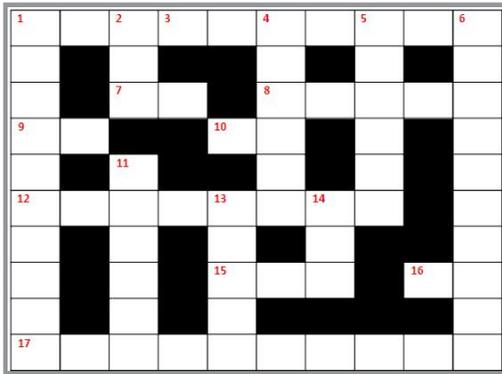
## GRI crossword

Thursday, June 03, 2010

A light interlude for those suffering from post GRI conference blues. Here is the official post-GRI-conference crossword.

**Clues Across:**

1. Something that all future reports should be, apparently.(10)
7. What CEO's say when they realise what integrated reporting involves. (2)
8. People who ignore sustainability reports.(5)



- 9. A GRI Indicator category that ends in \*\*vironment (2)
- 10. Prefix for \_\_ what! - a popular reaction to the publication of a GRI A+ externally verified Sustainability report. (2)
- 12. 483 - the average number of these required when producing a Sustainability Report. (8)
- 15. Second half of the word beginning with hash. Popular with tweeters. (3)
- 16. The first two letters of the most

sustainable word in the dictionary (2)  
 17. Sustainability reports have LOTS of this (10)

**Clues Down:**

- 1. The most popular word at the 2010 GRI conference (10)
- 2. The amount of reports a Company should NOT have (3)
- 4. A most valuable business tool when preceded by CSR or Sustainability (6)
- 5. What all the cool people were sending at the GRI conference (7)
- 6. Transparency is based on this (10)
- 11. Just ask Brazil (6)
- 13. Inside (5)
- 14. Shorthand for what you need to disclose in financial reports to be super cool (3)

No prizes for those who manage to complete the crossword in under 15 seconds. And for those who like to have things handed to them on a plate, here are the answers:

**Across:** 1: Integrated. 7: Oy. 8: Press. 9: EN. 10: So. 12: Rewrites. 15: Tag. 16: Su. (sustainability, hahah) 17: Disclosure.

**Down:** 1: Integrated. 2: Two. 4: Report. 5: Tweets. 6: Disclosure. 11: Awards. 13: Intel. 14: ESG.

elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)  
 Posted by elaine at 07:21AM (+03:00)

## Brazil rules the world

Tuesday, June 01, 2010

A Brazilian delegate at the GRI conference told me that she was quite embarrassed at the knockout performance of the Brazilian reporters in the **GRI Readers Choice Awards 2010**. Actually, it may even have been an embarrassment for the GRI as well, perhaps intimated as such by Hermann Mulder, member of the Awards Integrity Team who said the team met five times and worked to a process which was "as good as it can be". As good as it can be does not necessarily mean good. A process which delivers four reports, all from Brazil, for six awards, out of a possible 1,100 reports which received votes, of which 105 were shortlisted, from 13 countries, must beg some questions. Out of a total of 30,546 votes cast, Brazilians voted 22,613 times - **74%** of all the votes. The next highest voting country was the USA with 2,107 votes, then India with 1,981 votes, then Greece with 1,288 votes. All other countries cast less than 1,000 votes, with the Netherlands,

home to the GRI, with a mere 57 votes!!, the lowest number of all. Data from **CorporateRegister.com** shows that Brazil is the 13th reporting country in terms of number of reports issued per year, with about 100 or so reports issued annually, way behind European and North American levels.

So how did this happen ? What magic inspired over 22,000 Brazilian votes ? **3,724 individual Brazilians were responsible for these votes** - that's 72% of voters and an average of 6 votes per person, whereas the rest-of-the-world appear to have an average voting rate of 5 per participant. Not such a big difference, unless there are very wide variations within the averages. And even so, mobilizing so many voters to get online and "do it" is certainly an achievement worth recognizing. Notwithstanding, I believe it would be appropriate, in the interests of transparency, for the GRI to disclose the **distribution of average votes per person** in each country. Just so that we can pronounce Brazil the reporting ruler of the world with a clear conscience in the knowledge that this was about quality reporting and not exploitation of the system by an enthusiastic few.

Let's have a look at the winning reports:

**Banco do Brasil - Relatorio Annual 2008.** This is an annual combined financial and non-financial report hosted in the Investor Relations section of the bank's website. It is an html mini-site which is attractively designed and uses automated people who speak to you (in the local lingo with English subtitles) and provide you with the option of choosing your profile - employee, customer etc -for a tailored reading experience, or going directly to the the entire report content. The PDF download of this report is 539 pages! This is not a report, it's a library. It includes everything from a history lesson, "*Napoleon sweeps the continent with its armies, dethroning monarchies and installing republics.*" in 1808, to all the detailed financial statements you would expect in a financial report, macroeconomics, microeconomics as well as sustainability information, with the respective GRI indicator noted alongside each section of text. The main sustainability section is in a chapter of its own, 38 pages, though some of the Profile Disclosures are threaded throughout the report, plus around 20 pages of GRI Index. Whilst it seems that this report cannot be faulted for transparency, I must say that it is not one of the most pleasurable reading experiences, though the English translation is unintentionally mildly amusing :) If you like numbers, this is a report for you!

**Banco Bradesco Sustainability Report 2008.** This report also won in the **Best Assurance category in the CRRA 10 Awards**. It's a GRI A+ level report of 148 pages in length. It's nicely designed and carefully written. The bank employs over 80,000 people with over 40% of women in management positions. Clearly, an enlightened organization :). In addition to the content in the body of the report, there are around 50 pages of "additional content" which zoom in on different aspects of the bank's activity and performance for those interested in greater detail - a nice touch! The report includes details of the Banco Bradesco "Cycle of Dialogue" with stakeholders and feedback received on their 2007 report. After a brief look through, this seems to me to be an impressive report.

**Vale Sustainability Report 2008 :** This is a second report at GRI level B+ of 117 pages in length from this mining company with a mission to *transform mineral resources into prosperity and sustainable development*, employing over 145,000 people. The report is also clear and nicely designed and includes interesting references to indigenous communities and **quilombolas** and other informative stories. The Vale report appears to cover key sustainability themes and includes an interesting graphic presentation of the material issues.

**Natura Cosméticos Annual Report 2008 :** This is a nicely philosophical (*life is a chain of relationships*) report, (*commitment to the truth is the route to perfecting the quality of relationships*) for this 40 year old company with 5,500 employees, and is their ninth

sustainability report, containing 14 pages of financial statements, out of a total 49 pages. (*It is in the heart and in the eye of each one of us that change is built*) It is a GRI A+ report with both financial and sustainability content assured by separate assurers. It doesn't shy away from talking about "controversial ingredients" and in general this report is written in a frank and direct manner, addressing sensitive issues such as layoffs, accidents and the challenges of diversity. Quite a readable report, actually.

So, all in all, four relevant and serious reports were selected. One cannot say that the awards were made to reports that were not worthy entrants. And you should not mistake my criticism of the awards process for sour grapes because **my predictions weren't entirely correct** ... ahem.. even though I did pick two out of the four winning companies though not in the right categories. **Leon Kaye takes this positively in his editorial for Justmeans**, saying that Brazil can "*provide a teaching moment for companies around the world*". I am sure this is true. I am just not quite sure what the lesson is. Fernando Legrand also says **Brasil (e India) se estaban convirtiendo en ejemplos a seguir por las empresas de Estados Unidos**. Hmm. I am sure all the American reporters will like *that!* Leon Kaye says the Brazilian showstopper is evidence of "*Brazil's remarkable influence on the world economy and concern for sustainability.*" Is he right? They certainly have some clout - according to Forbes list of the biggest companies in the world, Petrobras (2008 GRI Awards winner) is #18, Banco Bradesco #51, Banco do Brasil #52 and Vale #80. And I guess I would rather they were leaders in sustainability than not. But Antonio Vives, who takes a "mirada critica" (I think this means a critical look ?!) at CSR, oops, RSE, is not convinced, calling the **Brazilian victory a "falacia"** (guess that one yourself). Let's hope that this win encourages more Brazilian companies to report, and more countries and voters to get into the competitive spirit and make best use of the two years until the next Awards Gala to boost their sustainability leadership and **RATS**: Responsibility, Accountability, Transparency and Sustainability. However, I would recommend changing the system for future awards. Here are some options:

- Hold one Readers Choice Awards for Brazil and one for the rest of the world, in the interests of diversity - a concept fundamental to sustainability.
- Announce **now** the results of the 2012 Awards (Brazil takes all!) and avoid all the hassle of mobilizing votes, in the interests of energy and resources savings.
- Limit votes to 3 reports per person, where no-one can vote for their own report, in the interests of the **abundance mentality**.
- Make award categories for regions, and allocate a winner for each region, in the interests of well, regions.
- Make award categories for company size, or type (for profit vs not-for profit) so that the Awards will be inclusive - another sustainability concept critical to the development of diversity.
- Invite only Brazilians to vote, but for not Brazilian reports. This could be called the Brazilian Choice Awards.
- Maintain the Awards in exactly the same format but accidentally on purpose block all Brazilian IP's. This could be the Brazilian No Choice Awards.
- Maintain the Awards in exactly the same format but call it the "Eurovision Song contest for Corporate Geeks" (**name inspired by Mallen Baker's post on the same subject**)

Which option do you prefer? You can vote only if you live in Rio.

elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 07:20PM (+03:00)

## Comments

- Sandra

June 02, 2010

Extremely entertaining post! Of course, some overly-enthusiastic souls in Brazil decided to vote more than once. They are so busy saving what's left of the Rain Forest, they forgot they had already voted! And as they say in Brazil, G'd is Brazilian, and I am sure G'd's vote skewed the counting. (Disclaimer: born & raised in Brazil).

## The GRI Barmitzvah

Saturday, May 29, 2010

The sold-out biennial GRI 2010 conference with 1,200 attendees from 77 countries was certainly a highlight of the 2010 #CSR calendar and the GRI did an impressive job of bringing such a large crowd of people committed to sustainable business and a sustainable world together for discussion, reflection, presentation, exhibition, interview, debate, LOTS of sandwiches, tweets, awards and networking. The conference was an important landmark in the coming of age of sustainability, a sort of **barmitzvah** party, attended by the parents and grandparents of the GRI movement, infused with a kind of euphoric sense of achievement coupled with a knowledge that what happens next will be even more significant, propelling the GRI teenager into adolescence with several duties, obligations and a vision of how to make a difference in the world. There were several very clear overriding themes dominating the conference which could not possibly have gone unnoticed by any of the participants.

**Integrated Reporting** From the opening of this conference, with the **announcement** that *"GRI proposes that ESG reporting and financial reporting need to converge over the coming decade. GRI advocates that a standard for integrated reporting should be defined, tested and adopted by 2020. GRI is working with leading global organizations in financial markets, accounting, corporate responsibility, ESG reporting, and civil society to establish the International Integrated Reporting Committee. The committee's purpose is to promote integrated reporting, and to facilitate and coordinate collaboration between key institutions to develop an integrated reporting standard"* right through to Mervyn King's closing remarks with the announcement that the Johannesburg stock exchange will require integrated reporting as a condition of listing, it was hard to hear the word reporting at this conference without its new prefix- integrated.

**Sustainability as Climate Change** From the words of **Mathis Wackernagel, President of the Global Footprint Network** in the opening plenary *"Humanity is running down the planet"* to the words of Kumi Naidoo at the closing plenary *"We have no planet B"*, the meaning of sustainability at the GRI conference was overridingly environmental sustainability and the effects of climate change, at the expense, I feel, of many other social, product, marketplace and supply chain impacts, though breakout sessions were diverse.

**Technology and data** The new ways of gathering, analysing and disseminating sustainability metrics and data via Bloomberg terminals and other technologically supported metrics analysis from firms such as **CRD analytics**, which is used as the basis for the Nasdaq OMX Global Sustainability Index, **XBRL** reporting language and taxonomies (note new sustainability upcoming buzzword) and software for gathering sustainability data in companies such as that delivered by **SAP** or **Credit360**, were all prominently featured throughout this conference. Technology is up front as the key to developing transparency and integration of data for use, primarily by analysts and

financial data experts, but also as a business decision making tool. Excel, apparently, is passe.

**Regulation** The voluntary nature of CSR and sustainability efforts is giving way to greater pressure for regulation and legal requirements for sustainability disclosures. Apparently, voluntary is not achieving the scale and pace of change towards transparency that our planet needs. Governments, regulators and stock exchanges around the world will be urged to play a much greater role in driving companies to disclose, though little was said about the processes that will be needed to enforce such new regulation.

**Partnerships for standardisation** The GRI has established many high level partnerships to ensure the reporting voice in moving towards greater alignment of the global direction of sustainability transparency - the **UNCG partnership to strengthen collaboration**, work with several other UN agencies, the OECD, NASDAQ and other exchanges, big NGO's such as Greenpeace, the big accounting companies, think tanks and more, the Integrated Reporting Committee etc. Partnerships for greater global alignment is clearly the way forward.

**Brazil** How did Brazil end up with 6 out of a possible 6 awards in the **Readers Choice Report Awards** , sponsored by last time Award winner Petrobras, also Brazilian, was the question on everyone's lips at the end of the Awards Gala. What is Brazil doing that no one else is ? Clearly, a point of significant interest for all the other 59 countries whose reports were represented in the Awards this year.

**Tweets** The impact of social media as a whole and in particular the use of the #griconference hashtag, encouraged in every session, and the high quality of tweets flowing throughout the 3 days, including reactions and questions from those not attending, signalled the arrival of the GRI, previously only a moderate voice on social media, into the upper league of real-time microblogging and an acknowledgement that social media is where the voices of today are meeting and influencing. Social media cannot be ignored as a place to engage stakeholders.

It seems that this conference heralded move of the GRI into a new era. Beyond the Bar Mitzvah . The establishment of sustainability reporting and GRI leadership in this field has lent a certain power to the GRI which one senses was bolted into place, not without some dramatics, at this conference. The GRI is moving out of its idealist, start-up, optimistic, improve-the world platform towards a bolder positioning, aligned with where the money is, this time, not to simply to create a better world, but assuming a responsibility to save us all from disaster. From the carrot to the stick, to paraphrase the title of a report launched at the conference on **Trends in Voluntary and Mandatory Approaches to Sustainability Reporting**, the GRI has lost the infectious, youthful, pioneering enthusiasm of the early days and has moved to where the stakes are more serious, money talks and the currency is planet or no planet. This may not be noticeable to the casual observer, but the shift is there. Perhaps this is not a bad thing. Perhaps this is the only way to create the mindset transformation that was so often pronounced "urgent" by the conference speakers. Perhaps, after all, the triple bottom line really is only one bottom line, as Henk de Bruin of Philips said in a session on integrated reporting. But perhaps, in moving forward, the risk is that the GRI loses sight of the cause and inevitably adopts the behaviours of those big businesses it seeks to change. Perhaps the risk is that, by focusing on financial stakeholders, as the key to all stakeholders, the resulting reality will relegate non-financial stakeholders to the level of recipients of the hand-me-downs of big finance, whose voice is heard at low-volume unless they happen to have the charisma of **Kumi Naidoo**

Alongside the massive and unequivocal success of the GRI Reporting Framework and the warm applause at the end of the conference, the GRI will have to be careful to ensure

its roots are solid as it cultivates new directional offshoots. Let's look at reality:

Over 4,000 "sustainability" reports of sorts are issued annually. GRI say that around 1,300 of these are GRI reports - 30% - though many others are "inspired" by the GRI framework. **So whilst the GRI framework is the biggest single reporting framework in use today, the reality is that it is still not applied by the vast majority of reporters.**

Sustainability reporting, whilst growing year on year and adopted by a majority of leading global businesses, the 5,000 or so businesses that report today remain a drop in the ocean compared to the 82,000 transnational corporations operating worldwide (quoted in "Carrots and Sticks" mentioned above) and the significantly larger number of non-transnational corporations. **The reality is that reporting, regrettably, is nowhere near mainstream, even though we might like to think it is.**

The quality of GRI reports varies substantially from the outstanding indicator-by-indicator disclosure-by-disclosure reporters to those reporters whose use of the GRI framework is no more than abuse. "We are not policemen" says Ernst Ligteringen. "The GRI does not police the quality of the reports." But perhaps it is time for the GRI to make a fundamental assessment of how, and not only how much, the GRI report framework is applied - how companies are reporting on indicators, how many indicators, how Companies report what they claim to report, the consistency of application of the framework in so many ways. A comprehensive study such as this might reveal a pareto picture - that 20% of the reporters are delivering 80% of the quality, and that 80% of reporters are at best inadequately applying and at worst actively misusing the reporting framework. **The reality is that overall, the quality of sustainability reporting using the GRI framework is inconsistent and often inadequate.**

The level of integrated reporting remains low at 5% of reports issued and here again we see massive variance in approach and quality, ranging from the simple combination of two types of largely unconnected reports within one cover to the more holistic approach attempted by Novo Nordisk and others. The proclamation of integrated reporting as the ultimate goal is the start of a new path, representing, in my view, the evolution of financial reporting and not of sustainability reporting. **The reality is that integrated reporting has hardly taken off, despite the strong drive to buzz it up.**

The quality of assurance processes, once again, unpoliced and unchecked, remains as I termed it some time ago, a Wild West. The new AccountAbility standards are a mystery in their pedantic complexity and assurance statements beg more questions than they answer. The assurance market is controlled by the accounting companies, and by and large lacks the depth and scope of a process which can truly assure stakeholders on report integrity. Who assures the assurers? **The reality is, that with only 20-25% of all reports currently being assured, and many badly, the assurance process has not taken firm root.**

The success of the GRI must be viewed alongside these challenges, and as the new era of the GRI takes shape, the GRI must be alert and remain true to its broader constituency. As integrated reporting takes off, the GRI must take care to establish a solid platform around quality sustainability reporting that attracts more than just the financiers. The GRI must take care to ensure the rhetoric is founded in reality. The GRI must not let the euphoria of the barmitzvah party mask the responsibility the organization has to the extended family, who represent more than cash and climate change. As transparency takes hold, the GRI must ensure that this is more than just carbon emission data on Bloomberg terminals, and as the GRI expands its influence, it must assume responsibility to align itself not only with those who count in Euros and Dollars, but also with those who count in principles and values.

Well done to the GRI for coming thus far, and for delivering an unmistakably positive impact on sustainable business processes through reporting. Good luck to the GRI as it faces the challenges ahead. We should continue to be participative and supportive. And

watchful.

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 04:34PM (+03:00)

## Comments

- UKati

May 31, 2010

---

What do you think about this? To increase the quality of GRI use (with which we struggle in Hungary as well), GRI should require third party check for the application levels, for each report. Performed by either GRI or licensed assurers. And examination should include all indicators and PRINCIPLES, not just a selection. Would not be that expensive and time consuming as data and process assurance, but would give quality for the report!

- Mark

May 31, 2010

---

I am dead keen on a standard, any standard that improves things. The reality is lots of things have to change. Executive mindset one of them. As long as they see a report as a way to damp down stakeholder expectations and regulation, GRI will not help us identify and implement a way to business responsibility. In many respects therefore, I would argue, the reporting hose is ahead of the corporate cart.  
Nor does it help that an industry has arisen around reporting that makes so many of us participants in limiting change.  
I'll leave it up to the reader to honestly ask, hand on heart, how the industry needs to change to facilitate corporate midset change. You'll be surprised at how much the reporting industry is standing in the way of sustainability.

- elaine

June 01, 2010

---

Hi Kati, Interesting suggestion. don't hold your breath! elaine

- elaine

June 01, 2010

---

Hi Mark, thanks for your comments . I am not sure what you mean when you say that the industry around reporting is limiting change. Intriguing proposition. Warm regards,  
elaine

- JenniferWaller

June 01, 2010

---

Thanks for the very useful summary. We were clearly at the same conference! You're right to say that sustainability was interpreted largely as environmental sustainability. I'd say, though, that the spotlight was on the loss of biodiversity rather than climate change this time.

- Shoshannah

June 01, 2010

---

Great blog Elaine! It's a wonderful summary of the conference. I'm glad you were there to report on it!

- Mark

June 02, 2010

Great post by the way Elaine, and perhaps I should preface my comments by saying that I was referring in my posting to the South African market specifically. On a number of occasions I have challenged sustainability pundits here and overseas to think of strategies and reporting in terms of the local conditions on the ground, in our instance crippling levels of poverty and unemployment, death by HIV/Aids and illiteracy, and so on. By extension, I have challenged the reporting industry to use their processes to make sure companies are stepping up to the plate, because you see, sad as it is, there is a great divide between what businesses do and what companies do. Almost without exception this isn't happening. The industry is happy to accept an order for a report, deliver it, contrive to report according to, or by inspiration of, the GRI, and become complicit with a great wrong in this country. That is what I meant when I said the reporting industry in South Africa often stands in the way of change, and even deliberately obstructs it to favour the company ahead of the poor. If you have the time and inclination perhaps it would be an idea to evaluate some of our reports against the socio-economic background we face and tell me whether material issues are being addressed. I think not. (You will need to spread your net wider than those companies with which you are likely aware, like Anglo American, SABMiller and BHP Billiton and even Nedbank). If reports are not holding up a mirror to management, challenging them to do better by doing good, what is their purpose?

- jamesfarrar

July 02, 2010

Hi Elaine

Yes indeed, when it comes to enterprise level sustainability accounting excel is passe. First issue is that it does not integrate well with other enterprise systems. It cannot facilitate an audit trail. CFO's that allow complex carbon accounting to be recorded in excel should be concerned. These spreadsheets are often constructed by and for the use of one person who knows where all the calculation factors are entered. Firms often face serious problems when they depend on such a system and then a key person leaves.

## GRI Readers Choice Awards 2010

Monday, May 24, 2010

The winners of the **GRI Readers Choice Awards 2010** will be announced this week, on Thursday evening. Awards are always exciting, frustrating, controversial, energizing, irritating and fascinating all at the same time. Six awards will be handed out for first place (not sure if there will be awards for runners up). The awards are:

- **The Engage Award** will be given for the organization whose report receives the highest number of selections by management and staff.
- **The Civil Society Award** will be given for the organization whose report receives the highest number of selections from labor unions, public institutions, academics, concerned citizens, media etc.
- **The Value Chain Award** will be given for the organization whose report receives the highest number of selections from suppliers, joint venture partners, distributors/advertisers, customers, consultants and auditors.
- **The Investor Award** will be given for the organization whose report receives the

highest number of selections from the asset owners, asset managers, research and ratings agencies, banking and financial media

- **The Readers' Choice Award - Best Overall** will be awarded to the report which received the highest overall number of points.

- **The Most Effective Report Award** will be given for the report whose objectives match their readers' expectations. The reporting organizations were invited to fill out The GRI Reporters' Survey and to identify their main objectives in sustainability reporting. The award is given for the best match of these objectives with the reasons voters voted.

This is certainly a novel approach to a reporting awards process. I wonder how this approach takes into account, if at all, the relativity of aspects of the reporting companies such as size, number of times reported, type of business. A large global reporter such as Procter and Gamble versus a Brazilian energy company Coelba whose report, as far as I can tell, was published only in Spanish? How does a first time non-profit reporter such as Uniethos stack up against an IBM or a Starbucks? How about those companies with great reach and a massive employee base such as Walmart who probably employs more people than all the other shortlisted companies added together versus the smaller players such as the Lottomattica Group which has less than 8,000 employees, a mere couple of "big boxes" ? And what about the heavy loading of Spanish-speaking companies in the shortlist? This process has not been without criticism, as Antonio Vives notes in his interesting blog post which I struggled to read in Spanish - he shows that 40 of the top 103 shortlisted Companies are Brazilian! There are also 11 Greek Companies in the list. And BP of course is also on the shortlist. Oops. Would be very interesting if the BIG OIL SPILL wins an award.

It will be interesting to see how many actually voted in these awards, as the two voting rounds were, I have to say, a tad cumbersome, as was the voting process itself, twice. I wonder how many of the stakeholders who voted actually voted for reports other than those with whom they have a direct relationship with. I wonder what insights we will gain from the results. And of course, I wonder who will win.

The shortlist, which is not so short, includes a very wide range of reporters from many countries, and companies at many different stages of their sustainability maturity and reporting experience. Take a look at the list (which I copy pasted from the GRI Conference programme brochure, is that allowed ?)

3M • ABB Group • ABN AMRO BANCO REAL (Grupo Santander Brasil) • Adidas Group • AES Eletropaulo • Aetna • Alpha Bank • AmBev • American Express • Apple • Aracruz Celulose • ArcelorMittal Brasil • Arcor SAIC • AT&T • Athens International Airport • Banco Bradesco • Banco do Brasil • Banco Espírito Santo • Banco Galicia • BP • Bunge • Celulose Irani • Cemig - Companhia Energetica de Minas Gerais • Centro de Integracion Librey Solidario de Argentina (CILSA) • Coca-cola Company • Coca-Cola Enterprises • Coca-Cola Hellenic • Coelba • Companhia Paranaense de Energia - Copel • COSMOTE • CPFL Energia • CSN -Companhia Siderúrgica Nacional • Dell • DKV Seguros • EcoRodovias • EDP (Energias de Portugal) • EDP (Energias do Brasil) • Eletrobrás • Eletronorte • Exxon Mobil • Fiat Group • Ford • Frigoglass • Fundacao Bradesco • Fundación Emprendimientos Rurales Los Grobo • FURNAS Centrais Elétricas • Gas Natural BAN • Gas Natural Brasil • General Electric (GE) • Gerdau • Grupo Los Grobo Agropecuaria • Grupo MAPFRE Brasil • Hering • IBM • Indian Oil Corporation • Infosys Technologies • Instituto Ecoar para Cidadania • Intel Corp • INTERAMERICAN • Itaipu Binacional • Itaú Unibanco Banco Múltiplo • Itautec • ITC • Johnson & Johnson • Klabin •

Larsen & Toubro (L&T) • Lottomatica Group • Manpower Argentina • McDonalds • Microsoft • National Bank of Greece • Natura Cosméticos • Nestle • OTE • PEMEX • Pfizer Mexico • Piraeus Bank • Polymer Group, Inc. (PGI) • Procter & Gamble • Reliance Industries • Roche Brasil • Sadia • Starbucks • SulAmerica • Tata Motors • Tata Steel • Telefonica Argentina • Terna • TITAN • Tractebel Energia • U.S. Postal Service • UniEthos • Unilever • Unilever Brazil • Unimed-Rio • UnitedHealth Group • Usiminas • Vale • Vodafone Greece • Vodafone Group • Volkswagen Group • Votorantim Celulose e Papel • Walmart Brazil • Wal-Mart Stores • Wipro Limited

Well. Recognize any big names? If these reporting awards follow the reporting award trends we see in other award programs, more likely than not, the big names that we are used to seeing win awards will win again. So I am going to go out on a limb here and suggest ones I think will win in each category. These are NOT NECESSARILY the ones I think SHOULD win, or the ones I think are best. Just my **predictions based on factors which have largely nothing to do with the reports themselves.**

If I get 4 out of six winners, Chunky Monkey on me in Amsterdam after the awards announcement :-). If I get less than 4, I will treat MYSELF to an extra large scoop hahaha.

- **Engage:** Telefonica Argentina **OR** Banco Bradesco **OR** Coca Cola Enterprises
- **Civil society:** Banco Spirto Santo **OR** Manpower Argentina **OR** UniEthos
- **Value Chain:** Vodafone Group **OR** Ford **OR** Frigoglass
- **Investors:** Procter and Gamble **OR** Volkswagen Group **OR** ABN AMRO Banco Real
- **Best Overall:** Natura cosmetics **OR** Vodafone Greece **OR** Electrobras
- **Most Effective:** Tata Steel **OR** Gas Natural Brasil **OR** Nestle

Haha. Any thoughts ? What reports would you pick ?

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 10:22AM (+03:00)

## CSR Reporting trends - 5 resources

Sunday, May 23, 2010

Here are some (fairly) recent publications relating to trends in sustainability reporting for all you reporting geeks out there.

**John Elkington on Sustainability Reporting on Environmentalleader.com** John Elkington, in this brief video, says the biggest trend currently in sustainability reporting is moving from a period of **Push** in reporting to a period of **Pull** in reporting where increasingly it is the users who draw on companies to understand performance expectations and targets. The Pull Era is going to be a real challenge for companies and also a huge opportunity. In the past, John says, companies used to print a report once a year. Then, they used websites to make things more interactive. Now we are seeing the emergence of a 24/7 environment where companies can be challenged from all sorts of angles including from very major customers who have sustainable strategies and asking to know what their suppliers are doing . Watch out for the new report called The Transparent Economy about to be launched at the GRI Conference in Amsterdam this week.

**Business in Society Belgium - Sustainability Reporting Trends May 2010** This interesting report is based on a survey of 43 companies in Belgium who reported in June 2009 and is interesting because it covers many companies who we do not often hear about in the

mainstream talk on CSR reporting. Key findings include *While the majority of organisations publish a section on stakeholders and define their approach to stakeholder engagement, there are still too few that enter into a meaningful dialogue with stakeholders to define the materiality of their report and ask for specific feedback. Similarly, there is no systematic and comprehensive approach to key performance indicators (KPIs) and organisational aspects (how is CSR internally implemented? Who has the final responsibility for CSR?) are often forgotten. Finally, there are still too few organisations that make good use of new media, in particular their website. Most organisations simply upload their report as a PDF and miss the opportunity to provide more attractive and timely information.*

**EcoStrategy's "Trends in Sustainability Reporting: A Close-Up Look at Bay Area Companies," April 2010.** This study analyzes how top companies in the San Francisco Bay area report on their sustainability efforts, and rates their performance based on 14 specific attributes including: materiality, stakeholder relevance, target setting / tracking, and completeness. Whilst it did not focus on the issue of sustainability reports alone, the presence of a sustainability report was obviously a key factor in how companies scored. However, of the top 200 Companies in the Bay area, 75% do not produce a sustainability report, though 59% of the large companies, with over \$1 billion in revenues, do report. Other important disclosures include the Carbon Disclosure Project which is now a leading source for information regarding environmental performance. You can read Kathleen Gilligan and KJ Janowski's summary of how to produce a top-notch report on Greenbiz.com . One of the interesting points made in the report is the first reason cited for Why companies report: **Respond to Increasing Volume of Queries** – *Many companies have seen an increase in requests for environmental performance information from customers and from socially responsible investors. HP, for example, has seen a steady increase in the percentage of customer Requests for Proposal (RFPs) that ask for sustainability information. For them, reporting is now seen as a market access requirement.* This certainly matches my experience with small and large companies alike. I note that some of the best large-company reporters, not surprisingly, achieved the highest ranking - HP, Cisco and Intel. These three have all issued reports for 2009. Autodesk and National Semiconductor scored best in the smaller Companies with revenues of below \$2 billion. Autodesk produced a first report in 2007 whilst National Semi don't report. Yet. Haha.

I have read this excellent report in detail and recommend you also take a look. For a copy of the full report, the authors, Karen Janowski and Kathleen Gilligan, will be happy to send you a copy if you email them via their website.

**Sustainability Reporting Trends, March 2010, by Mike Wallace of the GRI** This interesting presentation focuses on the growing interest of stakeholders in demanding sustainability disclosures, and not surprisingly maintains that companies are increasingly assessed against GRI disclosures, citing NASDAQ and Bloomberg as key players in this space. The presentation also refers to Integrated Reporting, which i am not (yet) a big fan of, and accounts for only 5% of reports issued, but nonetheless is a point in any conversation about reporting trends. See my editorial on CSRWire.com for more on this.

**CRRA Global Reporting Trends by CorporateRegister.com published April 2010** I covered this in a recent post but it is worth including here as well as it is probably the most authoritative picture of what is happening in Sustainability reporting around. I wont repeat all the details, though the fact that close to 20% of all reports issued are first-time reports show that reporting is still continuing to advance.

And the winning trend is .....hah! You will have to wait for the Reporting Blog's summary of reporting trends to be issued after a significant inspirational helping of

Chunky Monkey.

elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 09:58AM (+03:00)

## Yes, CSR reporting is personal

Saturday, May 22, 2010

This is a rather personal post. You see, I have two children, one of whom is a son who is adopted. He is one of the most wonderful kids you could ever hope to have. He was born in Moldova and we adopted him at the age of 11 months. He is now 8. Whenever I read CSR reports, and come across Companies who provide assistance for employees who adopt children, it always makes me stop and pause to think about the meaning of this contribution to people, society and life in general. I see what giving a chance to a child means and I gain great joy, every day, from watching and being a part of that. **So this post is a tribute to Companies who help people give a new life to children and create families, in this way.** Here are just a few mentions I picked up in CSR reports:

Verizon 2009: reimburses employees for expenses of up to \$10,000 for each child adopted. Bristol Myers Squibb 2009: Employees receive one week of paid time off to adopt a child or assume foster care responsibility. The company also helps defray adoption costs. GoLite 2009: Up to 6 weeks of job-protected, unpaid leave during any 12-month period to eligible, covered employees for reasons including foster care of a child with the employee. HP 2009: offer adoption and resources assistance. Heinz 2009: Parents of newly adopted children receive up to three weeks of paid leave. Intel 2009: offer "bonding leave," an approved, unpaid leave for either parent to care for a newborn or adopted child, or a child placed with them through foster care. Johnson and Johnson 2007: adoption assistance including paid leave and financial assistance.

In thinking about this post, I also noticed the adoption friendly workplace list which highlights those employers who support employees involved in adopting children. This is the work of a foundation started by the late Dave Thomas, himself adopted, and the founder of the Wendy's restaurant chain, now the Wendy's Arby's Group. This group, whilst I couldnt find a CSR report, describes on their website their signature community program : **Wendy's Wonderful Kids®** – *an initiative that currently funds 120 experienced, full-time adoption recruiters at agencies in all 50 states, the District of Columbia and two Canadian provinces. Since its inception in 2004, this ground-breaking effort has helped match more than 1,000 foster care children with families, and is on track to meet its goal of helping more than 10,000 children..... On any given day in North America, nearly 550,000 children are in the foster care system, and more than 150,000 of them are available for adoption, just waiting for the right family to find them.*

This is just another reason I like CSR reports. Everyone has a personal connection to something that a Company does, even if it's a Company they have never had direct dealings with. Next time I pass a Wendy's, I will be sure to think positively about their founding father, and their support for children who need families (and families who need children). I might not ignore other aspects of their sustainability performance, being the critic that I am, but I will certainly be more predisposed to consider their business positively.

Everyone has a personal connection with something. CSR Reporting cannot take into account everyone's personal connection points, but a good report will more likely than not evoke such a personal connection with many. This is why reporters should seek to

engage with stakeholders, to understand exactly where their report is creating some form of personal connection as this, I believe, is the essence of a route to engagement.

Thanks for indulging me this personal reflection. Next post, back to report-bashing. haha.

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 05:32PM (+03:00)

## Feedback makes CSR sustainable

Thursday, May 20, 2010



This is the first of three posts about feedback to companies on their CSR performance and CSR reporting. Anyone who tracks my conversations around cyberspace will know that I talk a lot ( a LOT) about this. In fact, I think the GRI should include an indicator which specifically requests the number of individual pieces of feedback that companies get on their reports (currently clause 4.17 of the GRI framework refers only to the "key topics and concerns that have been raised through stakeholder engagement". For some companies, this might mean 3 stakeholders. For some companies, 3 is generous) . **Feedback is what makes CSR sustainable.** The CSR Feedback Series will cover: (1) (this one) Report Reviews (2) The way companies report about feedback (3) CSR Reporting and Employee Feedback. Stay tuned. Here's part 1:

I was delighted to notice in the **Verizon CSR Report for 2009** the inclusion of a mention of my feedback in the form of an **Expert Review of their 08 report published on CorporateRegister.com**. Verizon noted the three external independent assessors who had reviewed their report: **BSR, AccountAbility** and **Beyond Business**, my consulting company. See a photo shot of the section in their report below:

This was particularly gratifying, not only to appear in such revered company as BSR and AA, but also because Verizon clearly reviewed my feedback and took it seriously. This, after all, is the way we influence companies to do better.

During the past 16 months or so, I **have completed over 40 Report Reviews** both for **CorporateRegister.com** and for **Ethical Corporation** (which I started with the May 2010 magazine issue with **my review of the Bacardi report**).

The most recent reviews were **H&M 2009 report, which I called "Good substance, bad style"** (I reviewed their report also in 2008) and **IMC2 2009 report, which I called "Charm with outcomes"** , reflecting a certain increasing maturity of their reporting. ( I reviewed both prior reports).

Report reviews are my way of providing considered feedback to companies about their reporting. A good thorough read of a report, even a shorter one, and a careful assessment takes some hours to compile. All in all, I calculate that my investment in formal reviews accounts for about 2 working weeks per year. In addition, I write this blog, of course, which offers a lot of feedback on many reports, without the detail of a full review. I also write directly to many companies, some of whom respond, and I fill in feedback forms where provided by companies. There is nothing that makes me happier than companies who acknowledge and use this feedback. (All this is voluntary, unpaid investment in providing feedback. I am not including here the paid service I provide to companies for pre and post publication reviews of their reporting).

Many Companies take the initiative write to me or engage me in informal discussion

about my report reviews. Mostly, they are grateful to receive feedback. Sometimes I may have been a little more critical than they deserve, though, more often than not, modestly, they tell me that I have identified the gaps or difficulties they themselves were aware of. This is nice, because it shows that reporting issues do show up in reports, no matter how companies try to gloss over certain issues (for, perhaps, understandable reasons). More importantly, companies who engage in feedback about their report show that they are proactive about engaging stakeholder views and are open to hear things that may help them improve their presentation of their sustainability performance, transparency and accessibility of their reporting. This, for me, is the ultimate objective, as I repeat: **Feedback is what makes CSR sustainable.** (I kinda like that sentence.)

That's it for Part 1. Part 2 just as soon as I can get to it. In the meantime, I will be reviewing the current Verizon report mentioned above. Though the fact that they mentioned my last review in their report will not buy them any traction, I will be just as mean and nasty as I usually am hahahahahahhahahahaha

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/enor](http://www.b-yond.biz/enor) tweet me at [www.twitter.com/elaiecohen](http://www.twitter.com/elaiecohen)**

Posted by elaine at 01:23PM (+03:00)

## Comments

- user

May 21, 2010

---

Elaine, you've raised a good point (as usual). I think that corporates should be more proactive in trying to get feedback from stakeholders, and not only "pin-heads" as you and Mallen Baker... <http://www.mallenbaker.net/csr/post.php?id=335>

I'm afraid that NGOs and other un-organized stakeholders are not aware, yet, of the duty & opportunity they have in reviewing CSR reports and producing some kind of feedback. Maybe the new GRI indicator you suggest will drive corporates to set new mechanisms to attract stakeholders' attention and time.

- elaine

May 22, 2010

---

hi shirley, thanks for your comment. Pin-heads ? hmm. That means a dull or stupid person hahaha Knowing you I dont think you meant that. I suspect you meant "experts" hahaha. Aren't I modest ?! But yes, we agree, Companies can and should do more to proactively seek engagement around their reports. elaine

- user

May 22, 2010

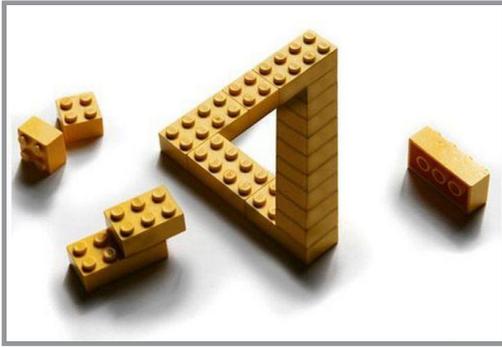
---

of course you're right. and as you put it in your words: experts - that was my meaning

## Is your CSR Report an Optical Illusion?

Wednesday, May 19, 2010

One thing I learnt very early on in life is that "Things are not always what they seem" . This brief phrase is the basis for suspending judgment about people and situations. It's the basis for an open mind, acceptance of others, and the ability to take a (more) balanced view about many situations. Optical illusions , as in the LEGO photo (above), taken from a post called "crazy optical illusions that will blow your mind" reinforce the fact that what we see is not always the truth. Optical illusions, quoting the above post, are



"visually perceived images that differ from objective reality" .

So it is, from time to time, with CSR Reports. Sometimes, what you see is a poor reflection of a great Company who just hasn't learnt to communicate effectively all the fabulous and important sustainability stuff they are doing. Sometimes, what you see is a report which would have you believe that a company is doing great sustainability stuff when in fact, they are

not.

I often use the phrase "Things are not always what they seem" when I am reading CSR Reports. I try to look behind the words written on the page or the website and get into the heads of the people that wrote the report. What were they trying to achieve with this report? Who were they trying to speak to? What constraints did they have to contend with in the writing process? Why did they choose to include this piece of content in this way? What is it important for them to project? What did they not report on? What did they really mean ? Are they trying to create an optical illusion with their report or are they close to objective reality?

Of course, it is not easy to answer these questions and the bottom line is that we all have to make our own judgement about the degree of "objective reality" presented in any report. I am reminded of an **excellent review of the British American Tobacco Report of 2008** , written by my highly skilled sustainability-consulting colleague **Michelle Bernhart** . Whilst Michelle is quite positive about the overall quality of the report, she ends up her review with the question: *"While BAT asks the obvious question about whether tobacco can even be sustainable, it fails to ask the other one lingering in our minds: can we actually trust anything this industry says?"*

To round off, my plea, as ever, is for us to retain a sense of perspective when we read CSR reports. Let us not believe they are absolute objective reality, that's almost an impossibility. They will always be a reflection of many different influences in any organization. Even though the data might be accurate, the selection of data to present might be based, in part, on the desire to create an optical illusion. Reports are an important (I believe, vital) window to the sustainability performance of a Company, but they are only one piece of that Company's reality. In reading reports, we need to be appreciative of what Companies are trying to tell us, but also critical of the way they present and what they present. We have to suspend our own judgement and read, as far as we can, between, behind, above and under the lines, with a glance to the left, right and reverse views. Clumsy presentation may hide outstanding performance. Slick reporting may mask inadequate performance. In both cases, we should try to give credit where it's due, and seek improvement by feeding back our perspectives to the reporting company.

Anyway, one thing I am pleased about is that this morning's Chunky Monkey breakfast was certainly not an optical illusion (as can be corroborated by my waistline measurement).

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 09:26AM (+03:00)

## Comments

- Clayton

May 19, 2010

Great post Elaine, and a very helpful and healthy perspective, clearly emanating from your wealth of experience working with those on the 'inside' seeking to get their stories out in the best possible way, often via multiple internal challenges. As with any type of assessment and reporting, constructive engagement around the report is likely to elicit greater insight and understanding (and future improvements) than merely accepting a report at face value or leaping to conclusions.

- elaine

May 20, 2010

Thank you Clayton for reading and for commenting. Glad we agree!

## CSR Reporting Harmony

Tuesday, May 18, 2010



Earlier today, I read with interest the post from Nancy Mancilla and Alexandru Georgescu, two GRI certified training partners in the USA on Triple Pundit , entitled **How Balanced are CSR Reports?** As I read through the post, and the analysis of leading reports and how they "balance" the three categories of Economy, Social and Human Rights and Environment in their reporting, I noted that *"Cisco and*

*Qualcomm scored the best overall, while GAP and Symantec achieved poorer results than others"* . I fully agree with the authors that sustainability reporting should contain all elements of triple bottom line performance at least at a minimum common denominator level, as well as other aspects such as stakeholder engagement. This is important, as the authors, state, to ensure the report is a full representation of sustainability performance and not just a PR exercise. I wondered, though, if ranking the reports on the basis of balance of these factors, as though achieving "balance" were a worthy objective is not a bit, well, unbalanced. It reminded me of a section I wrote for my forthcoming book on CSR and Human Resources (read about this on [www.csrforhr.com](http://www.csrforhr.com)) where I wrote, in relation to the elusive aspiration to achieve work-life balance:

*"...what we are aiming for is harmony. Harmony between the different roles each of us chooses to perform in our lives, blending in with our work role in a way which energizes us to do and be all that we want. Given the predominant amount of time we spend at work, a stressful situation at work can have a singularly negative effect on everything else that we do in our lives.....We all need to consider each different facet of our lives and how things hang together. "* Harmony does not necessarily mean balance.

**What is harmony in CSR Reporting ?** It is not necessarily ticking off all the GRI Reporting framework indicators and achieving absolute symmetry in the content split in the report, though the reporting framework is a good guide to inclusiveness. It's more about assessing where the most material issues are for the business and stakeholders, and reflecting this, assigning the appropriate amount of detail and space to each topic according to its material relevance, complexity and degree of relevant company performance. The material issues addressed by Gap Inc and Cisco are entirely different,

and the degree of attention of their sustainability programs in the business will differ by virtue of this. Equally, with a Company such as Gap Inc, supply chain issues may be far greater a priority than environmental issues at a given point in time, whilst with Cisco, technology topics may dominate their report. Clearly, as mentioned, a certain coverage of all bases is required to qualify as a sustainability report, but a balance of these could be a dangerous objective, encouraging the company to force-fit their report in areas which, perhaps justifiably, are not on their top-level radar. A harmonious report would reflect a good sustainability infrastructure across the board, and strong performance in some areas. Sort of like the approach developed by Marcus Buckingham in Now Discover your Strengths which transformed the way we think about performance development. We cannot all be best at everything. Companies cannot be best at everything. Reports should reflect that.

I am best at reporting and eating Chunky Monkey. Very balanced.

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en) or contact elaine on [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen)**

Posted by elaine at 09:19PM (+03:00)

## Comments

- [MallenBaker](#)

May 19, 2010

---

Hi Elaine

Just for the record -we agree!

We'll make a reporting iconoclast out of you yet!

- [elaine](#)

May 19, 2010

---

thanks Mallen, nice for you to comment. I suspect that we agree on far more than our occasional altercation suggests :) Would't the world be boring if we agreed on everything ALL the time? I admire your work and writings on CSR. thanks again, elaine

## Who will be the FIRST to talk about YOUR CSR report?

### Monday, May 17, 2010

**Disclosure:** This is a bit of a sales pitch for a new service related to reporting. I wanted to make you aware of a new offering by CorporateRegister.com and 3BL Media, and myself. It's called the **VideoReportAlert** and as its sounds, building on the highly popular and effective ReportAlert service offered by CorporateRegister.com, it uses the innovative and attractive format of video to announce your sustainability reports to stakeholders in a format they can easily absorb via one of the most extensive distribution networks available.

**This is the press release announcing the new service.**

You see, one of the things about sustainability reports is that you have to work very hard to get people to take an interest in them. No matter how fascinating, fair, balanced, well

written or well designed your report is, it's not the Taj Mahal , the Leaning Tower of Piza or Stonehenge. People will not flock in their droves to get a glimpse of it just because it exists. They will not suddenly decide to descend on your website, click on the tab that says Sustainability Report , if there is one, and spend hours reading it online. They will not analyse your sustainability KPI's before doing their weekly shopping, and they will not take your report to the beach to read as they bask in the sunshine. Your report is a non-issue for them. With the exception of a few professionals who are in the know, for most people, sustainability reporting just hasn't hit the radar. Despite the fact that over 6,000 companies report on sustainability around the world, the reach of sustainability reports is still not exploited to its full potential. Say the words CSR report to anyone who's not associated with reporting professionally and you draw a blank. **Before you can get people to engage around you report, you have to get them to know that it exists.**

So, what do you do? You have written your report, you are really proud and quite exhausted. All that is needed is for people to NOTICE it. Oooooops. Not happening. What next?

The question of "what next" is actually something you should plan long before your report is published. What to do with a report after it is published is the most important question you can ask, early on in the process, before you even start to write. Missed that ? OK. Fine. Now you have published, you issue a press release. A proportion of your target audience will notice. You send a few hundred (thousand?) copies to stakeholders. Fine. More people take note. You advise all your Facebook and Twitter fans and shoot a message over to Linked in. Brilliant. You're getting there. Nevertheless, at the end of 2009, **youTube was getting ONE BILLION HITS per day**. Clearly, this is where people are (also) (mainly?) going in order to hear about new stuff, get informed and entertained. And there are many other video hosting sites around too. **Why not take advantage of this and bring your report to where one billion stakeholders are hanging out every day?** Present your report using this massive network of video channels. This will enhance exposure to your report tremendously and will not only inform but be more effective in encouraging more people than ever before to take a look. BUT. It takes time and effort to produce a video. You are dead beat just producing the report. You didnt plan for additional expense of producing more communications materials. Here is where we come in. **Let us do it for you.** With this new service called **VideoReportAlert**, we prepare for you a short video highlighting the key points and personal insights from your sustainability report in a lively way, and actively promote the video throughout our extensive networks. We can put this together within 7 days at a very reasonable price that won't be too much of an obstacle even for smaller companies. If you want to know more, ask me, or write to **info@corporateregister.com** . Perhaps your **VideoReportAlert** could even go viral! But even if it doesn't, you can be sure that it will enhance exposure for your report and the interest of a much wider range of stakeholders. **Let us be the ones to start off the conversation about YOUR report.**

In the meantime, see Paul Scott, CEO of CorporateRegister.com talking about **VideoReportAlert (VRA)**

Also, you can take a look at the **VRA** we prepared using the HP Citizenship Report for 2009.

Finally, you can read more details of this service on the **VideoReportAlert** section of the **CorporateRegister.com Services** page [here](#).

See you on camera!

**elaine cohen** is co-founder and co-CEO of **Beyond Business**, a leading social and environmental consulting and reporting firm. contact elaine at [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen) or Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 07:54PM (+03:00)

## Does your CSR report suffer from Genericitis?

Sunday, May 16, 2010

**Genericitis:** ge-ne-ri-cit-is | n. | a common disease found in a large proportion of CSR and Sustainability Reports which cause them to be boring and unreadable. Usually causes readers to skip over several chunks of content.

**Overview** About 80% of all Sustainability Reports issued suffer from **genericitis**. For some, this is a chronic disease which recurs every time a report is published, for others it reduces in acuteness as the reporting companies gain experience and focus. **Genericitis** usually affects the parts of the report where the reporting companies have limited performance or data to disclose, due to the common perception in reporting that even if you have nothing to say, you have to fill the pages with something that might look impressive. The disease is in part caused by zealous adherence to the GRI reporting framework, through trying to respond to all the management disclosure sections, but may also be reflective of the typical communication style within a particular company. **Genericitis** is sometimes called a crippling disease because it completely destroys the ability of the Company to leverage the report to stakeholders and engage them in meaningful discussion. **Genericitis** usually occurs in reports following the GRI framework at application level C , first reports, and very very very long reports.

**Symptoms** The main symptoms of **Genericitis** include long, meaningless, boring sentences which could be deleted without losing any of the relevant messages. In some cases, this extends to paragraphs, and in extreme cases, full pages. Usually these sentences are declarative, use positive phraseology and are designed to make the reader think that the Company is serious about the subject referred to.

**Diagnosis** Diagnosing **Genericitis** is very easy. All that needs to be done is ask 10 people to read the report. If they dont make it to page 7, you know that **genericitis** has affected the report.

**Remedies** There are several remedies for **genericitis**. The first and the easiest is to equip yourself with a good keyboard which has a delete button. Identify all the affected texts and use this delete button as often as needed. Read the report once through after this process, and if you still understand everything that is said, you have cured the report. However, the **genericitis** may recur in future reports unless you go to the root cause of the disease. The root cause can be found in one of two sources: the first is inadequate company sustainability performance. If the company has not performed, the likelihood of **genericitis** occuring is high. Get your company to review their sustainability strategy and performance and make some changes. The second root cause is the people who write the report. Make sure they are competent writers and skilled communicators who understand the professional context and know how to create focused, succinct

descriptions of your Company performance. Just because they work on sustainability doesn't mean they know how to communicate it best to a wide range of stakeholders. Use of copywriters is usually best avoided as they tend to have a different agenda, but prudent consultation with communications professionals could be an advantage. The best approach would be to use a professional sustainability reporter to write your report with the support of an inhouse team. (haha. plug!)

**Drugs** There are no drugs currently available for **genericitis**. The remedies mentioned above should assist in addressing the symptoms and in some cases, avoiding relapses of this debilitating disease. However, reporters are advised to maintain a supply of anti-inflammatories (for swelling of the eyeballs during the proofreading phase), relaxants (for reducing the stress associated with reporting and internal politics) and antibiotics (to avoid being infected by carriers of genericitis).

**Examples of genericitis (taken from 2010 published reports)**

*We recognize that a diverse work force gives us the best opportunity to succeed. The greater the variety of ages, cultures, backgrounds and skills brought to a project or task, the greater the likelihood the best possible decisions will be made.* American Electric Power, 2010

*The safety, health, and well-being of our people are of paramount importance to us and our stakeholders and are critical to our ability to conduct our business. We provide industry-leading safety programs to minimize hazards in the workplace and continually monitor our safety progress to ensure that our programs are working as effectively as possible.* Cemex 2009

*We continually canvass opinions from a number of key stakeholders, asking them for their view on the issues we should be addressing, our strategy, performance and stakeholder engagement work. The feedback we get helps us to refine our approach, and ensure that we are continually strengthening our stakeholder relations.* ArcelorMittal 2009

*Climate change remains a feature of the global political agenda and a major concern to many of our stakeholders. We believe it is prudent to reduce our carbon footprint by reducing our energy use, our waste to landfill and our travel.* British American Tobacco 2009

*Our strategy is directed toward aligning our business, environmental and social performance. We manage this strategy by setting explicit goals and objectives in all three areas and by holding ourselves accountable for meeting them.* American Electric Power, 2010

*This report is intended to provide information useful to our stakeholders, including our consumers, employees, customers, investors, business partners, community members, and governmental and nongovernmental organizations.* Kelloggs 2009

**Recommendation to avoid contracting genericitis** If you took all the reports suffering from **genericitis** and extracted the generic content, you would have several complete reports which any CEO could sign. In order to make your reports **UNIQUELY RELEVANT** to your business, interesting and original, and to give your report the best possible chance of serving as a platform for stakeholder interest and engagement, **you must make sure that every single sentence adds meaningful value, is in line with your report theme and could not apply to any other company. Make best efforts NOT to appear in the Encyclopedia Generica of Sustainability Reporting.**

elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 05:40PM (+03:00)

## Comments

- [MarcusChung](#)

May 17, 2010

---

In my humble opinion, genericitis can also be caused by excessive review by a company's legal team! So many of my best observations, charts, graphs, hypotheses often ended up on the cutting-room floor.

- [Anonymous](#)

May 17, 2010

---

Another great article Elaine.

Yep- definitely recognise this one. Genericitis has even struck some of the reports I've managed (though glad to see my clients weren't on your list!) - as extra phrases have crept in along the way... Deeply committed to ...(so what are you doing about it?)... continually monitor ... (How continually- monthly, weekly, daily, hourly- every minute- every second?) ... We recognise the importance of health and safety... (Who doesn't?)

That said, reading your examples I was also struck by the thought that a report serves many purposes- that sometimes it's as much about what a company goes through to create a report (thinking about impacts/material issues, measuring performance, setting targets etc) as the report itself- and that what may seem obvious when you've been on the CR journey a while- can be quite a novel thought early on- for instance amongst those business people who thought that the only stakeholders were shareholders - and that none of this environmental/social 'stuff' was relevant to shareholders.

For these people genericitis can be insightful- particularly if the words come from a senior person- who is telling them, for instance, that H&S is critical to their ability to conduct business. Similarly, articulating who your stakeholders are might seem obvious to some but for others it is a very different way of thinking to a totally shareholder focused approach.

So genericitis might not be great for the external reporting expert... But it might be part of an internal culture change that (hopefully) leads to more meaningful reporting- backed by robust data... to which I am deeply committed, continually monitor- and for which I recognise the importance of...

- [elaine](#)

May 18, 2010

---

Hi Marcus, yes, I have been there too.. you write a great report, really transparent and then the lawyers turn all the important stuff in to generic wishy-washy statements ... I couldn't agree more!! Perhaps genericitis started in the legal office ?!  
thanks for reading and commenting!  
elaine

- [elaine](#)

May 18, 2010

---

hi Anonymous! Thanks for your comments. Yes, I agree. Sometimes, in my posts, I take things to an extreme, of course, to make the point more vividly. But there is of getting away from a certain amount of "genericitis" in reports. Somewhere, you have to say what you stand for, and this is always more of a broadbrush statement. Yes, I agree that sometimes reflecting the internal journey is important. Thanks for great insights! elaine

# Don't ditch CSR reports

Friday, May 14, 2010

Quick Quiz: Reporting and Communicating. What's the difference ?

Apparently there are quite a few people around who don't know that there is a difference between reporting and communicating. Apparently these people believe that a CSR report is a failure because it fails to attract a readership worthy of Jackie Collins, Agatha Christie and William Thackeray Shakespeare all rolled into one. Apparently, the fact that droves of consumers don't rush to seek out every single PDF sustainability report download on a company website indicates that the entire reporting movement is a total failure. Apparently, reporting has BECOME communications and it has FAILED. Why do I say this ? Well, this week, we saw two more "down with CSR reports" posts from two people whose knowledge, writings and experience I respect tremendously, but, nonetheless, have fallen into the trap of, wrongly IMHO, pointing an accusing finger at CSR reports as inadequate failings of the sustainability process.

The first was Mallen Baker in his post entitled **Why CSR Reporting is still ugly**. Mallen writes that *"CSR reports have become the equivalent of avant garde art. Experts queue up to declare it beautiful, whilst ordinary people stand in front of it slightly baffled wondering just what it is meant to be."* In other words, he says that *"reports don't work for ordinary stakeholders"*. He doesn't define what an "ordinary stakeholder" is .... an investor ? an employee ? a supplier ? a community activist ? an environmentalist? a human rights specialist ? a consumer ? a socially conscious consumer ? a professional CSR person? a manager? a Chairman of a Board ? a regulator ? Who on earth is an "ordinary" stakeholder ? And for whom exactly don't reports work ? Only 4,000 reports are issued every year around the globe. The annual double digit growth of CSR reporting numbers is much stronger than the growth of any of the reporting Companies over the past 15 years. 20% of all reports issued each year are first reports from Companies getting transparency for the first time. More and more companies are following, as reported by Jennifer Hicks on Triple Pundit in which she claims that **CSR Reporting is gaining steam**. So much steam about something no one knows what it is meant to be ? Come on.

The second was Olivia Khalili in her post entitled : **Want consumers attention? Ditch the CSR report**. No doubt this sensationalist headline will attract many readers and retweeters, and maybe, many will look at it and think : "Yes, absolutely!". Apparently, these are also people who don't know the difference between reporting and communications. How does Olivia explain this attention-grabbing headline ? *"The contents of a CSR report almost never reach consumers' eyes because they're not visible on the company's website and they aren't relatable or engaging. Companies write CSR reports for their stakeholders, but few take the critical steps to engage consumers in their accomplishments (and shortcomings!). And so they leave tremendous value on the table..... Don't write a report. Reports are read in the boardroom and the classroom, not by consumers and employees. Create something that celebrates what your company has done and gets stakeholders excited about the future challenges you're set to tackle."* I suspect that not many Sustainability Reports are actually read in the Boardroom, frankly. Despite good governance practices which everyone talks about, Directors are still way off being fully engaged in sustainability dialogue. And why can't you issue a report AND get stakeholders excited about future challenges?

These posts are sensationalism and attention grabbing but they lack substance and, I believe, an understanding of the difference between reporting and reports and communications. Let's put this into perspective:

**First, a report is the summary of all the material information about a company's**

**sustainability information in one place.** There is no other document in any business which serves this same purpose. If it's not complete, it's not a report. If it's partly on a consumer label, partly on a website, partly in a round table discussion with employees, partly in a cause marketing campaign, partly on a supplier order form, it's not a report. It's pieces of communication. A report is a document, whether printed, PDF'd or online, it's an integrative document which shows at a given point in time, where a Company is on the sustainability journey. Not every stakeholder will be interested in every part of the report, but because it's a report, it must contain the complete scope of the content. If it does not, it is impossible to gain a balanced view of the Company's performance - it may be abusing human rights in one part of the world, whilst communicating happily on green innovations to consumers somewhere else. This is the point of reporting versus specific communications. Anyone who has an interest can see all aspects of a Company's impacts. It seems obvious that if the report is online, rather than just an Acrobat icon for download, it stands to attract more attention. However, not everyone has round the clock internet access (HP report in their **2009 Global Citizenship Report** that only 20% of the world's population is currently online), and the ability to download to hard-disc and read a report during a flight to the **GRI conference in Amsterdam**, or whenever the connection is down, is big advantage.

**Second, a report is the cumulation of a reporting process which is the thing that drives change in the business.** The very need to report, the very need to publicly commit to targets, to transparency, to explaining the context and the impact of the Company's actions is a real tangible driver of decision making in the businesses. Talk to any SERIOUS reporter and you will find this to be true. Of course, if you talk to the PR-style reporters, the ones who fuel the blog posts such as those mentioned above, you will find that nothing happens between one report and the next, and that performance remains static. This is because they are not serious about sustainability, which is the first premise of reporting. You must have sustainability **performance** in the business before you can report about it. If you do, the reporting process, which involves many internal and external players, focuses the business and the decisions that need to be made. My experience is that this works. Categorically and unequivocally.

**Third, a report is a PLATFORM for communication, it is not the communication process itself, and it is not the end of the process.** It is the beginning of the process of stakeholder engagement. What do you engage stakeholders around? Around your sustainability impacts and performance. How do stakeholders know what your sustainability performance looks like. They have a report they can read. But just hanging a report on your website and hoping that enlightened and enthusiastic consumers will race to download it at the earliest opportunity is like hoping that the Queen of England will start eating Chunky Monkey for breakfast. (Oops, maybe she does!) Aside from a few reporting freaks like me, NO-ONE will download your report unless you incentivise them to do so, by engaging their interest in what makes them tick. This means using the report as a PLATFORM for creating a conversation with different stakeholders. It means tailoring your **communications process** by working with different stakeholder groups on parts of the report content that are relevant to them, in different ways and via different channels. **Marcus Chung wrote a post about how he read a United Airlines CSR report** as he was on a flight and it was in the seat pocket. A banking client of mine puts copies of their report in their branches for people who are waiting in queues to read. Another client of mine who runs a cafe has a pamphlet on the tables next to the menu advising of the report and key messages. Everyone who orders a coffee gets Coffee and Report. How many Companies are bringing their reporting to their stakeholders? **CSR Reports is getting the message OUT. Communications is getting the message THROUGH.** To get people interested in your reporting, you have to take the message to where they are, and

do it in a compelling way. This may be as simple as putting your report in a place where your stakeholders will find it and will have time to read it, or it may require a little more effort, such as producing special product labels for consumer goods, sending out teasers, running a competition, setting up an **Earthkeepers** dialogue as the innovative Timberland does, polling your readers as Adidas does, getting people to make a pledge as Marks and Spencer, Starbucks and others do. Establishing a presence for your report on Social Media. How many Companies have a CSR Report page on Facebook ? This is engagement and communication. You have to go where your stakeholders are. For more ideas, see my post called **27 ways to make your CSR report buzz**. This kind of engagement can happen when a Company has got its sustainability story sorted out, which is significantly helped by the reporting process and the report.

My point is that reports, in and of themselves, are worthless. Like your new hybrid Mercedes if you never drive anywhere in it. But, the fact that companies are not doing what it takes to create the communications and the dialogue around the reports is not a reason to say ditch reports. That's throwing the baby out with the bathwater, as my mom says. Instead of indulging in yellow journalism, and blasting the internet with headlines like reports are ugly and ditch them, I would like to see headlines that say "CSR reports are a basis for engagement", "CSR reporting should be more fully exploited by Companies" "We are not yet seeing the full potential of CSR Reporting" or even "**CSR reports are fascinating**". Why don't we see more conversation about what needs to be done to ensure that the investment in CSR reporting actually delivers? What are the naysayers doing to feed back their specific comments to Companies about how they could improve their reporting and what they, as **ordinary** stakeholders, are looking to see? Sigh. No answers. Apparently it is easier to moan and groan, rather than take a responsible approach to helping Companies report more accurately, more transparently, more succinctly, more engagingly. As I write, I notice a **post by the Guardian on their blog**, in which they ask readers "for help" in determining what the Guardian should be reporting about this year. **Nice**. Yes, I agree, reports need to get better. Yes, I agree that many are too long. Yes, I agree that following the GRI framework in a mindless way delivers boring and stilted reports. Yes, I agree, that reporting must be more interactive, more real-time, more contextual, less self-flattering, more connected to the business reality. But no, I do not agree that reporting is ugly, or that we should ditch reports or the reporting process.

Rant over. Mallen thinks I take this too personally. Well, what's not personal in this world ? Of course, I have a vested interest as I make a living (of sorts) from , in part, reporting. However, I write based on an absolute conviction that sustainability reporting serves an important purpose in driving sustainability and a positive contribution to business results. I have seen it. I hear reporting companies confirm it. I believe my work in reporting serves a valuable purpose, not just because of the reports themselves, but because of the transformation I witness in Companies that report.

Finally, as I complete this post, I notice that the **SAP 2009 sustainability Report** is now online. The one referred to in the Ditch Reports post. Certainly looks interesting. An example of how more accessible reporting is evolving. More on that another time! But, where can I download it ? Hahaha.

**elaine cohen is co-founder and co-CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 08:38AM (+03:00)

## Comments

Hi Elaine

If your blog post were a CSR report it would get full marks for completeness. But could have done with third party verification on some of the facts.

Specifically, I have never called for CSR reports to be scrapped. You can win any argument by misrepresenting the other side and then showing why the arguments they never made are wrong.

And it doesn't matter who I think the stakeholders are - when I speak to people responsible for reporting I ask them who they think their reports are aimed at - and whether those people are reading them.

There are a lot of people engaging in wishful thinking. We all want reporting to succeed, because it has the potential to lead to better outcomes for business and society. For some, that means we should see what's happening through rose-tinted spectacles. The article you quote is one of these - the quote about how reporting is rebuilding trust in business post financial meltdown is inspired by a GRI project - hardly surprising then, really. But the premise that the financial crisis is increasing the interest of mainstream investors in CSR reporting is just not supported by the evidence.

And this is the point. If we fail to see the world as it is, we will do a rubbish job at changing it. CSR reporting needs considerable improvement before it will work. If you want it to work, as I do, you do it no favours by pretending all is hunky dory in the playground.

Particularly because some of the leading companies ARE now getting frustrated. They know that a report is a form of communication - if it has no audience, it has no point.

Suppose financial reporters decided one day to leave profit figures out of the annual report. There would be outrage. Why? Because the audience for those reports expect to see that information.

I worked on a report for a company recently where we ignored the GRI, focused on the direct stakeholders (employees, customers and suppliers, since you ask) and ended up with a much smaller, more tightly focused, more simply written report. Testing has shown some progress made in making this work for at least two of those audiences. No howls of outrage from anyone else. None.

What I tell people is to treat the CSR report as a communication, and find the audience. Within the bounds of common sense, why chase the audiences you don't have, rather than the ones you do?

---

- elaine

May 15, 2010

hi Mallen, thanks for commenting. Actually, I suspect we are saying a lot of the same things and feel that we basically agree that trnsparency and reporting is important and that Companies need to get better. In conversations with the GRI, I understand that the investment community IS looking to see more ESG data, whether as a result of the financial crisis or in spite of it.

What's wrong with focusing a report on employees, customers and suppliers? There are primary stakeholder groups. I am all for making reports focused. That's what reports are intended to be - addressing the MATERIAL issues, not a shopping list.

Where we differ is that you say treat the report as a communication. I say treat the report as a PLATFORM for communication. A "report" is a formal document which we expect to contain certain elements. Otherwise, its a communication and shouldnt be called a report. It could be a CSR update, CSR review, CSR Communique .. anything. When you call your document a REPORT, you set an expectation that it will contain certain core elements. Again I repeat that if Companies are frustrated that their report has no audience, they are not doing the right things in their commincations proceses. The report might be fine. If you buy a Mercedes, you have to put the key in the ignition to get it to take you to where you want to be.

elaine

## The habit of winning

Saturday, May 08, 2010

CERES - ACCA have done it again with the **CERES-ACCA North American Sustainability Report Awards**. for 2009 reports. By again, I don't mean just holding the Awards and picking the winners. I mean picking the SAME winners. Again. See my **post of December 2009** in which I predicted Timberland in (joint) first place, Ford in (joint) second place and Seventh Gen in SME place. (Seventh Gen was a POC, as they were the only SME shortlisted) Timberland and Ford won in 2007, Seventh Gen won in 2005 and 2008.

It seems that there is a certain inevitability about reporting awards, I suppose. As one who reads hundreds of reports (before breakfast) (more after breakfast) , it is very clear that certain reporters stand out from the crowd in one way or another. The CERES-ACCA winners are well-deserved, not only for producing excellent reports, but for doing it time and time again, and more importantly, for doing the work that enables them to do the reports. Congrats to all!!

Having said that, awards are about encouragement of reporting and reporters. They are both recognition for a job well done, AND a message to other reporters that their work is important and can also gain recognition. There are many many good reports out there than can win awards, so if all the top places are (albeit, one might say, justifiably) gained by a handful of Companies who "got it" a long time ago, I wonder how we encourage others to continue to participate? There were some excellent other reports shortlisted such as Intel, AEP, GE and more.

Perhaps there should be a category for Past Winners. Anyone who has won in any category in 3 prior years gets to be in a Best of the Past Winners category ? That might give due recognition to those who have shown themselves to be ahead of the pack, whilst clearing the floor for some new names on the leaderboard. A sort of creme de la creme award.

Just a thought. Hey, that's what blogs are for, right ? Maybe someone will run an award for the best csr reporting blog ? hahaha

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 11:10PM (+03:00)

## Comments

- [FabianPattberg](#)

May 09, 2010

---

Hi Elaine. I would actually love to see a category for the past winners. Seventh Generation winning so many awards is a good sign but gets boring eventually.

And it gives the impression that there are no new companies out there reporting on their CSR activities.

- [MehrdadNazari](#)

May 09, 2010

---

Hi Elaine, I rest my case... ;-)

<http://prizmablog.com/2010/04/22/are-awards-a-barrier-to-sustainability-reporting/>

- [elaine](#)

May 09, 2010

---

hi fabian, thanks for your reply! elaine

- [elaine](#)

May 09, 2010

---

hello Mehrdad, yes, I thought of your post when I wrote mine! And yes, reporting awards tend to confirm that the best reporters win year after year. This shows that world -class, consistent reporting always seems to shine through. However, this does not appear to prevent companies reporting, with around 20% of all reports being first reports year on year, nor does it stop them from entering awards. So, dont rest your case just yet :) thanks for commenting, elaine

## 17 facts from #CSR reports

Saturday, May 08, 2010

One of the reasons that I find Sustainability Reporting so facinating is that I learn so much about so much. Aside from the individual company processes and performance data, reports are a wealth of information about just about anything. Most often, this is information is related to an aspect of the reporting Company's business but sometimes, it can be just anything at all. A sort of trivia geek's paradise. A "must" for aspiring winners of "Who wants to be a millionaire". In fact, if you put all the 30,000 or so reports that have been published end-to-end, extracting all the useful pieces of information, you might end up with a compact edition of the Encyclopoedia Britannica. Here are 17 examples of useful bits of trivia you can find in Sustainability Reports.

In 2010, International Data Corporation (ID C) estimates the world will create 988 exabytes of data—18 million times the amount of information in all the books ever written.  
**HP, 2009**

25% of the world's population already lives under water stress (less than 1700 m3/person/year). **Nestle 2009**

If they are plugged in, computers still consume energy (standby power) when powered off. **Nikon, 2009**

Every year up to 500 million people are affected by malaria and over one million die from it, mostly young children in Africa. **Glaxo Smith Kline 2009**

As herd animals, hogs are most comfortable moving side by side in groups. **Smithfield Foods, 2008**

Solidified fat is one of the biggest causes of blocked sinks and can lead to blockages in our sewers. **Wessex Water plc, 2009**

In the late 1960s, it was anecdotally reported in the United States that postprandial discomforts such as numbness, general weakness and palpitations occurred after eating at Chinese restaurants. **Ajinomoto, 2009**

Automakers are moving toward lithium-ion batteries for next-generation HEVs and for PHEVs and BEVs. These batteries have greater energy density and are lighter in weight than nickel metal hydride batteries. **Ford, 2009**

An estimated 776 million adults—16% of the global adult population—lack basic literacy skills. **HP, 2009**

In 2007 the total losses sustained by the software industry as a direct result of software piracy were in excess of \$40 billion worldwide. **Symantec, 2008**

It is predicted that global CO<sub>2</sub> emissions can be reduced by 11 million tons in 2010 and by 120 million tons in 2020 through the expanded use of solar cells. **Asahi Glass 2009**

Rotavirus, a severe diarrhoeal illness, is the second biggest killer of children under five years of age. **Glaxo Smith Kline 2009**

An estimated \$1.2 trillion is wasted annually in the U.S. healthcare system, with redundant procedures and inefficient administration cited as two of the largest reasons **HP, 2009**

In Japanese, the word inochi has a deep reverberation and subtle nuances. It implies a universal perspective and worldview. **Ajinomoto, 2009**

Half of secondary school science teachers in the UK have had no subject training within the past five years. **Glaxo Smith Kline, 2009**

Agriculture employs over one-third of the world's working population and three-quarters of the world's poor people live in rural areas. **Nestle 2009**

The human tongue can distinguish the five basic tastes: sweet, sour, salty, bitter, and umami. **Ajinomoto, 2009.** (errrr, umami ? hmm, not sure my tongue knows what that is...)

The next time you think that reading a sustainability report is just about reading a report, remember that, if you take the time to look beyond the cover, you will find that there is more to reports than meet the reports. It can be quite an enriching experience. Ha Ha. Well, moderately enriching. Oh, and watch this space, I might just announce a

competition in the near future on CSR Report Trivia , so get swotting. NO PRIZES for guessing what the prize will be. Ahem. OK, begins with C and rhymes with FUNKY.

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 08:27PM (+03:00)

## Comments

- [StevenGoldman](#)

May 10, 2010

Your tongue definitely knows what umami is, even if you haven't heard the name before. It's the 5th taste sense, commonly referred to as savoriness.

Interesting list! There's a lot of great info to be culled from governmental reports as well, like those from the U.S. GAO.

- [elaine](#)

May 12, 2010

Thank you Steven for the umami explanation. Next time I order Chunky Monkey, I will ask if they have an umami version. haha. just joking :)  
And thanks for reading and commenting. I am always amazed at the little things I learn from Sustainability Reports!

elaine

## Listen sustainability at Barclays

Saturday, May 08, 2010

Every so often you come across a little touch in a CSR report that makes you think: "Mmmmmm, that's neat!" . So it happened with the Barclay's plc Responsible Banking Review for 2009. On the back cover of this 36 page review, Barclays note:

**To request a large-print format or audio version, please email [sustainability@barclays.com](mailto:sustainability@barclays.com) .**

Mmmmmmmmm, that's neat! Their whole report in audio format ? That, for me is really going the extra mile in the interests of meeting all stakeholder needs. I haven't seen this before.

In this report, Barclay's 10th, Group Chief Executive John Varley projects a no-nonsense view of the banking industry, its issues, its failures and its responsibilities. I like his straightforward style. He talks about the heated debate by the public about the role of banks which is "*understandable*" but "*often clouded with hyperbole and misrepresentations*" . In setting this straight, John Varley reminds us of the five core activities through which banks must contribute to society:

- providing reliable and efficient payment systems
- delivering safe storage (for deposits and savings)
- maturity transformation (converting savings into loans)
- asset management
- investment banking.

Barclays' responsible banking themes are : responsible finance, financing the future (addressing global challenges such as climate change) and citizenship (investing in communities) . However, whilst Barclays did not take the government bailout at the end of 2008, there was some backlash at their alternatives for raising cash to bolster their financial position. A discussion of this topic didn't make it on the materially assessment radar reported in the Responsible Banking Review, so don't expect to read this in large-print format or listen to it in audio.

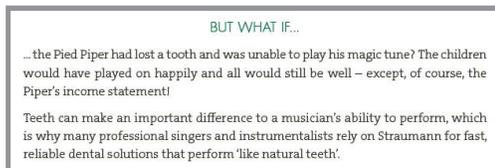
One other interesting thing about this report is The online feedback page / reader survey. The survey asks for feedback on the report in a number of areas. However, on this online form, there is no request for, or opportunity to include, your contact details. I understand that some might prefer to provide feedback anonymously, and that Barclays may not want to follow up with everyone who provides a response, but shouldn't it be in Barclay's interests to know who is giving them feedback and have the opportunity to follow up with those who provide it? **Feedback should not be a one-way street, it should be the basis for dialogue.** Simply asking for feedback without the opportunity to engage those providing it would seem to me like eating the chunky without the monkey.

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 08:23AM (+03:00)

## CSR and the rat race

Saturday, May 01, 2010



I was starting a review of a sustainability report for CorporateRegister.com and the thought popped into my head that what we are talking about when we say CSR and Sustainability Reporting can be termed

RATS for short.

The Rat Race (rat in singular) as we know it, tends to refer to a negative thing, it's a term for endless self-defeating or pointless pursuit! I suppose some of you may equate that to Sustainability Reporting (don't all shout at once) . Rats are often not credited with anything other than being a pain and a pest. Even the town of Hamlin hired Van Johnson to rid the town of millions of these unwanted guests. But, my thoughts about rats came from a different direction. Rats themselves live purposeful lives and make an important contribution to space exploration. They are considered to be fantastic pets, warm and cuddly, and very intelligent, as smart as dogs and completely willing to learn new things. If you were born in the Year of the Rat, you possess outstanding qualities such as creativity, honesty, generosity and ambition. Rats are scavengers and will eat just about anything, and therefore make a major contribution to environmental sustainability. Rats are community minded and live in colonies of 50 to 60 rats, making sure they care for all members of their community in true social spirit. Rats are real survivors and can fall 5 stories and live to tell the tale.. or should I say tail. Rats can survive without water longer than a camel which obviously is a benefit for water scarcity. There are 56 species of rat, which makes them a valuable element of diversity in our biosphere.

There are many references to rats and CSR. For example, in the book The Debate Over

Corporate Responsibility, the authors talk about a typical CSR response to rat poison regulations. Indo Agri uses barn owls to control rats which are a threat to sustainable palm plantations, and Rentokil has a Rat Alert project in which volunteers run around capturing rats as their flagship CSR community contribution. Novo Nordisk report using nearly 60,000 rats and mice in animal experimentation in their 2009 Annual Report, and many other pharma Companies report on rat-use for similar reasons, whilst Dong Energy refer in their report to discount rats (page 101) (but I suspect they meant to refer to rates, not rats, and that they ought to fire their proofreader). And the most creative mention of rats in a CSR report goes to Straumann Holding AG, a global leader in implant and restorative dentistry, who tells the story of the Pied Piper, and then asks:

hmmm. Stretchng a point, no ? But full marks for imagination. And guess what, The German Council for Sustainable Development, who ranks sustainability reports is called a Rat.

But, aside from the obvious connections I have made above, what's the connection between the genus Rattus and CSR Reporting? I will now reveal all.

In my world, **RATS** stands for:

- Responsibility (of a business for its impacts)
- Accountability (of a business to its stakeholders, and its engagement with them)
- Transparency (of a business about its sustainability performance in the form of reporting)
- Sustainability (of a business through oportunities to improve performance whilst contributing to creating a better world.

Perhaps we should start changing the name of sustainability reports to RATS Reports? Perhaps we should have RATS Employee Engagement programs in the business? Perhaps we should have RATS Scorecards, RATS Reviews and RATS Communications Strategies ? Maybe we can convert the RAT race into a RATS Race ? In any event, if you really dont like the potentially negative connotations of pursuing a RATS strategy, you can always practice word-scrambling and convert your RATS strategy to a STAR strategy.

oh, and rats just LOVE chunky Monkey. So I hear.

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:31AM (+03:00)

## Comments

- [FabianPattberg](#)

May 01, 2010

---

Nice article Elaine. I love the RATS abbreviation meaning. I am not so sure about the new way of calling the reports RATS reports. STAR sounds a lot better! :-)

Great insights as always.

Have a great weekend.

Fabian

- Maria

May 01, 2010

Is it Chunky Monkey that makes you so insightfull, yet the funniest CSR writer around?!  
If yes, I'll have a go for sure! :-)

- elaine

May 02, 2010

Hi Fabian and Maria, thanks for reading and for commenting! RATS RULE! hahahah  
elaine

## The Transparency Index 2010

Friday, April 30, 2010

It's Transparency time again. Last year, we produced the **first ever Transparency Index** of the leading Companies in Israel listed on the Tel Aviv Stock Exchange (the Tel Aviv 100). Now we have done it again with the ... drumroll .....

### 2010 Transparency Index of leading Israeli public Companies

The 2010 results show a FAIL for Israeli Companies with average transparency at 33% , despite a slight increase over 2009 (31%).

Corporate Responsibility and sustainability are not a valid proposition without transparency, we believe, and therefore we see great importance in tracking the transparency levels of Companies. Of course, this Index does not say anything about the QUALITY of the Company's sustainability performance, though we believe that there is a definite correlation between transparency and performance improvement over time.

For all the details including which Companies are in the lead, and which lag far behind, for the detailed placement of all the 100 Companies in the list, and for analysis and interpretation of the results, download the full report.

To see how the Jerusalem Post reported on this - take a look here.

Happy to hear what you think. What's the transparency of top Companies in YOUR Market or sector ?

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:33AM (+03:00)

## CRRA Summary

Monday, April 26, 2010



And to round it all up, the CorporateRegister.com **CRRA '10 Awards Brochure** on Global Reporting Trends and details of the 2010 Awards Winners and almost winners is now available for download.

You can read about how the winners won, and the overall state of global sustainability reporting from one of the most authoritative sources there is.

Couple of highlights ? OK, you persuaded me.

- Global sustainability reporting output has risen every single year since the start of the graph in 1992 - reaching around 3,500 reports in 2009
- Europe leads reporting, and the gap between Europe's lead and other countries is widening with close to 2,000 reports coming out of Europe
- About one-fifth of all reports in any given year are first reports.
- CSR reports and Sustainability reports are by far the most dominant - about 70% - with a small percentage of reports covering single subjects. (According to CorporateRegister.com, a sustainability report is a CSR report which includes economic information).
- About 5% of reports are "integrated" reports - less than 200 in 2009, and only a slight increase versus 2008.
- Close to 40% of reports use the GRI framework, mainly European reports

Of all the votes received, some were invalid, leaving 6,981 valid votes. Of these votes, Europeans were the main voters, followed by Americans and Asians. Corporate CSR professionals were the main voters, followed by people in service organisations, whoever they are, with CSR consultants and students making up the next biggest groups of voters. Academics, investors, journalists, NGO's and regulators made up the remaining 17% or so of the votes.

The report on How the winners won is interesting and gives, as in previous years, the top ten reports in each category and an analysis of scores, characteristics of the winning reports, and which voter groups voted. Couple of highlights ? Nope. I've done enough. Go look for yourself!

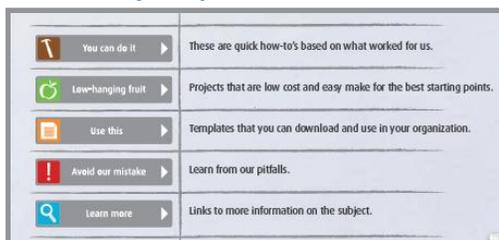
PS: Can't wait for CRRA '11 :)

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:01AM (+03:00)

## Softchoice - the different CSR report. Really!

Saturday, April 24, 2010



**Softchoice issued a "new style" CSR report.** (which I picked up via Google Alert and a CSRWire.com press release). Well, how many times have you heard that "new-style" thing before ? New, different, groundbreaking, unique, remarkable... how many Companies think they have produced

something absolutely original when really its same sort of stuff with a picture of a different kid on the cover, or a few extra links, or an e-book which takes till 2050 to download ? **STOP.** Softchoice has really done it ! **Their report is really "new style"** . It's really different from the pack.

It's part of a suite of what **Softchoice calls their "Sustain-Enable" web-based report site.** The site contains a downloadable interactive ebook style PDF in the style of a spiral notebook with handwritten graphics, sketches, photos, text and links. OK. So far so good. Also, the site contains several CSR themed vids which all look interesting, though the

one that intrigued me was the one called the "Tie Jacket". Watch it here and see what it's all about:

What is also interesting on the Softchoice report site is their offering of tools for readers to reapply their own learnings and processes. You can download templates for a Supplier Green Audit, a Travel Carbon calculator, a Commuter Survey Sample, or a Light Bulb Project Plan and more. In other words, not only are Softchoice reporting their progress, they are also sharing the way they did it. This is quite unusual for a CSR report. Some Companies share policies generously in their reporting, but I must say that I have not yet come across a report that deliberately makes a conscious choice, perhaps we should call this a Softchoice, to share their tools and processes. CEO David MacDonald says the theme of the report is about "Sharing". Yep. They live up to that. Here is the way they do it:

A creative and engaging approach to reporting ! **Learn from our pitfalls** - for example, make sure you consult with people in the business before shutting off their computer automatically to save power. Some people might have different needs. **Low-hanging fruit** - for example, make sure you know what your electronics recycler is doing with your assets. Some of the tips are modestly self-serving for example, a **You can do it!** tip includes "When you place your next hardware order with Softchoice, make sure you ask for the consolidated shipment option" ! But, what the heck, they deserve a few extra orders for sheer creativity!

The report is delightfully full of the people who make CSR at Softchoice, even including a 4 year old bulldog who accompanies "Mom and Dad" to the office and a host of photos and vids of the Softchoice people.

The Report itself is a GRI C level, and reasonably comprehensive, and for a mid-sized business with under 1,000 employees, its a major achievement. Their **first report** was pretty good, too!

**Thumbs up to Softchoice!** You can see they had a lot of fun writing this report! I bet they like Chunky Monkey as well.

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 08:28PM (+03:00)

## Comments

- Edwin

April 25, 2010

---

I work at Softchoice and it absolutely made my day to see your great coverage of our CSR. We really hope that this guide will help and inspire other organizations to learn from our progress (and our mistakes), and have some fun doing it. There are only a handful of mid-size organizations in the world who do a GRI-ready CSR, and there should be thousands - thanks for spreading the good word!

- Lavinia

April 25, 2010

---

Edwin, what a wonderful way to start my day with coffee. The key ingredient in any organization striving for success, is to learn from its mistakes.

More key is creating a company that people like to come to work for every day.

I enjoyed Elaine's post and I would love to know more about your company culture and the leadership values that shape your network - company and all its stakeholders.

So if someone can say more about this, I will come back and read.

- ChrisJarvis

April 26, 2010

---

LOVING IT! Great article and hats off to Softchoice.

There is sooo much room for innovation and good ideas when it comes to CSR and reporting on corporate achievements. Thanks for being a leader in the field, Softchoice. I'll be pointing people in your direction as a great example of what's possible.

Maybe the best part is that this kind of reporting is all so 'do-able' and compelling.

Thanks for the great analysis and write up Elaine. Your blog is the best destination on the web for all things CSR Reporting (and ice cream, although I find you're a bit biased to one particular falvour).

Cheers!

- elaine

April 26, 2010

---

Edwin, Lavinia and Chris, thanks for reading and for commenting!

Edwin - glad to spread the word about good work!

Lavinia - on the ball as always!

Chris - thanks for the compliment. Guess I will keep posting, then. :)

Have a great week, all!

elaine

## Starbucks online report 2009

Friday, April 23, 2010

Got a DM from **Ashley Jablow**, brilliant #CSR blogger at the [www.thechangebase.com](http://www.thechangebase.com) who referred me to the new **Starbucks online CSR Report** and says: "*Thought of you when I saw SBUX new CSR report online - curious to get your take as a reporting pro?! "* (Hope you don't mind me publicizing your DM, Ashley!). Anyone who knows me, knows I am a sucker for reporting questions, so I took a look at the report.

The first thing that stikes you as you land on the home page are the 13 little icons that display the Goals and Status in all the key areas of the Starbucks sustainability program. These are not just ordinary icons. They are animated icons. As you plop your cursor on each one, the icon does its thing, wiggles around, changes size, the wind-turbine rotates, the recyclable cup squashes into a ball of waste, the trees move with the wind, the sun shines, the building lights up, the fairtrade coffee beans jump from hand to hand and

more. It's really neat. I thought to myself, What better way to get people to click through ALL the icons, just to see what they are going to do, and in the process, learn about the way Starbucks has progressed in its CSR goals? Most of us are kids at heart, right? Clicking through animated icons is like a kids game. It a neat way to make CSR communications fun.

The rest of the report is nicely put together, taking advantage of many of the online pyrotechnics that are available today. As you double-click on each goal area, you get to a page describing the progress towards the goals in more detail and a further click brings you to the story and how Starbucks have done what they did. Nice design, compact, engaging presentation.

However. If I stop rolling my cursor around the fascination of the jumping icons, I find some elements that I would expect to see in a sustainability report are missing. For example, whilst Starbucks maintain several collaborative relationships, which is a sign of a mature approach to business and sustainability, there is no dancing icon for stakeholder engagement and description of stakeholder dialogues and feedback to Starbucks about concerns and aspirations. Although Starbucks talk about engaging millions of consumers and getting their feedback, linking to the new Shared Values blog, there is only actually one post by a Starbucks Marketing Manager and no feedback from any consumers to date. Interestingly, there is no flip-flop icon which points to the way Starbucks addresses its responsibilities as a responsible employer, creating a responsible workplace. Nothing at all relating to workplace practices and employee engagement. Achievements against goals in the downloadable scorecard are impressive, but it's not clear what Starbucks are committing to in the future - some targets run thru to 2015, some to 2012 and some stop in 2009. What's on the menu for 2010/2011 ? The assurance statement covers only coffee purchasing practices. What about milk ? And other raw materials? I couldn't find data about Starbucks overall environmental footprint, and the entire scope of retail practices in the Starbucks business are not covered. So, this is a very partial report, focusing only on a limited number of Starbucks sustainability elements, but doing so in a very engaging way.

I will add that from my perspective as an external stakeholder who tracks sustainability practices and reporting, I do feel that Starbucks are doing good stuff. Their three overarching focus areas of ethical sourcing, community involvement and environmental stewardship are important and Starbucks is making focussed progress and doing some really exciting things, such as the Farmer Loans program. However. sustainability reporting and transparency should be more comprehensive. Starbucks has had its share of criticisms leveled at its retail practices, supply chain issues, union busting, wasting water in stores, low wages, etc and it would be of interest to see how this Company is behaving in all areas of impact, not only the ones it has, apparently unilaterally, selected, significant as these may be.

Anyway, off to try a Chunky Monkey macchiato, now. Suggest you stop playing around with those icons and do the same! Thanks Ashley, for providing me with the inspiration for this blog.

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:45AM (+03:00)

## Comments

- REACHSCALE

May 05, 2010

Enjoyed your entertaining review of Starbucks CSR report. At MIT Sustainability conference recently a Starbucks exec stated that they view their social responsibility efforts as garnering permission to operate in communities around the world. This shift in view is overdue at many large companies.

Given the shift the lack of employee engagement information is surprising. Seems one of the main benefits Starbucks would be seeking is to engage their millennial workforce in these causes, since those same millennials are writing the rules of the social media venues Starbucks covets--see April 30 post. <http://www.reachscale.com/>

- AmandaP

September 17, 2010

Thanks for writing on Starbucks CSR; I will have to check out their report (enjoyed your commentary). I just wrote a post on Starbucks CSR as well, from my personal experience there: <http://www.lipsticking.com/2010/09/starbucks-speaks-csr-to-sweet-tooth.html>

## Who didn't win the CRRA 10 awards?

Thursday, April 22, 2010

Following previous posts on the Winners of CRRA '10 and insights on CSRWire and VODAFONE and 888 Holdings, and after congratulating the worthy winners, I thought it might be worth taking a look at the ones who didn't win. I have picked one entry in each of the nine categories which in my view deserves a mention. I left out reports which were voted in one of the top 5 places in each category. I think I will call this the Chunky Monkey Alternative Reporting Awards. CMARA for short. hahahaha.

### **Best First Time Report:**

#### **Corporate Express Australia, 2008 Sustainability Report**

46 pages, GRI B level, GRI checked, not assured. Corporate Express is a leading supplier in Australia of business supplies and IT solutions. The report is clear, nicely but not overly designed, well but not simply written with no pithy CSR-speak fillers, constructed in a format which I find appealing – the four areas of impact – marketplace, workplace, environment and community – with clear targets for all sections and evidence of deep consideration in the management of sustainability. Watch out for their next report in coming up in September 2010.

### **Best SME Report:**

#### **Spring Romance Properties 34 (Pty) Ltd, Sustainability Report 2008, Impahla Clothing.**

37 pages, GRI B+ level, third party checked. This Company has a great name and a great history. With a cover stating Impahla to be "SA's first carbon neutral garment manufacturer" and showing thumbnails of Impahla clothing's employees, who are photographed all the way through this report, Impahla shows SME's how it's done. Impahla is a supplier of the sportswear leader PUMA, and participated in 2006/7 in a project to drive CSR reporting through the supply chain, led by the GRI in partnership with leading multinationals.

Impahla is a privately owned African Company with just under 90 employees, of which 87% are female and 97% are non-white, manufacturing a mere 176,000 garments per year. They started exporting only in 2008, and are realizing impressive growth. Their learnings from embedding sustainability processes and reporting are worth reading. Concrete examples quoted are increase in sales by 15.8% and reduction in electricity consumption by 40% per garment. This second report is a delightful, highly readable, professional and informative model for SME's everywhere covering high level material issues such as the use of technology through to day-to-day developments including team achievements such as "Appointment and training of Joyce as our first Shop Floor Safety Officer". Read it!

**Best Integrated Report:**

**CEBU HOLDINGS Integrated annual and Sustainability Report 2008**

CEBU Holdings is a real estate and property development Company in the Philippines and this is their second Integrated Annual Report. I make no secret of my reservations about integrated reporting, and the challenge of combining financials and non-financials in one report in a way which adds value over separate reports, however, CEBU make as respectable job of this as one can expect, with a GRI Level B report. The report is nicely designed with wonderful photography. Whilst pages 85 through 135 are financial statements, irrelevant for the sustainability professional, the sustainability section is strong, clear and demonstrates a systematic and logical approach to CSR. Their list of stakeholders and engagement processes is the longest I have ever seen, and stakeholder commentaries are a nice addition.

**Best Carbon Disclosure:**

**AMCOR Ltd Sustainability Report 2009**

Amcor is a packaging Company based in Australia, and this 50 page, GRI B+ report is straightforward and systematic, identifying the key sustainability challenges for the Company and reporting in detail on what Amcor is trying to achieve and how they are going about it. Carbon disclosure is well covered with details of emissions by operating location as well as an extensive environmental section.

**Best Creativity in Communications:**

**WPP Group Corporate Responsibility Report 2008/2009**

This 91 page, seventh CSR report from WPP Group is nothing if not creative! The designs is incredibly fun! The report is not only design, however, and includes serious and professional content about WPP's approach and programs in all relevant CSR and sustainability areas. Several case studies from P&G, Unilever, Timberland and more provide evidence of the WPP CSR approach in action and the report includes a pro-bono showcase which I am sure must be the pride of the Company.

**Best Relevance and Materiality:**

**Catalyst Paper Corporation Sustainability Report 2008**

I have always been a fan of this Canadian paper manufacturer's reporting, and this 6th report under the heading of "Decisive action in changing times" is another great effort. It's a 40 page GRI C report, focusing strongly on the impacts of the financial crisis and the need for decisive action which included closing a paper mill and issues of profitability as a basis for sustainability, reversing the modest losses of 2008. A good report by a company committed to sustainable business.

**Best Openness and Honesty:**

### **Jubilant Organosis Corporate Sustainability Report 2008**

This a pharma and life sciences Company based in Uttar Pradesh in India, owned 50% by the founders with the remaining shares held by financial organizations and the public. The Company has been reporting on sustainability for years and this report is a good example of a non-nonsense approach to reporting. Key material issues have been identified, including, for example, the shape of epoxy putty (who could have guessed?!) and the report presents a good selection of data in its 61 pages, confirming with GRI A+ level. It's a little wordy, but presents a good picture.

### **Best Credibility through Assurance:**

#### **Ericsson Corporate Responsibility and Sustainability Report 2008**

This is a nice report which goes straight into the discussion of the Company's most relevant issues, including 5 top issues from employees and top issues from customers and investors. It's a 42 page GRI B+ level report, assured by Det Norske Veritas who generally produces good statements. This one is a little short, and lacks recommendations for the future, but a nice touch is a case study of the DNV team in verification of the China office and other places. The inclusion of the verification process in the body of the report rather than only as an isolated statement at the end is an innovative idea, and adds to understanding and credibility of the assurance process.

And for the **BEST Report**, I select

#### **CASCADES Inc 2008 Report on Sustainable Development**

Partly due to my weakness for first time reports, and partly because this is a nice report, and partly because I left this to the last, and I have already picked most of the other reports I would be prepared to give a non-winners award to, I selected CASCADES Inc. This is a paper and packaging Company based in Canada, employing 13,000 people in the USA and in Europe. Their report, which is a 60 page first timer, following the GRI at an undeclared level but containing a full GRI index, is brilliantly creative in its design, rather off-beat, not easy to engage with, actually, with a mix of bold statements filling one page each, strong visuals and very detailed pages with relevant content. However they get their message across, for example, in a plea for greater recycling, the backbone of their business, they ask "As citizens of this planet, who are we to throw out 50% of our potential raw materials? ". It's a report worth taking a look at, if only to learn more about the creative ways a Company can deal with environmental impacts, and how to make an impact with your reporting style.

**The above is a collection of great reports and great reporters**, well worthy of the Chunky Monkey Alternative Reporting Awards. Each one, produced with care and commitment, and many with great skill. Each one, the baby of someone. As I read through all these reports, I can't help but wonder why there is such a great outcry against the Sustainability Reporting movement. These reports are filled with such insights, such fascinating stories of people, businesses, communities and in some cases, wonderfully expressive pictures. You may call me obsessive, and I have been called worse, but I love these reports and believe they serve great value. One thing: Give reporters your feedback because as good as they are, they can all be better.

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 08:38PM (+03:00)

# 888 People Planet Play

Wednesday, April 21, 2010



888 Holdings plc is a leading global responsible online gaming Company, who produced their first CSR report entitled People Planet Play in 2009. This report took third place in the CRRA '10 Reporting Awards hosted by CorporateRegister.com, in the category Best First Time report. Alongside other impressive first timers such as the Walt Disney Company,(whose report won first place) and Brasil Foods (who won second place) , and Corporate Express Australia, and Jumeirah Group of Dubai, and more, the 888 report was voted into third place by the CorporateRegister multi-sector stakeholder public.

**Disclosure:** 888 holdings is my client and I worked on the development and writing of this report :)

Founded in 1997, 888 Holdings plc is a great Company, with revenues of over \$260 million, and employing over 1,000 people at its operational bases in Gibraltar, Israel and Antigua. They operate in line with all the relevant codes of practice governing online gaming and are a founding member of eCOGRA, the independent standards authority governing online gaming standards, regularly winning awards for their advanced responsible practices. The Company participates in the United Nations Global Compact and their first report served also as their first Communication on Progress. As an online gambling business, responsible gaming is at the core of their considerations and after many hours with the Corporate Responsibility and Responsible Gaming Director, Ruth Tanami, and other people within the Company, including the Human Resources team who do a great job of creating a culture in which values are always top-of-mind, I can testify to the fact that responsible gaming, and other aspects of leading a responsible business are at the heart of business decisions and in the consciousness of the Management. The Company has a dedicated responsible gaming website, which includes a self-assessment for people with difficulties in managing the way they play, and advice and tools for all those who want to know how to enjoy the game without getting into hot water. The first CSR Report for 888 is a 90 page, GRI A Level, GRI checked report and includes a Materiality Analysis which, not surprisingly, includes responsible gaming and prevention of youth gambling as core to the success of their business and high in the minds of stakeholders. One of the most successful community initiatives of 888.com is the Annual Charity Day in which the online gaming community is encouraged to select a charity to which the 888.com site donates. This raised awareness and cash (the Day raised \$100,000 in 2008), and has been continued in subsequent years.

Congratulations to 888 for a great approach to responsible business in an industry which contains inherent risks, and for the determination and professionalism in delivering a first CSR Report. It is always a pleasure to see clients gain recognition for good work!

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
**photo credit: from CorporateRegister.com report profile page**

Posted by elaine at 09:41AM (+03:00)

# A TRIBUTE TO VODAFONE !!!

Wednesday, April 21, 2010

**Vodafone has won Best Report in the Corporate Register.com CRRA '10 Reporting Awards for the third consecutive year.** Since 2004, Vodafone has been using their signature format "We have, We Said, We Will", is a powerful approach which stands the test of time and clearly attracts and interests stakeholders. In this post, **I pay a tribute to Vodafone** for maintaining leadership in sustainability, transparency and world class reporting. Anyone who has ever read a Vodafone report, or even part of one, will know, as I do, that they really do produce exceptional reports, both on a global level and in many individual locations - - you can check out Vodafone Australia, or Vodafone Albania, or many others. Vodafone locals produced 11 reports in fiscal year 2008/2009. These are not just translations of the global report. They are genuine reporting efforts tailored to the needs of local stakeholders. Not only are their reports designed with clarity and flair, the Vodafone online Corporate Responsibility site is a pleasure to navigate.

## **Vodafone's winning reports over the past few years:**

Year Ending March 2009 – CRRA 10, Best Report, Best Report for Relevance and Materiality, Second Runner Up for Best Credibility and Assurance

Year Ending March 2008 – CRRA '08, Best Report, Best Report for Relevance and Materiality, Best Report for Credibility and Assurance

Year Ending March 2007 – CRRA '07, Best Report, 9th place in Best Relevance and Materiality, 7th place in Best Openness and Honesty, GRI Readers Choice Awards 2008, Honorable Mention.

Year Ending March 2006 – ACCA UK Best Report

Vodafone Espana CSR Report 2006-2007 – GRI Readers Choice Awards, 2008, Honorable Mention

Vodafone Malta Corporate Responsibility Report as at 31 March 2006 - CRRA '07, 4th place in Best First Time Report category.

The Vodafone Report for the year ended March 2009 won by a clear margin of around 100 votes. (I think one of them was mine!) This is their ninth annual Corporate Responsibility Report and is called "Mobilising Development", which, if you think about it, is a nice play on words. The report is an interactive PDF with a tabbed page navigation system, and icon hyperlinks within the report which makes navigating the PDF a dream. Other links also lead to the web pages. The issues are stated up front and the stakeholder engagement discussion is nicely detailed. There is even a list of issues raised by investors, with climate change and Base of Pyramid Initiatives being top of the list by a long margin, and a clear Materiality Matrix, something which only the best of reporters include. Increasing access to communications is Vodafone's top material issue representing both a significant business opportunity and a source of socio-economic value. This is described in Vodafone's now almost trademarked way, and the "we said have and will" sections accordingly completed. One example here is the commitment to offer a phone option for the visually impaired, hearing impaired and elderly customers in every market that Vodafone operates in by March 2011. The nice addition in this report, in response to stakeholder feedback, is the inclusion of an entire section on Vodafone's new Indian business. The assurance statement is well detailed and does a good job.

I think the thing that most stands out about Vodafone's reporting style is that the language is crisp, relevant and lacks frills. Vodafone says what they mean to say. They

don't waste lines of their report with generic platitudes, but every sentence packs a punch. It's only 60 pages, but each one counts. Quotes from experts, and their photos add a measure of colour and credibility to the report.

All in all, I concur with the masses of Corporate Register voters that Vodafone's report is outstanding and a model for many Companies. Clearly, reporting is a reflection of the business, and it does seem that reporting at Vodafone reflects a core approach of sustainability, which is present in all business decisions. The only question remains, which is, can Vodafone maintain this quality and leadership in reporting? CRRA 2011 will reveal all!

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 07:28AM (+03:00)

## CRRA ' 10 THE WINNING CSR REPORTS

Wednesday, April 21, 2010



And the moment we have all been waiting for: drum roll please ....

**The winners of the third annual online CRRA reporting awards** hosted by **CorporateRegister.com**. In this post I will content myself with listing the winning reports. Just so you

know. Over the next few days and maybe even weeks... haha.... I will bring you more detailed insights about the awards, the process, the significance, the trends and the reports that won and the reports that didn't win. Yes, even amongst the non winners there are some real gems.

CRRA Reporting Awards, the only global online awards for CSR and Sustainability Reports, attracted over 8,000 votes in 2010 (40% more than last year) and provides a reliable window on reporting trends and best practice.

### **CONGRATULATIONS to all the WINNERS !**

So without further ado:

#### **Best Report WINNER**

**Vodafone Corporate Responsibility Report for year ending 31st March 2009**

Runner up #1: BP Sustainability Review 2008

Runner up #2 : Cooperative Group Ltd, Sustainability Report 2008/2009

#### **Best First Time Report**

##### **WINNER**

**The Walt Disney Company 2008 CR Report**

Runner up #1 : Brasil Foods SA - Annual Report of Sustainability 2008

Runner up #2: 888 Holdings plc Ltd CR 2008 - People Planet Play

#### **Best SME Report WINNER RecycleBank LLC - 2008 Second Nature Reporting on CSR**

Runner up #1: Instituto Ethos - Sustainability Report 2008 Runner up #2: Allen & York Ltd CSR Report 2008

**Best Integrated Report**WINNER**Novo Nordisk 2008 Annual Report**

Runner up #1: BASF SE - Report 2008

Runner up #2: Veolia Environment - Annual and Sustainability Report 2008

**Best Carbon Disclosure**WINNER

**Hewlett-Packard Company, Global Citizenship Report 2008**

Runner up #1: BMW AG, Sustainable Value Report 2008

Runner up #2: Royal Dutch Shell plc - Sustainability Report 2008

**Best Creativity in Communications**WINNER

**Coca Cola Enterprises Inc, 2008 CRS Report**

Runner up #1: The Walt Disney Company, 2008 Corporate Responsibility Report

Runner up #2: General Electric Company - 2008 Citizenship Report

**Best Relevance and Materiality**WINNER

**Vodafone Group plc - CR Report for the year ended March 2009**

Runner up #1: Volkswagen AG - Sustainability Report 2009/2010

Runner up #2: BP Sustainability Review 2008

**Best Openness and Honesty**WINNER

**Virgin Media Inc, Our responsibility report 2009**

Runner up #1: BP sustainability Review 2008

Runner up #2: Co-operative Group plc - Sustainability Report 2008/2009

**Best Credibility through Assurance**WINNER

**Banco Bradesco SA - 2008 Sustainability Report**

Runner up #1: Volkswagen AG - Sustainability Report 2009/2010

Runner up # 2: Vodafone Group plc - CR Report for the year ended March 2009

and a special word of admiration and thanks to Paul Scott, Managing Director of CorporateRegister.com who created these awards three years ago and maintains an absolutely critical finger on the pulse of sustainability reporting. Great work, Paul!

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 02:32AM (+03:00)

## What a waste!

Friday, April 16, 2010

Every so often, I come across absolutely wasteful packaging. Here is another example from my own market. I challenge you to find similar examples from your market.

The product is an aluminium can of the most basic brand of instant coffee you can buy in Israel, on offer with a bar of chocolate with hazelnuts. The offer is the two products packaged together, presumably at a discounted price (I didn't compare prices). Here is how it looks:



See all that cardboard ? What a waste? Consider the design costs, printing costs and inks, the additional bulk in shipment of this product, the pallets, the handling, the additional space on the supermarket shelf. I would even go as far as to suggest that by taking all that extra cost out of the supply chain, they could probably give two bars of chocolate away for free. How will the consumer dispose of that corrugated cardboard ? Straight to the household garbage bin, and off to landfill with the weekly garbage collection. How much extra cost is in that process given the hundreds of thousands of units this manufacturer will sell, I assume? How many unnecessary tons of waste ? I am not an engineer, nor a marketer, but it bothers me when I see such uncalled for waste in our system. Climate change or otherwise, it's just thoughtless abuse of our environment. I am sure the Company involved is not intentionally behaving irresponsibly. In fact, this company, the **Strauss Group**, is one of

the leading and most respectable Israeli-based global food Companies, practising corporate social responsibility, accountability and transparency. The Company has issued two high-quality Sustainability Reports and is a model for our market. The Packaging Development Manager quoted in the **2008 report , Environment Section**, states that impact on the environment is a "paramount value and critical factor" in their approach to design. So, what went wrong ?

Once again, I point to the massive challenge of truly embedding sustainability in the business, and ensuring all employees are active in influencing process for improved sustainability, however small they may be, at every stage in every process. How come it takes me, albeit an aware and conscious consumer, to notice this? How come the hundreds of employees involved in the design, manufacture, delivery and shipping of this product don't come up with a more environmentally friendly alternative, **before** it hits the shelves ? Someone **within** the system needs to speak up. Instead, in examples like these, we can only assume silent complicity or total lack of awareness on the part of everyone who designs, authorizes, handles and delivers this product.

The coffee and the chocolate are great, by the way. :)

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 02:45PM (+03:00)

# One for all and all for one ?

Friday, April 16, 2010

This week CSRWire published my editorial on the subject of integrated reporting. **You can read it here.** Thanks CSRWire!

Integrated reporting is a very interesting subject and one which usually polarizes opinions of experts. The book **"One Report"** by Eccles and Krzus, which inspired me to write, is a strong advocate for integrated reporting and even suggests that every company, public or private, everywhere, should be bound by legislation to produce an integrated financial and non-financial report. The authors' recommendations do not stretch as far as to suggest what level of detail of non-financial content should be published in these reports, and this is open for debate, but they do attempt to present what they call a "compelling case".

Except that I personally do not find it all that compelling. My piece in CSRWire explains why.

That's it. Short and sweet. Well, short.

**elaine cohen** is the CEO of **Beyond Business**, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 12:43AM (+03:00)

## Inspiration from Microsoft

Friday, April 16, 2010



Today I had the pleasure and privilege to attend an event hosted by Microsoft R&D in Israel. The event was entitled **Women Think Next** and it was organised in the best of taste, for a primarily female audience, to raise awareness for issues of women advancement in hi tech and to encourage networking which, as everyone knows, women are not good at. All guests were presented with personalised networking business cards and were asked to make it an objective to exchange them with other women, in the true spirit of networking. I cheated! I saved a couple to show you in the photo below. (You can see my name written in Hebrew on the upper card).

The event opened with a showcase video of a selection of Microsoft women, including one whose job was "Developer and Platform Evangelism" (what on earth is *that* ?) and another wearing a T-shirt on which was written "I'm not slacking off, my code's compiling". All these Microsoft women described how they enjoy life at Microsoft, friendship, networking, flexible work arrangements and advancing in their career. It can be done, apparently.

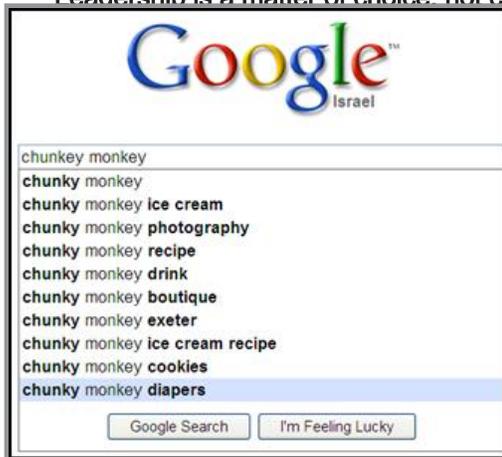
Of the range of impressive speakers at this morning event, two made a strong impression.

**Dina Dublon**, who sits on the **Board of Microsoft** (one of two women in the team of 9) and on the **Board of Pepsico**, amongst other things, gave one of the most inspiring talks I

have heard in a long while. A little business, a little personal, a little good advice. Born in Brazil, and having served for many years as CFO of JP Morgan Chase, overseeing several important mergers during her tenure, she freely shared her advice for women wanting to reach and even break through the glass ceiling. Summary of her words of wisdom:

- **Be demanding:** asking for what you want is much rarer among women than it is among men. Push for what is important to you.
- **Perserverence:** Dont quit when you are stuck. First get unstuck!
- **Own your own development:** No one else will own your development as you do. Display curiosity. Men have problems giving critical feedback to women. Don't rely on others to tell you what you need.
- **Confidence:** If you don't have it, pretend you have. Don't share all your anxieties when presented with a new challenge. Accept and give the impression that you are confident. Grow to be comfortable with yourself and who you are in your role. Men have the opposite problem - they are usually over confident!

**Leadership is a matter of choice, not chance.**



Dina also shared her thoughts about how CEO's need to change, and I was gratified to hear her stress the importance for CEO's of **creating sustainable value**, thinking long-term, creating cross-sector partnerships and practising an approach of Think Global Act Local rather than just paying lip-service to this way of running businesses.

The above advice was delivered with the assertiveness of a women who has experienced the challenge of working her way up, and succeeding, in a male dominated environment, and with the charm and personal anecdotes of one who

clearly holds much influence. Women like Dina help to give us confidence that our global corporations consider their responsibility and accountability to stakeholders.

The other speaker of note was **Yoelle Maarek**. This bubbly young lady with an infectious personality and a very French accent talked about her work at Yahoo, and prior to that at Google and IBM. She has spearheaded some important innovative technology changes, such as the Google Suggest application which brings up all sorts of interesting options when you are searching for a term via Google. I tried this with Chunky Monkey and this is what I came up with:

Chunky Monkey daipers ? Well, there's a thing...

This event was a pleasant few hours in the midst of our crazy-busy lives, to sit back, reflect a little, learn a little and enjoy the company of old and new friends. A great initiative by Microsoft and one which aligns with their efforts in **corporate citizenship**. Wonder if it will get a mention in their next CSR Report ?

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:10AM (+03:00)

## A new reporting trend: Events

Tuesday, April 13, 2010

Just as I was thinking about my next blop (blog post for the uninitiated), up popped a fantastic question from my Twitter friend @Juliengoy. He asks: Do you think its relevant to write a CSR report for an event ?

Now isn't that an interesting concept ? Of course, asking me, a committed reporter (there are some that agree that I should be committed. Make of that what you will), is quite rhetorical. **Of course, it is relevant to write CSR reports for events.**

Lets take a look at what's out there with regard to CSR and sustainability for events management:

You have all heard of **BS8901, the British Standard for Sustainable Events**, updated in September 2009 which covers financial, environmental and social risks involved with events of all kinds. The **London Olympics in 2012** will be a sustainable event according to the guidelines established by London 2012. There are many web resources that assist in the planning of sustainable events, such as **EventSustainability.com** and the **Sustainable Events Planner**. The **Virgin London Marathon published a Sustainability Report for their event in 2009** and the **European Offshore Wind 2009 Conference and Exhibition published a Sustainability Assessment Report of their event**. You can even find a **brilliant presentation on the subject of sustainable events on Slideshare** posted by **Michael Luehrs**, and if you are quick you can just catch the **Third Annual Sustainable Events Summit in London on 19th april 2010**.

All of the above should be unrefutable proof that sustainability events are an event, and that reporting of sustainability events is a necessary element of such events. I will even suggest that we are seeing a new reporting trend emerging .

However, in thinking about this a little further, I realise that I haven't noticed anything out there that represents a standard for CSR reporting of such events. Clearly, the entire GRI Framework is a little top-heavy for a single event and wasn't designed for this purpose. What would the performance indicators for an event look like in CSR language? What would be the material issues? Which metrics ? Which core disclosures? This is quite an interesting subject and if I have time, I might be tempted to hold an event just to to discuss how we would report it. And you can bet that with any event that I organize, a core sustainability metric would be the amount of free Chunky Monkey available to all stakeholders.

Julien, mon ami, does that answer your question ?

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting fitm. Visit our website atwww.b-yond.biz/en**

Posted by elaine at 09:23PM (+03:00)

### Comments

- nfrcsr

April 13, 2010

---

I think the GRI is developing Events sector supplement:

<http://www.globalreporting.org/ReportingFramework/SectorSupplements/Events/>

Actually, "The third meeting will take place in London, on 14 & 15 April 2010."

- PeterKorchnak

April 14, 2010

---

Interesting - makes sense.

As I'm working on a self-published/print-on-demand book project right now, the post brought up the issue of reporting on a book.

I guess you can have a CSR report for any product.

- Julien

April 15, 2010

---

Elaine, thank you so much, this is great and truly helps!

I have to admit that indeed, my question was in a way rhetorical! I was almost sure that you would say a big "yes", but was curious about your "Here's how to do it". The links you provided us with seems to be interesting.

I'm really looking forward to reading the GRI's sector supplement. In my opinion ,two points are to be reported on carefully: how we deal with the waste we create during the event and; how do people come to our event (by car, public transports, carpooling, etc.). And what about the social dimension?!

- elaine

April 16, 2010

---

Hi Jernej, thanks for the info and correction. I had missed the GRI Events sector supplement.

Hi Peter, interesting, good luck with the book concept.

Hi Julien, yes, you make good points. My interest in this topic is increasing, so watch out for more coverage in the future :)

Thanks all for reading and commenting! elaine

## CSR Reporting in China

Saturday, April 10, 2010

Yesterday I attended a **Global Reporting Initiative** webex presentation and discussion led by Sean Gilbert on the state of CSR and CSR reporting in China. It was quite fascinating to hear of some of the different perspectives, trends and challenges facing the development of accountability and transparency in the Chinese corporate world and I will share some of Sean's insights here.

Sean Gilbert is an experienced team member of the GRI and now serves as the China Focal Point, to assist the development of reporting processes in that country. The sheer size, impact and current state of development makes China a fascinating country full of both risk and opportunity in CSR terms. Over 200 million people in China are still living on \$1.25 per day, and China is the second largest emitter of GHG gases in the world. Sean talks of an explosion of interest in CSR and Sustainability driven by the Chinese government as a policy initiative to embrace transparency via CSR and greater

accessibility of public information. This is being done with policies to promote CSR in business, and in recent years the perception has changed from businesses as a platform for economic growth and job creation, to organizations which must display considerations of their role in society and the environment. This is just as much about the Chinese government leading the rewriting of the social contract of business with society as it is about displaying responsible behaviours and aligning with sustainability trends. Much of business in China is done via Chinese state-owned businesses and the Government is committed to these businesses reporting on sustainability, developing a CSR department and implementing CSR by 2012.

Sustainability reporting is developing rapidly in China, with around 700 reports produced in 2009, from around zero in 2005. The quality of Chinese reporting varies, and tends to be more qualitative than quantitative at this stage, partly because Companies do not have the systems in place to monitor and measure, and partly because there is a low level of comfort with a high level of detailed disclosure. Reporting tends to be more focused on the role and responsibility of the business in society rather than specific sustainability impacts.

Sean spoke of Chinese Companies using reporting not so much as an external disclosure tool and communications function, but more as a management practice which enables the development of good management processes in the business and more systematic benchmarking of performance. One of the key benefits, though, of the development of reporting is that it offers, perhaps for the first time, an opportunity to engage - reporting creates use of a common language and common framework for relating to CSR issues and the development of consistent policies. However, the transition to a participatory culture will not be easy, and long-term success will depend on building a strong local audience and increasing levels of trust at local level.

The GRI will have a functioning full-time office open within the next 6 weeks in China, and hopes to focus on improving the quality, not only the quantity of reporting through training, greater engagement with the Chinese government which is critical, and support for inclusion of ESG data alongside financial disclosures.

I didn't catch the start of Sean's talk so I don't know if he referred to the potential of reporting in China, but given the rapid pace of reporting development in that country, I was thinking of taking a course in Chinese, as many of the ones I have seen are not in English. However, there are some in my native tongue. Sean mentioned Cosco, a large Chinese shipping business, whose 196 page **2008 Sustainable Development Report**, at GRI level A+, is downloadable from their website and can even be viewed in video edition. This does seem like a very comprehensive report. The Company has been reporting since 2005. The other noteworthy reporter mentioned was **China Mobile Ltd, whose 2009 report can be downloaded here**. It is also an impressive report, their fourth, called "Growing Together Harmoniously". The Company has over 500 million customers, and includes a feedback form built into their report, which is a nice touch, apropos encouraging engagement. I just hope they don't get 500 million completed forms back, as by the time they analyse the feedback, it will be 2025 before we see their next report. Both Companies participate in the UN Global Compact and report on their adherence to the principles.

Thanks to Sean and the GRI for a fascinating session!

**elaine cohen is the CEO of Beyond Business, a leading social and environmental**

consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 06:16PM (+03:00)

## Comments

- Lavinia

April 25, 2010

---

This blog entry for me provides an interesting perspective you cannot get from mainstream use. It supports the idea of "The Story of Meaningful Use," which is the frame for my new research and writing.

Mainstream press is so focused on what is wrong and politically incorrect, we don't see to easily find a small initiative that is impacting a change at a time.

Elaine, been very behind in reading you and pleased to come here and find a good summary of those small changes, a company at a time.

Now to figure out how we can track the impact of small change for significant impact in communities, states, country and globe.

## The CSR toilet

Tuesday, April 06, 2010

I came across this headline: Singapore firm eyes profit in cheap toilet market. The idea is to produce cheap state-of-the-art fertilizer-making toilets which can be supplied to the world's poorest for only \$30, thereby improving world sanitation and a global health problem. According to the article, there is a market of around 2.5 billion people who lack functioning toilets and must resort to using the big outdoors to do their stuff. I hope this innovative Singapore firm has enough production capacity to supply this enormous market.

The interesting environmental aspect of these cheap loos is the fact that they separate solid and liquid waste, thereby enabling the solid waste to be used for fertilizer. Just imagine millions of tons of potatoes, wheat, corn, rice and beans fertilised using human excrement. Actually, this is not new. Biosolids has been a subject of contention for some time, as shown in this article written way back in 2000, which points to the dangers of using human waste as fertilizer.

Now, this got me thinking about this Singapore firm's next Sustainability Report. The CEO would probably open with something like this:

We are committed to a sustainable planet and protecting our environment whilst making use of natural bodily functions. 2010 has been another successful year in low-cost toilet production. We have reclaimed 21,000 square kilometers of the Singapore Strait and turned it into a major toilet plant, employing some 18,000 workers. Fortunately, we did not need to install bathrooms as the quality inspection checks can be performed by workers from the different production lines, whenever they feel a biological need. Not only this, the waste produced during these quality inspection checks is used to fertilize our own vegetable garden, thereby producing a renewable source of organic food for the workers to eat during their lunchbreaks. In this way, we have developed the first closed loop production system where not an ounce of waste is unexploited. Sales of our toilets has gone well in underdeveloped countries who now can supply plantations and agricultural

farms with no-cost fertilizer. This has resulted in higher crop productivity and higher crop productivity, as everyone wants a piece of this sustainable action. In addition, we have developed an Employee Volunteer program whereby our employees demonstrate using our products in low-income communities whose populations are experiencing a change in personal hygiene habits for the first time. This has been very successful, with some employees being called back to demonstrate again and again. The outcome of our efforts to date has been a significant improvement in world health, global sanitation, and major advancements in toddler toilet-training, which now begins at the age of 3 months. In fact, our product innovation pipeline contains a toddler toilet for low-concentration fertilizer production. Our most significant material issue has now become maintaining a steady supply of food to provide input for the people who need to maintain a steady supply of output .

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:53PM (+03:00)

## The potential Sustainability of green guitars

Tuesday, April 06, 2010

Is your guitar sustainable ? If not, good news is afoot. Maybe. By now, you should be able to buy a sustainable guitar from a new business who will manufacture them in accordance with environmental principles and respect for forest cultures. The wood used in the guitars is reported to be FSC Certified and a portion of the profits are to go to conserving Rainforests. This green guitar Company was founded in 2006 and planned to begin production in 2008. The workforce of 167 people (within two years) has not been employed yet. The Company, at the time of writing it's first Sustainability Report, had not closed any deals, but notes that some of the most famous guitar brands in the world had shown interest. I could find absolutely nothing in an extensive websearch to suggest that this Company is actually making sustainable guitars today. But here's the thing: a document, which masquerades as a first Sustainability Report - the **2006/2007 Sustainability Report for the Hering Madeiras e Instrumentos Musicais da Amazonas**. There are a few **amazing** things about this document.

**First**, the fact that it calls itself a Sustainability Report is quite unfathomable. The similarity between a few pages of general blurb and a Sustainability Report is aspirational at best, completely misleading at worst. It's like calling Jack the Ripper a ladies man. Or calling Beano the comic a Shakespearean masterpiece.

**Second**, this pseudo Sustainability Report is about a business which hasn't done any business. It was written covering two years BEFORE the Company was to go into production, as a guitar-making start-up with a plan to manufacture and sell in a sustainable way. In fact, the report looks more like a business plan than any form of report on the actual sustainability of an actual business. I am all for a sustainable mindset, and I just love optimists, but frankly, how can you have a Sustainability Report for a business which has not proven it can sell anything, let alone do it sustainably?

**Third**, this report appears in the finalists for the **GRI Readers Choice Reporting Awards 2010**. This no-business -no-report includes a GRI Index .. well, of sorts - it's a table of a small selection of GRI clauses and indicators against which are noted some section headings contained in the document and which do not even actually correspond to the

information required. So how come this "report" found its way into the GRI Reporting Awards, and how come it became a finalist, alongside vanguard reporters such as 3M, Adidas, Coca Cola, Starbucks, Tata, Titan, P&G, Pfizer, Microsoft, Macdonalds, Intel..... how on earth did Hering (potential) Guitars Instrumentos etc join this party?

The point of all of this is to state the obvious. A Sustainability Report is the reflection of sustainable business. The definition of a business is that you sell something. Or did i get that wrong ? If so, at the point of writing their report, this Company was not a business, their Sustainability Report cannot be a sustainability report. It's a nice marketing brochure. It's a possible business plan. It demonstrates some laudable intention. But it should not be a finalist in a serious Sustainability Reporting Awards program. But then again, if it has got that far, you never know, it just might win the Best Report Award. Now, wouldn't that be interesting?

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 07:50PM (+03:00)

## Comments

- Luis

April 07, 2010

---

Perhaps I can help you out a bit. There is this fairly old and traditional company named Hering Harmonicas, based in Blumenau, Southern part of Brazil.

Apparently Hering Madeiras e Instrumentos Musicais da Amazônia is a subsidiary of or somehow affiliated with this older company. They both seem to share some senior management.

This is, to some extent, said in the report, but not with so many words.

- elaine

April 07, 2010

---

hi Luis, there is no reference as far as I can recall to harmonicas in the "report", though I did find the harmonica product lines of Hering on the web. Thanks for reading and commenting, elaine

## HR Job Descriptions for CSR

Sunday, April 04, 2010

Some of you may know that I am now in the final stages of writing my book to be published later this year by **Greenleaf Publishing**, on the ways **Human Resources Managers** need to change what they do and how they do it in order to become more relevant partners in Companies who adopt a strategy and practice of Corporate Responsibility and Sustainability. **Most HR Managers, I maintain, do not have a CSR mindset**, many don't even know what CSR means and why it is relevant to their function. In around 250 packed pages, I have already described this interplay in great detail, with many examples from businesses around the world and some inputs from leading HR professionals in global Companies. I am now writing the final piece, pulling all the separate analyses of the different HR functional areas together, with a toolkit for what and how to change. One piece of this is a **new-style Job Description for the HR**

**(generalist) Manager in a business which assimilates CSR strategy** as part of its way of life. I will share my thoughts on how this looks to me, in the hope that any of you out there with a particular interest in HR may respond with insights which will improve my version and which I can use as I finalise the book.

## **Job Description for an HR Manager in a CSR-minded organisation (draft)**

### **Job Purpose**

The HR Manager is responsible for developing and assimilating tools and processes which enhance business and individual capability, in a way which develops a positive and healthy organizational culture, upholds business principles and values, and maintains accountability for the effects of business and individual actions on all stakeholders including society at large and the environment.

### **Job Objectives**

1. Support the delivery of business strategy, objectives, goals and targets through the effective engagement, deployment and development of people.
2. Assure the resourcing of the business with appropriately skilled talent, in the right place at the right time to perform the required tasks.
3. Contribute to the development of a corporate culture which encourages dialogue, support for individuals, openness to new ideas and the ability of each individual in the organization to achieve professional and personal fulfillment.
4. Assure the understanding of people in the business of the impacts of all their activities on stakeholders, society and environment, and support programmes in which all may contribute to improving these impacts.

### **Key Areas of Responsibility**

1. **HR Strategy:** Development and implementation of HR Strategy which is aligned with business objectives and supports business strategy delivery through all professional HR functions in a responsible way.
2. **HR Stakeholder Engagement:** Identify all direct and indirect stakeholders of the Human Resources function in the business and engage with them in different ways to ensure complete understanding of their needs and aspirations, and ensure responsiveness to these needs.
3. **Personnel Planning and Resourcing:** Analyse the long-range resourcing needs of the business in the context of changing market and business dynamics, and manage processes to ensure that people with the right skills are available as needed to perform tasks as required.
4. **Organizational culture:** Promote the development of an ethical, inclusive and diverse organizational culture based on respect and values, in which all are able to contribute in a context of open information and dialogue, acceptance of continual change and focus on professional leadership and personal accountability.
5. **HR Functional Contribution:** Develop, deliver, monitor and measure processes and tools to ensure effective attraction, recruitment and retention, training and development, remuneration and reward, performance management, and employee relations in the business, in line with the principles and practices of social and environmental responsibility.
6. **Internal Communications:** Ensure a high, dynamic and interactive level of internal

communications in which all employees are engaged and can feel part of the business community.

7. **Sustainability:** Ensure the HR function is aligned with the business's sustainability strategy by providing sustainability awareness training for all employees, and developing HR programmes which support Sustainability strategy, which may include community involvement and volunteering programmes and environmental activities undertaken by employees, amongst others.

#### **Key Measures of Job Outputs**

1. Employee Satisfaction and Inclusion
2. Employee Diversity
3. Stakeholder Satisfaction with the HR Function contribution
4. Adherence to Ethics and Values by employees
5. Attraction, Recruitment and Deployment Effectiveness
6. Employee Health and Safety and Well-Being
7. Employee Retention and Turnover Rate
8. Individual Skill Development (training)
9. Performance Review Implementation
10. Employee Engagement in Internal Communications
11. Employee Volunteers and Hours Volunteered in the community
12. Employee contribution to reduction of the business's Environmental Footprint

#### **Key Knowledge, Skills and Competencies required to meet the job requirements**

##### **Knowledge and Skills :**

- Business strategy, processes, performance drivers, risks and opportunities
- Sustainability and Corporate Responsibility principles and practices
- Business and sustainability issues in the wider societal context
- HR Strategy Development
- Stakeholder Engagement and Dialogue Processes
- HR Functional development and implementation expertise in all HR sub-functions
- Human Rights, Labor Codes, Health, Safety and Well-being frameworks
- Communication tools including advance application of social media internally and externally

##### **Competencies :**

- Leadership, clarity of purpose, long-term thinking and visioning skills
- Ability to challenge the system using an inquiring mind and analytical skills
- Listening, Mediating, Integrating and Influencing skills
- Commitment to help people grow and develop (in alignment with business needs), and a passion for business with social and environmental responsibility
- Outstanding proliferate communicator via diverse channels
- High degree of integrity, personal ethics and commitment to social justice
- Optimism and a sense of humor

(NB: I did not add Chunky Monkey addict as a key competency, though, of course that helps).

Any of you CSR Leaders or HR Professionals out there with a view on the above ?

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 03:14PM (+03:00)

## Comments

- Mark

April 05, 2010

Hi Elaine

Very interesting. From a South African perspective, HR Managers who are serious about implementing black economic empowerment (and are therefore seriously responsible) will have many of your points as part of their current practice - the key in this country is to contribute to social redress and stability. More than 50% of South African live in poverty; we have an unemployment rate in excess of 30%; and an economy struggling to sustain growth at all. There are any number of imbalances as well, for instance a massive skills shortage that directly and indirectly the haves over the haves nots, and the legislative requirement to find non-existent skills to show increasingly diverse workforces. From the corporate perspective therefore, HR Managers are very preoccupied (theoretically at least) with carrying out many of the requirements and tasks you mention.

Sadly, there isn't much energy behind empowerment these days as it has disintegrated into a bit of a farce. What this means of course, again from a local perspective, is that there is a great deal of theory and posturing but a lack of earnest implementation of the practices that make local businesses sustainable and responsible. Most of this derives from the local political landscape and where local business is in terms of CSR and sustainability.

The key therefore to making the work of the HR Manager matter, in the ways you have described it, is for there to be wholesale support from executive management. How one obtains that is perhaps something that should find its way into your book if it isn't there already.

Best regards  
Mark

- elaine

April 05, 2010

hello Mark, thank you for reading and commenting. What a fantastic insight you bring from South Africa. I was not aware of the extent of such challenges for businesses and HR Managers in SA.

I fully agree with you that business success is heavily dependent upon top leadership commitment and support. Most examples of excellence in any business stem from this. My book does address the challenges the HR function faces when the top leadership is not engaged in sustainability practices, but my main message is that HR Managers, as professionals, need to embrace sustainability even if this is not a directive from above. There are many things HR Managers can do in an organization in the spirit of CSR within their own functional jurisdiction, and not being told to do it should not be an excuse for inaction and ignorance on the part of the HR Function. The world is changing, and HR can be a part of this whether or not it is written into their job description. Personal leadership by the HR function can help maintain pressure on the executive team, and create value for the business, people, society and environment in doing so. I suspect that even in SA, proactive HR Managers who do not sit around waiting for a nod from the CEO or a convenient political climate can make a difference. However, as you point out, the best results for the whole business will come if executive leadership is engaged and supportive. Thanks again.

Warm regards, Elaine

- PeckoPivo

April 05, 2010

---

Very cool and useful (not that I expected less ;), but I would just not go that deep into defining what kind of organizational culture shall this manager promote, no matter how wide you make it.

Working on the issue for a couple of years already, I learned that the only right way for the organization to create an ideal organizational culture is to ask its people what kind they want and act upon it. This is actually the key to sustainability, much better retention rate (especially among the talents and high performers), as well as satisfaction and inclusion.

Therefore, managers role is to ensure that the company continuously pays attention to this issue and that it does it in a transparent and inclusive way.

Cheers,  
Nikola  
<http://www.peckopivo.com>

- CathyJoseph

April 05, 2010

---

Hi Elaine -

This is terrific! I especially love the Job Purpose – it sets a perfect framework!!

My HR experience has been on the specialist side, working in all areas that touch talent management. One of my key areas of interest is employee development and I would welcome seeing it given more than the current mention in "HR Functional Contribution." I have not yet spoken with an organization that is doing this (and hope to read about them in your book!), but I'd like to suggest that HR identify the critical CSR/Sustainability competencies for their organization and integrate them with other organizational and role-based competencies being used. One competency that I believe will span all organizations is systems thinking. It is critical that we look at each organization and its stakeholders holistically to understand how everything interconnects – a key to building true business sustainability.

As a side note, I'd like to see organizations build development opportunities around their employee volunteer initiatives. When those volunteer initiatives become strategic to the business, then a powerful model is created that unleashes innovation and, ultimately, builds that organization. I have found precious few examples of this and hope to read more in your book!

Thanks so much for this and for all that you offer to this community!!

Cathy

- Lavinia

April 05, 2010

---

Elaine, you may want to read these pages thoroughly for more thought on this.

It is an extensive thought form that has strong implications for HR and corporate society.

<http://www.workecology.com/thoughtleadership.html>

<http://www.workecology.com/capacitybuilding.html>

These pages were defined based on a number of future scenarios with an idea to bring into an organization a person responsible for knowledge and learning practices who would facilitate what we now define as HR discussions integrated into leadership and strategy activities.

There is a VP Of CSR that I am profiling currently with another person, who shares a very unorthodox view of CSR that is aligned with my perspective and thought leadership. I will write up something at my blog in the next day or so.

I think in the world of CSR now as I see it and many others, that include you, we may want to rethink leadership and how it integrates activity into a HR strategy and then rethink the HR task. I see too many technologies now available to do the tracking of benefits and hr functions in organizations.

I don't see enough at the leadership and strategy level with defining programs, metrics and activities that can assure a culture that is CSR responsive through people.

HR in my opinion has needed a new brand and identity and maybe name for a long time and I would love to see this position align with the thought leadership of human capital, learning and value.

Happy belated Passover to you.

I made a luscious pound cake yesterday with lots of whipped cream and fresh strawberries and it was so good, I may have replaced my addiction to ice cream.

Hag Sameach and Namaste to all others here:  
Lavinia

- elaine

April 06, 2010

---

Nikola, Cathy and Lavinia, thanks for reading and for your comments....

Nikola, I agree that getting the input of the people is key.

Cathy, both of the points you make are covered in my book :)

Lavinia, HR today should not be transactional (which can be largely automated) but transformational. When I refer to the HR function, I am referring to leadership of culture and capacity building.

regards to all, elaine

- Lavinia

April 06, 2010

---

Elaine interesting insight and remark.

Happy Spring.

Lavinia

# What still went wrong

Sunday, April 04, 2010

One of the common criticisms levelled at CSR Reporting is the focus on **good news**. Few Companies rise to the challenge of presenting a balanced report which provides stakeholders with a full picture, including aspects of their sustainability performance which cannot be described as entirely positive. So imagine how refreshing it was to find one company who actually includes a page in their report entitled "**What still went wrong**". Can you guess who? I doubt it.

The What Still Went Wrong Company is **Royal DSM N.V.** and their **Sustainability Report for 2009** includes a rather painful page (number 66) of mini-disasters in the field of Safety, Environment and Health. We are treated to stories about an operator whose finger tip was sliced off when he was replacing a gear wheel on a production machine, one who burnt his ankle when he stepped into an open duct with hot condensate, another who was bitten by a venomous snake which is the source of venom proteins for use in treatment of cardiovascular disease, and some poor guy who had an electric cabinet weighing 1600 kg fall on this "torso region". We hear about near misses such as when a fork lift truck fell off a dock, and a worker who fell through a roof and saved himself by hanging by his elbows at a height of 8 meters (elbows?) DSM tell us about environmental blips such as the runaway reaction in a storage tank which released decomposition products of chloroacetaldehyde, and yeast broth emissions through a chimney which contaminated the surrounding neighbourhood.

DSM, a Life Science company, employs nearly 23,000 people and has what appears to be a positive and improving safety record, with clear processes in place to prevent and manage safety incidents and near-misses. What Still Went Wrong does not include any fatalities. And yet, having your finger chopped off during routine maintenance, or breaking your collarbone (yes, that too) are not the sort of things you expect to have to deal with when you pack up your lunch box for another day on the job. The safety of employees is one of the most important aspects of corporate responsibility. But you knew that. So does DSM.

So why include these horror tales in their CSR report? **First**, being responsible is being transparent. Good news or bad, if it is material, it needs to be told. Even a lost finger tip impacts the quality of a person's life. **Second**, DSM is boldly going where almost no other Companies fear to tread. By highlighting these incidents, DSM is demonstrating that they are not perfect, in the same way that **no Company who issues a Sustainability Report is perfect**. Every Company has safety incidents, some far worse. Some simply record numbers of fatalities as a statistic with no further commentary. Most Companies avoid mentioning negative issues, in order to create the impression that they are perfect, when we all know that this cannot be. In this respect, DSM shows leadership by highlighting issues of which it may not be particularly proud, but in doing so makes a public statement of commitment to do whatever in the Company's control to prevent recurrence. In this way, **their reporting contributes to enhanced levels of trust in the Company**.

Whilst I am not advocating that all Sustainability Reports should contain a detailed hospital checklist of broken bones, near-fatal slips and falls, cracked skulls, animal bites and ingested poisons, I do applaud Royal DSM for bringing us down to earth and demonstrating that even with the best of safety practices, people are people, machines are machines, and things happen. Facing up to this reality, responsibly, is the one of the

Golden Principles of CSR.

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:48AM (+03:00)

## The CSR Report Tool-Kit

Wednesday, March 24, 2010

As the daughter of a carpenter, I always understood the importance of tools. They say that a bad workman always blames his tools. Well, in the case of CSR reports, it is worth ensuring that you have the right tools to start with. I have compiled this set of essential tools for writing a CSR report.

**A milled-head fibreglass curved claw hammer:** CSR reporting involves much debate and dialogue. Often, it takes quite a while to achieve the clarity needed for a report. Prudent use of this tool will enable you to hammer out the issues in a thorough way, and deliver a report which has a clear message. Also, if during the process, you find that someone is not toeing the line, you can always hammer them to the wall.

**A pair of Alpine Trail steel toe waterproof hiker boots from Timberland:** CSR reporting involves a lot of getting around - physically visiting people in their own working environments to understand what they do, how they do it and what impact they are having. Often, to get to the people, you have to wade through mounds of other priorities. Sometimes you have to spend hours touring facilities and plants. A good pair of hiking boots will get you to everywhere you need to go. Also, if during the process, you feel the need to flee to the jungle because the pressure of it all is just too much to bear, this tool will be invaluable in navigating the rough terrain.

**A teaspoon:** CSR reporting is full of stress and time pressure. It is inconceivable that you would start to write your CSR report without a good stock of Chunky Monkey in your freezer. A teaspoon is the essential tool with which you can devour this essential nutrient at all stages in the process. Also, if you need to practise the powers of your super-consciousness in order to influence your stakeholders, bending a teaspoon a la Uri Geller will provide ample practice.

**A tape measure:** CSR reporting is about impacts. Positive and negative impacts. No worthy CSR report should see the light of day without effective tools for measuring impacts. This is where the tape measure comes in. You need to measure the amount of space in your report given to measures and indicators. Also, during the process, if you have gone overboard with the teaspoon (see above), you might need to measure the circumference of your middle-body to determine the unforeseen impact of the stress of it all.

**A sorghum-made broom with a long handle:** CSR reporting should not be a regurgitation of information which was previously reported or information which is already in the public domain. A good broom will help you sweep away all the irrelevant material and get to your report with clean and fresh content. Also, if during the process, you fall in love, you can use the broom to sweep the target of your affections off their feet.

**An ergonomic titling-handle power spade:** CSR reporting is about transparency. Not everything that should be transparent in your CSR report is easily available. This spade is one of the most useful tools you can add to your CSR Reporting toolkit. It will help you dig deep, deeper and deepest to uncover all the details of what your Company is actually doing in the sustainability arena, both positive and less positive. Armed with everything you have dug up, you will be able to present a fair and balanced view of your Company's

sustainability efforts. Also, if during the process, you find the need to speak in plain language, you can avoid all the **CSR-Speak** by calling your spade a spade.

**A recyclable fine mesh sieve:** If you have decided to include a materiality analysis in your CSR report, and this is a good thing, then you will need to filter out all the non-material issues in a fairly energetic way. This essential tool will allow the efficient out-filtering of all the information that no-one is all that interested in anyway. Also, if during the process, you need to separate the men from the boys, this sieve will come in very handy.

**Rose quartz:** The CSR Reporting process can be emotionally challenging, and it is likely that you will face several interactions which could be personally stressful and shake your self-confidence. **Rose quartz** offers spiritual comfort and encourages you to believe in yourself, because you know that CSR Reporting is the right thing to do, despite all the nay-sayers who will challenge your sanity. Also, if during the process, you are invited to a special party, you can always make yourself a rosequartz pendant to wear with that new organic cotton outfit you just bought.

**And the most essential tool in your CSR Reporting kit:**

**A vibrator:** Here I am referring to a class of mechanical devices for uses such as signalling. The prudent use of such a device will enable you to check for greenwash and whitewash in your report and make sure that the content you publish is authentic, representative and reflective of the Company's sustainability activities. Also, if during the process, you .... well, some things are best left to the imagination.

**elaine cohen is the CEO of Beyond Business, a leading social and environmental consulting and reporting firm. Visit our website at [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:49AM (+02:00)

## Who stole the bees from Burt's Bees?

Friday, March 19, 2010

Burt's Bees. Aspiring to be the **Greenest** Company on Earth. They have made a good start, apparently. **The 2009 Corporate Responsibility Update of their "very first" 2008 report**, attests to year on year increasing revenues since 2004, growth from 400 to 480 employees, increased post consumer recycled product in packaging, lighter weight packaging, and reduced use of PVC, total electricity reduction by 21%, total water reduction of 20%, and a "net normalized reduction" of GHG's (normalized means factoring in sales growth) of 33.5% versus base year which is 2006 (though actual total emissions versus 2006 were 5.7% higher in 2008). Burt's Bees give preference to socially and environmentally conscious suppliers, spend 28% of purchasing costs in their home state of North Carolina, and 1.39% to minority or women's businesses. Burt's Bees employees contributed 6,006 hours of volunteer time in 2008 and 2009, and the Company donated cash of \$295,500 to charitable purposes, and \$600,000 of product. Burt's Bees team members love their work (those who responded to the employee survey rated their job 4 on a 1-5 scale) and 30% of the Company's executives and senior managers are women. Burt's Bees employees have a great safety record and practice yoga as part of the Company's well being program. The Company is engaged with partners such as Habitat for Humanity and Teach America and a wide range of initiatives for the benefit of the community. And relations with parent Company Clorox are quite hunky-dory. OK. So far so good. Many good initiatives from this sustainability spirited Company and clearly strong efforts to manage their impacts. Their decision to issue an

update demonstrates a commitment to continued progress and a degree of transparency.

The question I kept asking myself as I read this report-update however was, **where on earth are the bees?** There is almost nothing about bees in this report. I expected to be totally blown away with bees. I thought I would read loads of hive-tales, pollen-stories, honeycomb legends, nectar anecdotes and, of course, tributes to the **Queen Bees**. I hoped to learn about endangered bee species, colony collapse disorder (mentioned in the 2008 report), and hive restoration expeditions. I thought this report would be quite buzzing with bees. I thought we would be inspired with sustainability learnings from drones and colonies of honey bees. Burt's Bees has come a long way since its beginnings as a Company in 1989. I took a look at the products on their website. My eye caught the **Mama Bee Belly Butter** which is targeted at pregnant women with big bellies (though I suspect Chunkey Monkey regulars could benefit too, mentioning no names) but to my dismay, it is made from cocoa butter though cera alba is listed in the ingredients list. Cera alba? Yes, you guessed it, Beeswax. I thought I might order some **Baby Bee Bubble Bath** containing vanilla extract (no chocolate chunks) but no cire d'abeille (Beeswax in the language of the tricolor). So I went to the **Naturally Ageless Intensive Repairing Serum** to smooth out all those wrinkles (especially now that I am appearing on **3BL TV**), but again, bees extract gives way to pomegranate extract. So, I think Burt has some explaining to do. Is this a Company about bees or what? Who stole the bees?

Anyway, bees or bust, this update is a nice chatty summary, even though there are many aspects which I found confusing. The time period covered is not clear - Fiscal Year or 2008 or 2009 or half'n'half? Different dates and time periods are referenced and it is not always clear to me what relates to what. The data presented is not detailed and left me wondering in most cases about the basis for calculation. Whilst the trademarked Greater Good Burt's Bees Sustainability framework looks graphically impressive, I cannot discern how it all hangs together in a clear strategy or workplan in each of the different dimensions. I lack a stated approach to strategy - goals, objectives, targets - presented in an orderly way. This report is a collection of snippets of good news, which is good news, I suppose, but I would have liked to have seen a more consistent buzz. I tend to think this review has been sort of force-fit into the form of a Sustainability Update, pieced together based on limited bits of information available. It includes an aspirational reference to the GRI (and a somewhat meaningless table of how the 2008 report (not the update) broadly aligns with the different sections of the GRI framework. It doesn't hang together all that well, despite evidence of continued progress. If the Company plans to introduce an update every interim year, I would find it easier to follow if conceptually it were a little sharper.

Anyway, it's hard not to get **stung** by Burt's Bees, and to admire them for their contribution to the **pollenation** of sustainability. In the meantime, I will just **bumble** along back to my **apology-free** corner, where life is positively **buzzing**.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 07:16AM (+02:00)

## Comments

- Lavinia

March 19, 2010

Interesting post. Burt Bees CEO IS John Replogle. He is from Unilever and Burt's Bees is now owned by Clorox, so I wonder what that implies. I found the report very "cosmetic" and the website very retail. The story about Burt had no real value for me. He was a character that created a good thing, but I don't know really if this company has any real purpose or empowers its employees take on CSR or Sustainability.

I use to feel about their bug spray the way you do about Chunky Monkey, but I could not find it on site as a product. So I'll have to resume my obsession to protect myself from tick bites with Avon's Skin So Soft. That stuff just keeps the ticks away and is a natural product I prefer to OFF bug spray.

- [MikeNelsonPedde](#)

March 20, 2010

---

Hi Elaine: I tweeted this yesterday, but you may not have seen it: <http://bit.ly/cOloEb>

Mike.

- [Wesley](#)

March 21, 2010

---

They may not wish to speak about their bees and sourcing of bees wax because of the colony collapse issues in North America, and consequently their choice to source wax from Ethiopia - while this involves greenhouse gas issues, there a rationalisation has been made from the increased jobs, money, etc provided to impoverished communities.

Regardless of, or perhaps as a result of, this shift in sourcing this should provide an opportunity for Burt's Bees to explain their sourcing change decision, while also showing the value they are providing to communities in need.

Though it would also be fitting and interesting to know if they are investing in projects or research that address North American colony collapse issues.

- [elaine](#)

March 21, 2010

---

Hi Lavinia, Mile and Wesley

thanks for reading and commenting. Lavinia- hope you stay free of ticks.

Mike - great post, thank you. Wesley - interesting perspective - and yes, you caught my point - I would have thought the plight of bees should be rather a material issue for a company who is named after them and sources raw materials made from their output. Thanks for raising this point.

elaine

- [Lavinia](#)

March 23, 2010

---

This in from twitter.

RT @nathanschock: Reading: Jeff Hollender: Greenwashing is getting worse @MarcGunther.com <http://bit.ly/cD1b02>

Jeffrey Hollender speaks to the fact that the core business of Clorox is bleach and that needs to be addressed. Clorox owns Burt's Bees.

It is amazing to watch how Hollender is showing up in Social Media so proactively right now by hiring Bill Breen, former Editor with Fast Company and Hollender's coauthor of The Responsibility Revolution and Nancy Baron, communications expert for climate.

This is one CEO that gets Social Media.

## 13 ways to show you love your employees in CSR reports

Saturday, March 13, 2010

I have written about **CSR-report-speak** in the past. There is no doubt that the lingo of CSR Reporting is an art all of its own. One who reads many CSR Reports, as I do, develops the ability to discern the connection between the language and the performance. The high-level declarations need to be supported by substantive actions and data.

One of the areas in which CSR Reports are often the most slushy is when referring to employees. Whenever I read that "employees are our most important asset", frankly, I cringe. It's not true, and usually Companies who say this do not behave as though they believe it to be true. Should it be true? Are employees assets? Or are they partners? Stakeholders? People? Are they resources to be compared with the latest packing machine the Company purchased, or are they individuals which make the choice every single day to show up for work, and the degree to which they will contribute? And believe me, after 8 years serving as a Human Resources VP, I can tell you that not ALL employees are best assets, and some are even significant liabilities. A definition of assets in the business world is: *Any item of economic value owned by an individual or corporation, especially that which could be converted to cash.* Employees are not something you own. They are people you partner with. IMHO.

In reporting, which often, but not always, is a reflection of corporate culture and corporate language (depends how many copywriters were involved, I guess), there are also many ways to refer to employees: they may be **personnel**, or **human resources**, **employees** or simply, **our people**. They may be **our team**, or they may be **our associates**, our **partners** or our **colleagues**. One banking report even refers to employees as the Bank's **Men and Women**. Guess they don't employ giraffes, huh?

Here are some of the ways Companies express their commitment to employees in their CSR and Sustainability Reports. If you are writing a report, you can use this as a crib sheet. There are only so many ways you can declare your love for your employees. What is more important though, is what you do and say after you have selected the words.

### **Outkumpu Annual Report 2009**

Outokumpu's success is based on the company's most important asset, our personnel. The Group's renewed People strategy aims to attract, retain and develop Outokumpu people globally, enhancing both their motivation and their ability to support the Group in its vision of becoming the undisputed number one in stainless steel.

### **Merck Sustainability 2008**

Merck's ability to deliver on our strategy is dependent upon our employees — they are our single greatest asset.

### **H&M 2008**

We provide our colleagues with the opportunity to grow and develop within H&M, providing training wherever possible.

### **Henkel Sustainability Report 2009**

Our global team is our most important asset for a successful future.

### **Thomas Cook Sustainability Report 2009**

The sustainability of our business depends on our employees: they are the people who turn a trip into a dream holiday for our customers. Therefore we aim to recruit the best and to keep them with us.

### **Marks and Spencer 2009**

To encourage a successful business we need to develop and reward our people, retaining our reputation as an employer of choice.

### **Novartis Corporate Citizenship Report 2008**

Novartis endeavors to promote the livelihoods of its associates and to be a good neighbor in the communities where it operates. Through our commitment to Diversity and Inclusion, we foster equality of opportunity, fairness and mutual respect. We strive to give our associates opportunities to grow and realize their full potential, and create an environment of continuous performance improvement and personal development.

### **Wainwright Bank 2009**

As the bank has expanded we have consciously created an environment that provides all our employees freedom to be themselves.

### **Lindstrom Sustainability Report 2008**

Lindstrom is an employer that looks after the well-being of its personnel.

### **TNT Annual Report 2009**

TNT's employees are key to delivering TNT's results which is why TNT invests significant efforts to ensure that it provides a safe and attractive working environment.

### **Banco Popolare Di Milano Group 2008**

Given the importance attached to the individual and in the awareness that happy, motivated men and women represent a major competitive advantage for the Bank, we have always invested in initiatives that enhance the level of internal wellness.

### **Gap Inc 2009**

When asked where they work, more than 134,000 people around the world can say, "Gap Inc." We want them to say it with pride. It's our intent to create a workplace culture that encourages every individual to: "Wear your passion."

### **British American Tobacco Report 2008**

Attracting, developing and retaining talent is key to our ambition to be a winning organisation. Given the nature of our industry, having a strong and clearly differentiated reputation as an employer is critical to our long-term business sustainability.

Having said this, any Company who says "our employees are our greatest asset" **AND** provides Chunky Monkey as a basic employee benefit, would be forgiven.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:55AM (+02:00)

## **Comments**

- Derrick

March 15, 2010

---

Great article!

So very true, companies that claim to love their employees are many times the culprits of mistreating and mishandling their human resources.

The Human Sigma study by Gallup is really eye opening in that not all employees are even assets (actually very few are) many are detriments. Here is an article I recently

wrote on the topic of Human Sigma <http://greennurture.com/ea-16.html>

Maybe Jack Welch had it right when he eliminated all under performers at his whim.

But then again a wise retail man once said - if you have a problem on aisle 5 today - you have an employee issue, if you have that same problem tomorrow, you have a management issue, if the next day you still have that issue then you're the problem!

## Sustainability Education starts at home

Wednesday, March 10, 2010

Practice what you preach! That's not a bad doctrine to live by, right? Which in my case, means, amongst other things, educating my kids about sustainability, and in particular, sustainability reporting. In recent weeks, my kids have been witness to me making video blogs for **3BLTV**. Or should I say, making thousands of video blogs for the recycle bin for every single video blog that **actually** makes it to 3BL TV. (If I sold all my out-takes, I would be able to feast on Chunky Monkey every day till I reach the age of 324). If you havent checked out 3BL TV yet, the most exciting video CSR news and commentary channel available on the web, starring accomplished experts such as **Christine Arena, Fabian Pattberg, Chris Jarvis** and **David Connor**, then you should do so soon. **The CSR Minute starring Emily Polk** is a great way to keep updated whilst you are eating your sustainable cornflakes, and the **CSRUnscripted** and **CSRReport** channels are exactly what you need to reactivate those tired brain-cells when you sense they are short on inspiration and new insight. If we dont make it to the Oscars next year, I may have to take up making movies about war and violence. To save me from that, please watch a great team of experts, and me, on 3BL TV.

Anyway, back to preaching. Sustainability Education begins at home. My nearly 12-year old daughter Eden is always keen to learn. See her first lesson in this short video. Very short. I think we will postpone lesson number 2 till she's 19.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 05:24PM (+02:00)

### Comments

- [CindyEsposito](#)

March 10, 2010

---

I love it - "mini Elaine Cohen" The next Goldie Hawn and Kate Hudson!

I think this is a good reminder that our children are always watching us and it's not always the lectures and lessons we focus on teaching them - it's the lessons they learn by just being present in our lives and by observing us.

- [elaine](#)

March 10, 2010

---

thanks Cindy. Your comment reminded me of a very powerful vid i have used in training sessions about the way we influence, you may have seen it ,it's not new but it makes me cringe every time

<http://www.youtube.com/watch?v=SJF50kwwRJE>

elaine

---

- Lavinia

March 10, 2010

Elaine, this is why I started concept for WorkEcology to work wisely to live well. I need to add another part to the banner.

To work wisely to live well for the next generation.

Great to meet your daughter. Does she like Chunky Monkey too?

## Whose report is it anyway ?

Sunday, March 07, 2010

In support of International Women's Day, and women everywhere, I was asked to write a piece for the GRI Blog. I did. you can find it **HERE**. Happy Day, gals!

In preparation for this piece, I chatted some with Maria Sillanpaa, as you can read on the GRI Blog.

But sometimes, valuable insights are worth **two** blops.

In talking about reporting, Maria mentioned her frustration with clients who tell her: "WE MUST do a GRI report!" Maria's response is : " By all means write a report, but do YOUR report. "

Maria is a staunch advocate of transparency and reporting, and sits on the Technical Advisory Committee of the GRI. She knows her stuff. And, here, she is right. The GRI is a framework to assist in preparing a Sustainability Report, not a checklist around which you build your report. Before you even think of whether you are responding to EN9, LA4 or 4.13, you should be thinking about your sustainability story, the concept of your report and how the way you want to tell your story and aligns with your Company mission, spirit and culture. If you would like your report to reference the GRI framework, at some point, yes, you need to check how you are doing against the GRI indicators. But if you succumb to the temptation of blindly following the framework and producing your report as a list of answers to 100-and-something clauses and indicators, you will end up with a dull summary of activity which energizes no-one, including **you**.

If you are writing a report, remember that it belongs to YOU, not to the GRI. Make it unquestionably yours. Use the GRI framework as a tool but not as a straightjacket. Whose report is it anyway?

Thank you Maria for this insight !

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:56PM (+02:00)

## Comments

- UKati

March 08, 2010

Oh, words coming from my heart! I thought its a Hungarian "disease", to use GRI as a target and not as a tool, but now I see it is not. And what a relief that Maria from GRI shares our frustrations on this issue. Lets work on it at any possible battlefield! You can count on us, that is for sure!

- Maria

March 11, 2010

thanks for your comment UKati!

as Elaine says, i live and die by transparency and accountability and think that GRI is probably the most successful initiative in this space since we started to talk about & do sustainability reporting.

however, i see this tail wagging the dog syndrome going on especially in regions now joining the reporting game. 'we need to do a GRI report' i often hear - absolutely, but let GRI worry about their own report and you focus on yours. It's your story, your issues & people, your learning, your innovation that we want to hear about - let GRI be your guide, not your master!

BTW - i'm not really from GRI, just on TAC as a voice

thanks again for your support!

## No News is Good News? Sustainability at Bloomberg

Saturday, March 06, 2010

**Bloomberg** have a new **sustainability mini site**. It's about how the folks at Bloomberg are creating a sustainable Bloomberg. Over 10,000 folks in 135 offices around the world. They call their programme BGreen, and aspire to use Bloomberg's influence to create a low carbon economy. It's fairly short and to the point. This is EVERYTHING it says:

- Bloomberg has reduced waste to landfill by 15%
- Green Energy purchase and IT savings have reduced electricity by millions of Kilowatts by doing things such as switching lights and computers off when not in use.
- Bloomberg have reduced their "transportation" carbon footprint with 50 Bloomberg employees biking to work in Frankfurt and in general, using trains instead of flights where possible, shuttle buses instead of cars, and alternative shipment instead of air.
- Bloomberg has a plan to save 15 million gallons of water per year (15% of total consumption) via employee education, bathroom retrofits and rainwater capture.
- Materials used in location designs include environmental considerations.
- Bloomberg plans to make a 50% carbon emission reduction by 2013 (using 2007 as a baseline).

I find myself wondering if they created this flashy minisite just for this. I mean, it could all fit on one web page. It hardly even fills a blip. So I went back to the beginning to see if there was something I had missed. And then all was clear. This is what the introduction page says:

Bloomberg is a leader  
Bloomberg is visionary  
Bloomberg is progressive  
Bloomberg is sustainable

Well. There is nothing that resembles leadership, vision or progressiveness in this glossy virtual brochure. And it only marginally resembles sustainability. If this were a news item, it wouldn't make the freebie edition.

So now I find myself wondering what they had in mind when they put up that site. Who is it for? What is its purpose? Perhaps one of the 10,000 Bloomberg Green employees might see this post and tell me.

And yet, there is something to be said for starting where you are. If this is where Bloomberg is, and credit where it's due, even this is better than nothing and probably took some effort to achieve, and it's far better to talk about it now than to wait until they become leading, visionary, progressive and sustainable, which, by the look of things, is gonna take some time.

My message to Bloomberg: Great. So far so good. Now its time to make NEWS out of your sustainability program.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:50PM (+02:00)

## Comments

- [AlexHarris](#)

March 07, 2010

---

Hi Elaine, another good post. It comes down to the old political line: What is important is to be seen to be doing something...

Surprisingly, one of the better examples of a company doing this right (in my humble opinion) is News Limited. See its One Degree program and website here:  
<http://www.1degree.com.au/>

It is all about getting the company, and clients, to make small changes everywhere, all the time. I think it is a good strategy for all of us!

Cheers,  
Alex

- [elaine](#)

March 07, 2010

---

Thanks Alex. Yes, the News Limited site is outstanding. Positive moves with eye-level humility and a realistic view of the world. Thanks for alerting me to them.  
Best, elaine

- [AdamGarfunkel](#)

March 07, 2010

---

Hi Elaine. Alex is right - the 'news' about Bloomberg that they want to publish is that they

are doing something. Rather than making 'news out of their sustainability program', I think they should make a sustainability program out of their news!

- elaine

March 07, 2010

hiya Adam, thanks for commenting. i guess we are all in agreement! Congrats on the recent Adidas report, by the way :)  
elaine

## It's a CSR report, not a Megillah!

Saturday, February 27, 2010

Tomorrow is the Jewish festival of **Purim**. I was wondering what lessons Purim holds for CSR reporting.

Purim commemorates the escape from annihilation of the Jews by Haman, the Prime Minister of Persia way back when. Haman's plot was discovered and avoided by Ester, the Jewish Queen of Persia. Haman was hanged and Ester who had shown great bravery in revealing the plot became a heroine. That's the short version.

The Purim story celebrates **freedom from oppression of indigineous peoples**, the **protection of human rights, right over wrong, integrity**, and the **power of women to save the world**. No wonder, every year, Jews around the world celebrate Purim. Purim celebrations typically revolve around several **customs**.

- The first is that everyone dresses up in **fancy dress**. This is an ancient custom, deriving from, as one of the theories goes, the fact that Ester disguised herself in order save herself and her community.
- The second is that we eat **Hamantaschen** - this is a three cornered pastry which commemorates the hat that Haman, the evil oppressor, wore.
- The third is that we make a lot of noise using things called **Graggers**. This is usually done during the reading of the Megilla (see next custom).
- The fourth is the reading of the **Megilla**. This is the story of Purim that is read in synagogues. The thing about the Megillah is that it's really long and takes forever to read. Know the expression ? **"Spare me the details, dont give me a Megilla!"**

As you can by now appreciate, **the lessons for CSR reporting are clear**.

- Don't try to dress up your CSR report as something it is not. The day after Purim, with no fancy dress, you are exactly what you were before.
- The three corners of the Hamantashen remind us to balance our report with the triple bottom line, rather than just concentrating on environment or social aspects.
- Making a lot of noise is **not** what CSR reporting is all about. Your report should contain relevant material content.
- And finally, your CSR report should not be a megillah. It should be as consise enough as possible compatible with ensuring the right information gets through.

I thought I would celebrate some reporting megillahs! Some of the longest reports I have come accross are:

**GoLite 2009 Sustainability Report** - 159 pages - GRI A+. This includes 16 appendices but there is a one-page executive summary which you can make do with after you have downloaded 27 megabytes of PDF.

**Green Mountain Coffee Roasters - 2005 report** - this was their first report with 175 pages. (Subesquent reports are somewhat shorter!)

And then there is the all-time award-winning classic by Vodafone - a 378 page absolute Megilla - **the Vodafone Group 2007 Report**.

But then, making a Megillah of your report may just help it win an award, according to **Spada's research on Trends in FTSE 100 Environmental Reporting published in 2008**. This has been true for Vodafone and Green Mountain reports - time will tell about GoLite.

In the meantime... if you want to make a Megilla of your report, remember that people may only read it once a year, at Purim! And whilst they are doing so, they will be making a lot of noise with the Graggers. Maybe, after all, it might be best to focus on material content ! Happy Purim!

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at:www.b-yond.biz/en**  
Posted by elaine at 10:19AM (+02:00)

## A merger of value and values

Thursday, February 25, 2010

Now that I have got the hang of embedding slideshare presentations in my blog posts, I wanted to share with you the story of a **non-profit merger** which I have been supporting in my consulting work for the past 9 months or so. I am referring to the establishment of **Leket Israel**, Israel's only non-profit umbrella organization whose mission is to alleviate food insecurity through providing hundreds of food non-profits (who provide meals and food supplies directly to the needy) with a consistent supply of safe and nutritious food **of all types**, and supporting these non-profits through capacity building training, advice and resources. Leket Israel's operation is truly outstanding and an exemplary social AND environmental net positive impact organisation. **Leket's positive Social impact** comes through ensuring more people have access to basic nutritional requirements and increasing levels of food security in Israel. **Leket's positive Environmental impact** comes through massively reducing food waste by rescuing food and ensuring it gets to people who need it.

The food comes from 4 sources:

- **Gleaning of agricultural fields** and salvaging fruit and vegetables which would otherwise be left to rot, or salvaging fresh produce which cannot be sold from packing houses.
- **Rescuing catered meals** from a wide range of venues including large catered events, corporate dining rooms, restaurants and even Army bases. The rescued meals are, of course, those which have not been served to the table and remain in their original catering packing.
- **Collecting unsalable manufactured food products** from food manufacturers and importers - these are typically products which are close to sell-by date but risk reaching expiry date by going through the regular supply chain to groceries, or products which have wrong labels or similar issues which don't affect the quality of the contents.
- **Operating a collective purchasing program**, whereby food non-profits can purchase food (which they will distribute to the needy, to supplement donated food) as part of a collective operation run by Leket, and achieve up to 30% in savings versus regular food purchase prices.

Leket Israel employs around 70 staff and engages tens of thousands of volunteers each year in the gleaning program and food rescue collection and distribution (much of which is at night time). In 2009, the combined organisation provided over **10 million meals** in this way. That's **one meal per day every day for over 25,000 people** suffering from food insecurity. That's over 12 million lbs of food which would otherwise have become carbon-emitting organic waste.

At the beginning of 2010, Leket Israel was formed through the merger of two organisations, which you can see in the following presentation :

### **Non-profit Merger - Leket Israel**

View more presentations from elaine cohen. Back in 2006, I had the privilege of consulting to one of the merger partners ("Leket: the Israel Food Bank" - the collective purchasing arm) (and in doing so, getting to know the other merger partner as well, "Table to Table", the food rescue arm). At this time, I supported the establishment of "Leket: The Israel Food Bank" after a year long and complex process of market research and dialogue with a wide range of stakeholders including facilitating several group discussions. I led the formulation of a comprehensive business plan which was used to secure funding for the establishment of "Leket: The Israel Food Bank" . Having completed my role, I was pleased to see the organization develop and increase its activity year on year.

During 2009, I was approached by the Chairmen of the two merger partners to assist in reviewing the viability of a merger between the two, and, if agreed, support the merger process and post-merger operational development. The result is a new organisation, "Leket Israel", bigger, better, more efficient, and with a strong and optimistic future, as it consolidates the merger, drives synergies and significantly expands its activities. The name **Leket** refers back to the biblical commandment of leaving behind for the poor any grain that the harvesters' sickles have missed.

The process of the merger is described in the presentation, so I won't dwell on that here. Suffice it to say that this is **social entrepreneurship at its best**. The issue of resource inefficiency in the non-profit world should not be underestimated. Non-profits, which look beyond the personal interests of the founders, or the ego of the key players, to focus on the optimal way to further a social mission, are the true leaders of this sector. In recent years there has been much talk about the **convergence** of the non-profit world and the business world. M&A's (mergers and acquisitions) are still a rare thing in the charity sector. I am sure that Leket's pioneering progress sets an example for many others.

As a consultant, I have to say that this sort of work is both challenging and immensely rewarding. The ability to work with philanthropists who are committed to a better future, visionary social leaders and motivated and capable staff and volunteers is humbling. It remains for Leket Israel to deliver their challenging 3 year work-plan (supported by a Scorecard measurement and metric process), and improve the understanding and measurement of the true scale of this organization's positive direct and indirect impacts . I am sure that, once an appropriate total measure of overall impact is established, the scale of positive contribution to society and environment will surprise even the founders.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at:www.b-yond.biz/en**

Posted by elaine at 08:47AM (+02:00)

## By Gum, Its #CSR

Monday, February 22, 2010



When was the last time you removed your knees from under a table and found a blob of Spearmint Gum stuck to one of them? When was the last time your foot stuck to your newly laid kitchen flooring, due to a pink blob of Bazooka joining the two together? When was the last time you noticed a smiling teenager casually chatting to friends, stopping for a second to curl his tongue to hurl a pellet of masticated Stimorol into the distant bushes? Or the last time you went for an hour of pastoral relaxation in the local park and observed the grass lawns littered with Freedent, Orbit and Winterfresh wrappers? When was the last time you went fishing and fished a fish whose gills were stuck together with teeth-marked Juicy Fruit? When did you last put on your favourite blouse and notice that Hubba Bubba had got

there first?

If I were a gum producer, I would consider the environmental effects of gum-chewing habits as one of my most material issues. Somehow, when sticky-substance gum manufacturer Wrigley says that **Wrigley brands are woven into the fabric of everyday life**, I don't think this was quite what they meant. Just see what the **Chewing Gum Action Group in the UK** has to say about gum droppers. More importantly, what does Wrigley say about these undesirable effects of people who chew ?

Apparently, chewing gum offers significant **benefits**: Improving Oral Health, Diet and Weight Management, Improving Focus, Concentration, Alertness and Stress Relief. Sounds too good to be true. Chewing gum never did all that for me ! Maybe I need to improve my chewing technique.

The **Wrigley Sustainability Report for 2008** does indeed include a paragraph on Wrigley's initiatives to promote **responsible disposal of chewing gum**, and Wrigley is a member of NGO associations which support keeping our planet beautiful, including above-mentioned Chewing Gum Action Group. Including anti-litter logos on chewing gum wrappers since the 1930's doesn't seem to have quite done the job. This issue is treated in a remarkably low profile way and seems to me to be inadequate in terms of a Company accepting true accountability for the way its products are used. Have any of Wrigley's activities actually impacted the amount of Chewing Gum litter that invades our lives? The **Success Stories** of the 2008 Action Group Campaign include some impressive case studies, such as one in the **Test Valley Borough Council in the UK** where a 62% drop in chewing gum drops (deliberate pun) was observed, though this begs the question of how long this improvement can be maintained. It also seems like a bit of a drop in the ocean (yes, another pun).

I was wondering what creative ways Wrigley could develop to encourage a long-lasting sustainable system for responsible gum disposal:

**Recycling**: yes, recycle your gum. Wrigley could wrap gum in reusable wrappers so that you can pop your gum into your pocket and whip it out the next time your jaws have the

urge to reactivate.

**Upcycling:** Wrigley could develop a side business of hardened-gum-based products - such as cell-phone casings, laptop shells, shoe soles, lighting fixtures etc

**Culture:** Wrigley could commission an exhibition at the Tate of gum-art using only chewed gum. Gum lovers would flock in their thousands to admire the exhibits (and create more on-the-spot)

**Sealant product line:** Wrigley could make a range of products using gum for sealing purposes for application with car tyres, car radiators, water pipes, leaking roofs etc.

**Defence systems:** Wrigley could offer used reinforced chewing gum in the manufacture of air-to-ground missiles for use against aggressive land forces.

**Space exploration:** Use of chewing-gum based shells for space shuttles for planetary discovery missions.

**Child care:** Innovative application for relief of hyper-verbalism in the under-10's (attach to lips of kids and hold shut for 3 minutes). Works also for CEO's.

**Gastro-intestinal problems:** Diarrhoea relief. Take a hardened blob of chewing gum and stick it .... oops, enough said.

Wrigley could also become pioneers of sustainable gum innovation such as **Swallowable Chewing Gum**, or **Self-Destructing Chewing Gum**, or **Chewing-Gum-that-turns-into-Dollar-Bills-after-300-chews**.

Whatever method Wrigley decides to adopt to ensure that the inevitable consequences of its core business contribute a **Net Sustainability Gain** (see previous post:)), I would like to think that it is more than Wrigley does now, which seems to be a little, well, half-chewed.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:10AM (+02:00)

## Comments

- [chewinggumorbit](#)

February 27, 2010

Sweet! Thanks! I need some gum stat!

## CSR leaders or hypocrites?

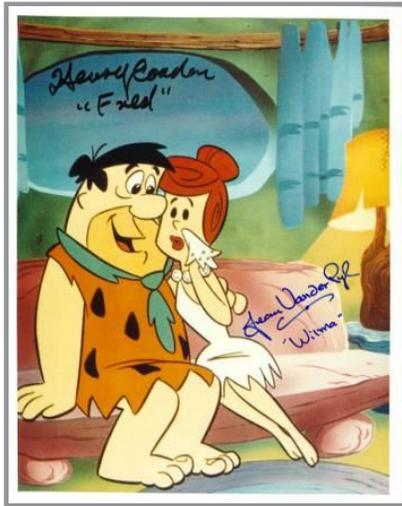
Saturday, February 20, 2010



Martin asked the questions on Twitter. "What do you think of alcoa? hypocrite? trying to do the right thing? CSR leader?" and of course I can never resist a direct invitation to respond.

I was in the middle of writing my response to this post by Amelia Timbers to which he referred, but my reply was getting rather long, so here it is in full uninhibited Reporting Blog style.

Amelia described how the **Aloca Company** is a great CSR communicator, progresses



great CSR programs and appears to be doing all the right things, with the exception of a highly criticized smelter build in Iceland which apparently was in conflict with good environmental practice. Amelia says: *"The reality is that, even at its cleanest Alcoa still may be a top polluter."*, and that we should give them credit for trying. I admit that I didn't know too much about Alcoa, it's not one of the Companies or sectors I track. However, Amelia's post could be written about many Companies that are advanced in CSR practices and communications, but, are apparently not perfect. If the only way to achieve no impact is to stop doing business, then we are being unrealistic about what CSR and sustainability means. What we should be aiming for is a business

which delivers more benefit to society via its core activities than the damage it does - e.g. a **Net Sustainability Gain**. Unless we are all prepared to go back to being cavemen (and women), (come to think of it, Fred and Wilma seemed to have a great ole time), we will always have industry which pollutes, uses non-renewable resources and creates unequal economic and social benefits. Even the best of social and environmental life-cycle thinking will not eliminate all the direct impacts of all businesses.

Of course, there are no good tools to calculate the **NSG (Net Sustainability Gain)** (this is my term - you saw it here first ! - good - eh ?) of a Company, so all we can do is make a judgement. Amelia refers to the many awards and high places in sustainability rankings that Alcoa has won, questioning whether this could be an indication of their CSR standing relative to other Companies. But I have long since maintained that sustainability rankings serve the rankers more than the ranked. They are all positive, in that they highlight some aspect of sustainability performance and serve to drive awareness and competition for higher ranking. but by and large, they do not give us a balanced or complete picture. The only ranking from which we can hope to gain true insight is the calculation of a Company's total Sustainability Impact and the advances it is making to improve this, against its own performance. It is not for a business to legislate itself out of business. If aluminium, or tobacco, or alcohol, or gambling or defence systems are inherently undesirable or unsustainable businesses, Governments should outlaw them. Until they do, what we can expect of such businesses is to do what they do in a way which maximises their contribution to society and their **NSG. (Net Sustainability Gain)**. The methodology for making such a calculation sounds impossibly complex, though some basic tools exist, such as the GRI performance indicators, SROI tools and so on. But no combination of these today goes quite far enough to bottom out all Sustainability Performance impacts into one multiple bottom line equation which is meaningful in any way.

You can read the **Alcoa 2008 Sustainability Report online**. Alcoa has reported on Sustainability since 2003, both at global and individual country level. They conduct Stakeholder Engagement panels and report openly on the feedback they have received. **They give voice on their website to over 70 employees** of different levels and regions. **They have gone from 2% women senior executives to 14% in 10 years.** They have **reduced absolute carbon emissions by 36% since 1990**, and significantly reduced absolute levels of energy and water consumption. Yes, they seem to be doing a lot of the right things and getting a lot of the right results. But, yes, producing aluminium cannot be done without taking something from the planet. Just as none of us can live without doing

the same. (Unless, perhaps, we are Fred and Wilma).

As a consultant, I work with many types of Companies and sectors, including those who are not the sexiest or the most obvious in terms of sustainability. It's sometimes a challenge. But, for me, a Company who demonstrates year after year a commitment to dialogue, accountability and transparency, in pursuit of its own **NSG (Net Sustainability Gain)** improvement, and delivers tangible measurable results, earns my respect.

Thank you to Amelia for the inspiration for this post, and to Martin for inviting me to repond. Got more than you bargained for, huh?

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 01:31PM (+02:00)

## 7 Reasons CSR consultants should use social media

Friday, February 19, 2010

I have been asked to give a talk to a Forum of CSR consultants about why CSR consultants should use social media in order to ... well.. become **better** CSR consultants. I thought I would do a little test. I have prepared and posted my presentation to Slideshare, and it will be interesting to see how many CSR consultants who attend my talk will have picked it up **before** the talk. Should I make a little wager with myself? Hmm, I will guess no more than 10%. Otherwise, what would be the purpose of me going to talk to them? Duh!

Anyway, I apologise for the rather self-congratulatory nature of the content, but the easiest way to give examples of how social media adds value for CSR consultants was to give examples from my own activity, because I find social media enriching, rewarding, educating, entertaining, (time-consuming), (addictive), challenging, enlightening, fun and always adding value to the knowledge, awareness, insights, information and service I can bring to my clients. I have taken real recent examples from my #csr life on social media, and included tweets, facebook and other conversations. I would like to thank all the unwitting partners in my social media engagement for providing me with material for this talk, and hope they will retroactively grant me permission to use their stuff in my presentation.

Here is the presentation.

7 Reasons CSR Consultants should use Social Media

View more presentations from elaine cohen.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:44PM (+02:00)

### Comments

- FabianPattberg

February 19, 2010

---

I like the Title 'Lets Buzz' Elaine.

Very fitting in the wake of the buzz around Google Buzz.

(That must be a first as well, three times Buzz in two sentences) ;-)

- elaine

February 20, 2010

---

thanks Fabian. Actually I haven't buzzed up to Google Buzz yet... i can't compete with the way you keep ahead of ALL the social media as it is evolving.you are amazing.  
elaine

- Lavinia

February 20, 2010

---

I do not believe as Cohen does that social media is creating CSR.

I do believe that Social Media is a tool.

I think the issue now for the Sustainability agenda is

1. education
2. application of learning into practice

Social Media can help the education practice

Application is the leadership practice that is what our initiative is about.

We have found ways to rally and educate in a rapid track the unskilled labor pool and bring them into a sustainable trajectory

and an aligned mission and value.

At present all our beta's are from a trust building stand of not selling CSR or Sustainability. Our stand is that we only work with people aligned to create success and have removed ourselves from conversations that are based on "prove it to me."

The world you service is critical to leadership and the approach you use valuable and it has to be part of a wholistic leadership activity. My company is becoming a leader in guiding that activity and the principles of building sustainable metrics in service of the bottom line.

Cost reduction has caused great harm, in particular in the US.

New conversations are needed at the leadership table that grow out of an inherent interest to lead, learn and permit tension and disagreement to bring people into alignment to take that learning an act.

Best,  
Lavinia

Lavinia

- elaine

February 21, 2010

---

PS: I gave my talk today. One attendee out of a total of 18 consultants in the room had seen the presentation in advance, because someone had sent it to her. 6%. My guess of not more than 10% was about right. Wonder what this will be if I do the same test in 12 months time ? :)  
elaine

- JulieUrlaub

February 22, 2010

So many great ideas Elaine. Well presented and as always, enjoyed your wonderful post!

## GRI Reporting Levels 101

Tuesday, February 16, 2010

You have decided to report. A first report. You have made a preliminary decision to report in line with **GRI Reporting Application Levels**. Then you have to decide: declare a reporting level or not declare a level or just state that your report is in the "spirit of " the GRI? What's the difference between all these and why is it important? How do you make the decision for your Company? And how do you, as a reader of reports, view the ways Companies choose to select levels.

For the lay reader, this may all be gobbledygook. Or gookygobble. Or simply gooky. What the lay reader wants is a good reflection of the Company's sustainability practices and impacts, in language s/he can understand, in as comprehensive way as possible without including next week's shopping list. Whether the Company has responded in full or in part to indicator EN27 or clause 4.9 or LA5 is really not significant. If the report communicates well, is complete and credible, the lay reader will not discern the nuances of GRI reporting adherence. I suspect that 90% of readers are lay-readers. But that's just a very wild guess.

### So why all the fuss about Reporting Levels?

Wait .. not so fast .....

A quick explanation of **reporting levels**:

The GRI Framework includes **42** background company profile etc blurb disclosures and **79** Performance Indicators in 6 categories (economic, environment, human rights, labor standards, product responsibility, society) **Download here a one page crib-sheet of all the indicators.**

**A level: This is the most transparent level of reporting.** This means the Company responded in full to all the indicators in the **GRI G3 framework**, including any relevant published **sector supplements**. In addition, the reporter must include an index of the GRI framework, indicating where the reader can find the information for any specific indicator. **There is a small loophole:** If a reporter decides not to disclose on a specific indicator, or doesn't have the full data available, then an A level can still be claimed if the reporter explains why there is no disclosure and offers some sort of intention to disclose in the future eg. *We have not yet fully calculated our carbon footprint, but we intend to do so by 2015.* In theory, one could claim an A level report by disclosing absolutely nothing and promising to do so years hence. In practice, though, different Companies do skip certain indicators, but these are only a few per Company.

**B level:**This is a reasonable level of transparency. This means that the Company has disclosed all the Company profile blurb required by the first part of the GRI Framework and has selected 20 of the 79 additional indicators with at least one from each category. Sector supplements are not mandatory at this level. Similarly, non-disclosure is acceptable if there is a good excuse explanation. An index must be included as for level A.

**C level:** This is hardly transparent at all. The Company must disclose 28 of the 42 profile disclosures, and 10 of the 79 performance indicators. This is so not a stretch that its suitable only for first time, small business reporters only who want to get on record that they have reported, demonstrate that they are thinking in the right way about sustainability, and provide a basis for future more ambitious reporting. An index must be included as for Levels A and B.

(At all these levels, reporters may include external assurance and earn a + (A+, B+, C+). But dont get me started on assurance .....).

**Undeclared level:**This could be any of the above level of transparency. The reporting Company is unsure of the reporting level or for whatever reasons doesn't want to state a level (perhaps someone (like me) might check ). Instead, the Company includes a GRI Index and notes where everything is in the report.

**"In the spirit of" level:**This is "in the spirit of" transparency. This is a Company who says, OK, everyone is using the GRI so we had better do so too. But we really can't be bothered doing all the work of checking that we have responded to a list of indicators, and we really don't think the GRI Framework is all that big of a deal, so let's just say we were inspired by the GRI, and everyone will think we are great. I call it the pot-luck level, as you never know quite what you will find in a report written in the spirit of the GRI. Also, there is usually no index.

Good. Now we have got all of that clear, how does a Company select the reporting level?

### **Six Commandments**

**Commandment One:**Thou shalt not report at a level for which you do not haveth data.

Check your inventory of information. Work up the scale. Enough for C? Enough for B? Enough for A? If you have answered no to any of these questions, check whether you are close. In some cases, with just a small stretch, you may be able to get data for a couple of indicators wihtout too much additional effort.

**Commandment Two:**Honor thy bosses, so that your days may be long in the Company that thy worketh in.

In other words, check what level of disclosure your bosses permit. You may have information, stories and data, but the bosses may not be all that comfortable just yet with sharing it with the world. Transparency is sometimes a little hard to stomach for some managers. Yes, there are actually people in business who don't believe that sooner or later a lack of transparency won't catch up with them.

**Commandment Three:**Thou shall not covet thy neighbours reporting level.

There may be good reasons for reporting at a lower level, You might wish to report at a lower level that you are capbale of, in order to leave room for the perception of improvement next time (!), or because you are not entirely sure of the way you might

want to report your data long term, and prefer to leave some room for manoeuvre (especially if you are a first time reporter). Remember that you can declare a level and still report more than minimum number of indicators. Also, as a first time reporter, the energy that delivering the report will require may not leave much for doing an excellent job on aligning your indicators. So, you might prefer to reduce the challenge first time around and focus on content.

**Step Four:Thou shalt reporteth at a level no lower than what you dideth before.**

Each report must maintain or exceed previous reporting level.Forwards, not backwards. Didn't Einstein have a theory about that ?

**Step Five:Thou shalt remain true to thine soul.**

Check who you are. If you are a major global Company who has been reporting for years and years, sticking at C or undeclared level is not all that impressive. Might as well just bite the bullet and go for an A.

**Step Six:Thou shalt not existeth in a vacuum.**

Check what your closest competitors are doing. If they reported A then you better report A. Right ?

Finally, when all is said and done, who really notices ? Often the reporting level is not about how truly transparent the Company is or wishes to be, but about market leadership and reputation and other external factors. A leading Company reports at A. A mediocre Company reports at C. (first-timers excepted). Or so it seems. **Companies perceive A, B and C as a grade of their Company, not of their transparency.** Which might be a good thing, actually. This leads to a kind of race for a transparency ranking which, whatever its motivation, is positive. In the next revision of the GRI framework, either the GRI will eliminate Application Levels, or it will have to add a few levels higher than A so that more Companies can demonstrate higher levels of leadership (I am taking out a patent on that idea).

Finally , ok, final finally, what is more important than your A, B, C, U or Spirit report is what you actually tell your stakeholders and how comfortable with transparency your Company is. It's ok to take some time to build transparency, though preferably you will achieve A level transparency before the Apocalypse. (Apocalypse = the date when B&J stop manufacturing Chunky Monkey).

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:10PM (+02:00)

## Comments

- [MarcusChung](#)

February 18, 2010

Thanks for this post, Elaine. I still have a problem with the whole "A, B, C" grading system that GRI uses (and I gave them this feedback before they officially launched the G3) because it may suggest an artificial level of quality to readers who went through the American school system.

Even though you claim a "C" level is not truly transparent, you wouldn't believe how tough it can be to convince Corporate Communications, Marketing and Legal teams that

it's worth it to note that a company attains a "C" rating on its report. Some executives only want to publish that the company achieved an "A+."

To me, this is contrary to the spirit of reporting as a barometer for continuous improvement. And since readers aren't entirely clear about the meanings of these levels, it can connote the relative quality of the overall report, not just transparency.

Just my two cents!

- elaine

February 18, 2010

hello Marcus, thanks for reading and for commenting. Yes, I agree with you. That was really my point. The perception of ABC is like a grading system for the Company rather than the transparency of the report itself, and can be a bit of an own goal. What would you recommend? No system or another form of report-transparency evaluation?  
elaine

## Another defining initiative

Monday, February 15, 2010



I retweeted the announcement of the publication of a new Sustainability Report, because I always retweet announcements of Sustainability Reports. This was the (re)tweet:

Who on earth is Grays Harbor Paper? I thought to myself. Who knows! I answered myself. Can't you find out? I asked myself. OK, let's take a look, I replied to myself. Smiling. At myself. Don't you do that ?

I am glad I took a look because this is a **superreport** of a small privately owned Company with 231 employees, and **clearly constructed with care, charm, creativity and commitment**. (Alliteration, learnt that back in second Grade. Just call me Shakespeare). It has many of the signs of a first report (no material focus, no meaningful stakeholder engagement discussion, direct impacts only, lowish transparency) but it's one of the pleasantest first reports you can find. Gray's Harbor Paper Plant, based in Hoquiam (check out their **video** if you want to know how to pronounce Ho-key - am) tells the story of a fate-defying turnaround business, saved from closure by a local knight in shining armour, who continues to act as the benevolent lord of the county by displaying true community spirit and taking care of the local heritage and people. The report projects pride of achievement (we made it in the face of adversity type of thing) and never strays from the party line. All technical or bordering-on-technical terms are explained in layman's language for members of the local community (the ones who didn't grow up in the paper mill). A couple of anecdotes add a human touch to the report such as Grandma Ford whose grandson is third generation on the mill floor and Ocean Protein who might have had to shut up shop had it not been for Grays Harbor Paper helping them out with waste treatment facilities. Environmental data is well covered and this small business is undoubtedly sharp on its environmental commitment, manufacturing using their own renewable biomass-powered turbines for energy, and 30% post-consumer recycled pulp for paper manufacture. (oops, that sounds like 70% virgin pulp). The report design is **fabulous!**

I found myself wondering just how much Grays Harbor Paper could have included in this report but chose to leave out. But maybe that's just me. What is apparent is that GHP is a small business with a big vision and, rightly so, proud of what it has accomplished. Their first report can be forgiven for being a touch self-congratulatory, because this Company sets a positive example for many other small businesses. If this Company can deliver a high-quality report such as this, then any 200+ people Company should be able to. President and Saviour Bill Quigg says in his opening remarks that this first Sustainability Report is "another defining initiative". I like that phrase, and I believe it to be true as far as reports are concerned. A Company who has reported, no matter at what GRI Level, can never go back. However cautious a Company's entry into the journey of transparency, the first step inevitably leads to more steps. I hope that more SME's will decide to have defining initiatives.

I wonder if my first ever Chunky Monkey was a defining initiative?

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 08:26AM (+02:00)

## What NOT to call your CSR report

Friday, February 12, 2010

CSR Report.

Sustainability Report.

Corporate Responsibility Report.

Corporate Citizenship Report.

**All of these titles for your Sustainability Report are BAD.**

Call them anything other than that.

### Why?

Because these titles are evidence of zero thinking about the underlying material differential competitive advantage of your CSR program and the report that should reflect it. A CSR report is your Company's sustainability story. It should be anything but what we think of as just another boring report, full of statistics and data. Although many of them are just that. **Your CSR report should be as inspiring as your CSR activities themselves** (assuming they are) ( If you don't have an inspiring and authentic CSR program, you are probably not ready to write a report. Just post your carbon emissions and community contributions on your website).

### So what SHOULD you call your CSR report?

In answering this question, I often think of **Christine Arena's great book called the High-Purpose Company**, published in 2007. In this book, Christine exposes the Litmus Test for Companies. The concept is that a sustainable business "*stands for a purpose that is greater than the product it sell or the money it generates for shareholders*"(p22). In other words, **what does the Company do besides making money?** This, essentially, should drive you to the title of your CSR report, because, essentially again, this is what you should be leveraging in your strategic CSR and sustainability efforts.

I took a look at the **GRI Reports list**.

I selected the last 40 reports that had been posted to the list (written in English). Of those

40 reports, only 7 had titles other than the BAD ones. **Only seven reports have titles that SAY something about the nature of their CSR and the message the report aims to deliver.** Less than 20% of these 40 reporting Companies truly exploit the strategic benefit of reporting. Take a look at the following seven report titles. Can you match the name to the reporting Company? The answers are at the bottom of the post. (Wouldn't want to make you work toooo hard for the answers. This is a mini-quiz.)

1. Making a World of Difference
2. Creating value through innovation
3. Mobilising Development
4. Power to you
5. How are we making a difference?
6. Places that matter
7. It's about time ...

The above are from one real estate company, one travel company, two telecoms companies, one pharma company, one airport and one bank. Can you get which is which ?

Which brings me to another point. If you have taken the trouble to think through your material and strategic CSR approach, and decided to give your CSR Report a name which reflects that, then you should make sure that your content is aligned with the theme encompassed in the title. If your title is about innovation, then your report should refer back to that theme in the stories it tells. If your report is about mobilising development, then that should be evident in the nature of the content that is presented. I didn't look at the above reports in detail, so I cannot comment on how they do that, for now.

Whenever I am starting on a report writing assignment with a client, before I put pen to paper and before we decide how to structure the report, and to a large degree, what data we want to present, I get the title right. For example, in writing the report for **comme il faut**, a feminist fashion Company who takes a public stand on women's issues and social justice, out of a desire to influence the social agenda, we used the title **Women who Influence** because that is the core of their agenda-driven mission. In writing the report for **888 Holdings**, an online gaming Company, we used the title **People Planet Play**, a variation on the people, planet, profit theme, because their mission is to have people enjoy the **game**. **In both cases, not one word was written before we agreed the concept and the title.**

If you want to differentiate your report, if you want to write it in an interesting and engaging way, **get the concept and the message clear before you start to write.** Incidentally, it works well with blog posts as well :)

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

**and here, as promised are the answers to the above report-titles mini-quiz:**

1. Thomas Cook Group plc 2008-2009
2. Novo Nordisk 2009
3. Vodafone Germany 2009 Report

4. Vodafone Greece 2009
  5. Toronto Dominion Bank 2008 Report
  6. Sorouh 2008
  7. The Greater Toronto Airports Authority 2008
- Posted by elaine at 03:35PM (+02:00)

## Comments

- [CindyEsposito](#)

February 17, 2010

---

This was a great post, Elaine! Some great ideas on how companies can differentiate themselves, their report and get noticed. Incidentally, I completely bombed on the mini-quiz! Obviously, I have some work to do here!

- [elaine](#)

February 20, 2010

---

Thanks Cindy for reading and commenting. Don't worry about not matching titles with Companies. Picking the title is one thing, making it relevant is another Some Companies havent really got the second bit yet. :)  
elaine

- [UKati](#)

February 22, 2010

---

Hi Elaine,  
Missing concept of the report often comes hand-in-hand with missing target stakeholders :-). We see this as a great problem as well. good post!  
Just one note to the list of GRI reports having almost all "bad titles". We are now data sharing partners of GRI, and we were asked not to include the titles like "Heading new ways" etc. into the tables we provide, because it makes the info too bulky. This might be a reason why the titles are so boring in the list :-)

## Down with Womenwashing!

Monday, February 08, 2010

**Diversity .. gender equality ... advancing women in business.** Anyone who has ever heard the words Corporate Social Responsibility and/or Sustainability knows that advancing women in business is a both moral obligation in the context of upholding of human rights, and a major business opportunity because, let's face it, many women are good leaders, good managers, good communicators, good listeners and good assets in any business. Note that I say many, because I wouldn't want to over-generalize. Note that I say good and not better (than men) , because I believe that an ideal world is one of equality where both men and women work in harmony, both genders bringing to the table their unique and intelligent perspectives. So why, after so many years of gender equality discussions, policies, plans, actions and efforts, are women still not making it to a decent level of representation in the general workforce of Companies, and far fewer to the Board Rooms and Executive teams? I would like to share a perspective.

I will not throw all the data at you. There are enormous amounts of data about women and how they don't achieve their rightful place in our economic landscape. You only need to take a quick glance at the Millenium Goals progress data , or at the Catalyst website, or spend a few fascinating hours reading the best and most authoritative book on the

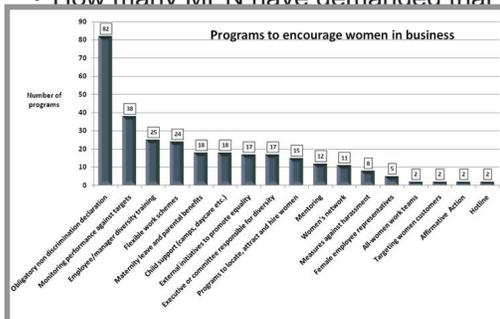
subject Why Women Mean Business, by Avivah Wittenberg-Cox and Alison Maitland, or visit Aviva's website, to get the general picture.

This is not to say that Companies are not doing their part to advance women. Take a look at the United Nations Global Compact website to see a toolkit of resources including a document full of all the great things that Companies around the world are doing to advance women. This is truly wonderful. However, as I am known to repeat certain mantras from time to time, I will do so again. **Doing things is great, but only if they result in tangible outcomes.** We can all keep busy doing wonderful things to advance women, but if women are not advancing, then apparently what we are doing is not all that wonderful.

Another element in the efforts to improve actions and accountability in this area is the transparent reporting of gender equality data in Sustainability Reports. In fact, a few months ago the GRI issued a whole supplement to the G3 Reporting Framework called Embedding Gender in Sustainability Reporting which provides very precise guidelines about what Companies should disclose related to gender equality. The guide refers to gender issues in governance, workplace, supply chain, community and in investment decisions. This is very comprehensive and requires disclosure of how much **both** genders are paid, trained, developed, whether they take maternity or paternity leave, use child-care arrangements and more. All things which theoretically apply to both genders but actually apply primarily to women. However, there is **one big gap in this transparency disclosure requirement:**

Companies are not asked to report:

- Does the Company employ a MALE gender equality officer?
- How many MEN have been trained in gender equality?
- How many MEN have actively recruited and promoted women?
- How many MEN have demanded that their teams are gender equal?



Why is this important ? Because all the gender programs that are currently running in companies to "fix" the women problems are not working. All these fixes, which the GRI now guides us to be transparent about, are there to try to solve the practical predicaments of women's access to work (free them up - provide childcare, make them more competent - train them, give them help - mentor them, make them feel

part of the group - network them, deal with them fairly - pay them the same as men, give them career opportunity - return them to work gradually after maternity leave, understand them - give them a place to breastfeed) , when the real problems are attitudes which prevent true eye-ball to eye-ball equality wherever the important decisions are made in the business. This is not happening. And all the programs to fix women are not fixing women's advancement in the workplace.

We did a study of 100 (randomly selected) Sustainability Reports to see what Companies are doing and what result this is having. Here is some of what we found:

Less than 30% of the total workforce in the Companies analysed are women and less than 10% are Board Members or senior Executives. **The research shows that there are 305 separate initiatives in 82 out of the total 100 Companies to advance women, yet in**

**those Companies where there are greater initiatives, there does not appear to be a significantly greater or higher quality representation of women.**

There is no noticeable difference in the research findings relative to Company size or country of operation. We do see, however, a very slight increase in women Board members and Executives where Companies have a higher level of focused initiatives to advance women and gender equality. However, this is still minimal and the data is not strong enough to support a clear conclusion in this respect.

**Automotive, Construction, Energy and Mining sectors employ the lowest percentages of women and promote women least.** No specific sector stands out as employing and promoting a high percentage of women across all organizational levels.

Finally, the level of disclosure is positive as regards absolute numbers of women in the business. 99 out of 100 Companies disclose total workforce numbers, and 84 disclose percentage of women in the workforce, 96 disclose percentage of women on the Board, and 91 disclose percentage of women at Executive level. However, what constitutes Executive level may not be comparable across Companies. The actual data is this:

**28% of total employees are women**

(992, 234 women out of 3,541,930 total employees in 84 Companies that disclosed numbers)

**9.8% of total Board Members are women**

(113 women out of 1,151 total employees in 96 Companies that disclosed numbers)

**8.9% of top Executives are women**

(87 women out of 981 total employees in 91 Companies that disclosed numbers)

The main ways of promoting equality are making an equality or non-discrimination policy declaration, managing diversity against specific targets, diversity training and flexible working hours.

The Company in our sample with the highest level of total female employees is a Swedish plastics Company called Nolato, employing over 4,500 people, with 70% of the workforce who are women. This figure is influenced by the high level of employees in their operations in China. In Europe, 35% of the total workforce are women. Nolato has only 20% female representation at Board level and ZERO representation at Executive level. Nolato does not report **any** focused gender equality initiatives beyond a declaration of non-discrimination. There are just 4 sentences on diversity and equality in Nolato's 84 page report, one of which states with regard to the principles of non-discrimination and equality " There is nothing to suggest that we breached these principles in 2008". All the non-female executives in this Company probably do believe that to be true.

The second Company with the highest level of total female employees is Cathay Pacific Airlines with 60% of women on their workforce, 6% of women on the Board and 12.5% women executives. Cathay has over 27,000 employees worldwide. As with Nolato, Cathay does not report any measures to advance women in business. And, they don't advance.

Finally, one more example, BASF. BASF employs over 96,000 people, they have 22% of women in the workforce, **zero** on the Board and 5.7% female executives. They have in place 5 initiatives to support gender equality, and women specifically. This includes project teams promoting diversity, and a range of initiatives under the work-life balance banner, including child care, and provisions for employees returning from parenthood!

BASF say "We are committed to the equal treatment of both men and women". I suppose some are more equal than others when it comes to handing out promotions.

**You can download the Executive Summary of our research findings, or request a free copy of the FULL 33 page REPORT including a list of all the Companies we analysed, on our website.** Thanks to our analyst Carmel Kaminer for doing all the legwork for this research.

Finally, I think it is about time that Companies stopped womenwashing in their reporting and stopped playing around with childcare programs as a demonstration that they are advancing women. Sure, it help to have this sort of support, but it is not enough to make the difference. As Avivah Wittenberg-Cox says: **It is time for CEO's to get serious about sex.**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at:www.b-yond.biz/en**

Posted by elaine at 11:58PM (+02:00)

## Comments

- Julien

February 09, 2010

---

Great article Elaine! I shared it with friends and colleagues and had good feedbacks.

- AndreaLearned

February 09, 2010

---

Elaine - you knew you'd draw me in with this post! There's a key word within that symbolizes what is wrong/why it is so hard for corporations to "get" this gender diversity thing.. and that is the word "initiative." That word makes it sound like an aside, a little test project. Just like sustainability and social responsibility, corporations will get nowhere if they simply put their figurative toes in the water. If gender diversity is a "men's initiative" or a "woman's initiative" or even a "gender initiative"... it will probably fail. How about integrating a whole new approach to managing an effective organization in the 21st century? Corporations SHOULD be taking a look at the gender diversity issue, but they too often get stuck there and don't apply what they learn more broadly. I wrote a Huffpo piece (<http://learnedon.com/2010/01/engaging-conventional-susty/>) on new Catalyst research about engaging men in gender initiatives, and how that feels very similar to what we now struggle with in engaging conventional business thinkers in sustainability. Addressing either gender or "green" is but an element of what we are ALL pursuing as savvy business types: more effective and productive businesses for the long term (sustainable!). So, we have to learn to talk about these issues, and work on them, with "appreciative inquiry" type methods. No polarization of men vs. women or green vs. not-green allowed.

- elaine

February 09, 2010

---

Julien - thank you!

Andrea - yes, I thought you might take note of this post! Thank you for contributing very good thoughts. I agree with you that Appreciative Enquiry et al is the right way forward. But before a business can do that with its management, we need to see true leadership commitment to gender equality. The ineffective "initiatives" fail mainly because there is no leadership commitment. How on earth do you encourage women to advance in a Company where there is Board with Zero women and an Exec team with a token woman? Some "initiatives" may serve an interim purpose in building a new organisational reality which can set the stage for to a more in depth process (cf: now we promoted 5 women, lets talk about what we all need to do to create an environment in which everyone can succeed together) , but this can happen only if the leadership is

openly and visibly serious about it. The sad fact is that leadership just doesn't get it.  
elaine

- [Andrea Learned](#)

February 09, 2010

---

Identifying the male influencers and working it from that angle seems to be the way, Elaine. The Catalyst research is very helpful:  
<http://www.catalyst.org/publication/349/engaging-men-in-gender-initiatives-stacking-the-deck-for-success>

For one - just take a look at the men they profiled therein. Perhaps those case studies, from very recognized and successful companies, could convince the laggards to get on it! Glad you are on the case, as well!

- [Lavinia](#)

February 10, 2010

---

Elaine, thank you for posting this.

I was invited to a private meeting of 200+ female leaders in investments in 2003 or 4, most of whom were alumnae of a Top 10 MBA program in the Boston Area. I was not permitted to report on the presentations there from individuals.

What I can say is across the board is that most women who presented left Fortune 2000 to recover a life with family usually after a significant episode of a chronic or life threatening illness.

One woman, who achieved Chairperson level in her investment firm talked about how this cost her relationship with her husband who became an ex and all her children.

For most of my career I have been quite and not directed myself to speak up as I want to.

Ironically last night I watched a television episode of HOUSE where the female lead who plays a medical director of a small teaching hospital best in practice in ER and diagnosing systemic illnesses was "battered" by an insurance group and chose to take a stand and won in the end.

She was called Bitch and was told that her contact had told his boss she would not budge.

During the negotiation she had to take a stand when her job was threatened and take disrespect from the hospital medical staff plus.

I believe in CSR dealing with these issues has to begin with us.

I have a health care background and watched the episode last night play out to show the stress this woman faced in the script which I could relate to and have been through.

This woman stuck to her ethic and what was right in the script based on an ethical financial analysis whereby the insurance group operated in the negotiation based on greed and profit and domination.

I was left speechless at the end of the episode seeing myself in similar situations during my career and left to wonder why do women have to get sick from stress, back out of their career and networks to recover and cannot show and perform in a context of an

ethic that is mindful and the best of CSR practice.

This month a former professor of mine, who is a woman and well known in CSR work, sent me work of hers that validates my work. 10 years ago this woman accompanied me to an interview with someone male of CSR fame and told this man to hire me so I could do my grad work within his research center and create a reputation for myself. This man has recently stepped down from his leadership role and this week, I got an email from my professor with materials that validate my research that was not supported during my academic experience.

For me and my career male domination has run in parallel with institutional domination and politics.

I believe for us to change what is happening for women we have to act and be who we are and stand behind each other in the practice of how we work and make this happen.

In the CSR community I have been shamed and humiliated by men in our practice and I don't put up with it; Recently I was told how to behave in a public space in a way that in text print could be viewed as humiliation. I took it up in email off the public platform and simply made it clear that I would never talk to anyone that way.

Thank you for creating this blog entry and a space in which the conversation can happen. We need to take that stand not as a protest, but as a step toward assuring and pointing out the remarkable work women in our community are responsible for where they can be noted and recognized as leaders.

- elaine

February 10, 2010

---

hi Lavinia, thank you for your insights. I am sure every successful woman has similar stories of open or subtle discriminatory or humiliating behaviour. I agree that another aspect of this is how women stand together and support each other. I would like to see more female leaders walk this talk.

thanks for reading and commenting!

elaine

- Lavinia

February 10, 2010

---

Elaine, let's do it! I could write a lengthy response here, and I am happy to create a category within my blog for you and other successful women in CSR to contribute to speaking to how metrics that are gender balanced can alter the CSR or Sustainability space and lead change.

My work is core to translating the Earth Charter Precautionary Principle which is the DNA of WorkEcology(tm)

Dr. Gro Harlem Brundtland, physician, global public health leader, prime minister and leader of the Brundtland Commission as a woman has created a remarkable foundation for women like you and I to lead into.

You can read more about her, and all this at my blog, <http://aboutworkecology.typepad.com> by searching on the Brundtland Commission and Precautionary Principle.

I will add a column in my blog featuring this blog post in the next few days, after I complete a project proposal. I hope you and other women thought leaders from

Justmeans, will contribute to this category.

I will also try to think of a new title rather than Gender. I am a contributor to the Power of Yin column on Ethical Markets.com but think it may be time to add this as a category at my blog and ask Ethical Markets.com to feature anything written there by me or guest writers.

Best,  
Lavinia

## Where's the popcorn ?

Friday, February 05, 2010

Here is an innovative CSR Report. Is it a global first ? Maybe. Except for the fact that it is Solar Century's second **video CSR report**. It's the only report I have seen in video format. Here it is:

### **Solar Century CSR Report 2007-2008**

It's a 22.04 minute video which talks about the Company's CSR performance. It covers most topics that are usually included in a CSR report, following a structure which is based on the 10 principles against which the Company does business. Company people, starting with the Executive Chairman, talk through the key issues, and the report includes star-appearances from external partners such as a recycling operator and a customer and others. It's light on data, with environmental data presented in graphs on screen which are a little hard to follow and disappear rather quickly. The report specifies 5 quantifiable targets in the area of environmental impacts reduction. As far as movies goes, it's not bad. Nice shots of photovoltaics in different settings and on different roofs and many other shots of different aspects of the Company's work and activities. The visuals certainly assist in giving us an appreciation for what this Company does and how.

The video is accompanied by a 30 page PDF download which resembles the kind of document we are familiar with, for better or for worse. The written document contains the data in the video and additional information. It's clear and easy to read.

**This is clearly a sustainability-minded Company** and I admit that the video, if you can spare 20 minutes to watch it from start to finish, is not a bad job at all. It offers little in the way of excitement, with a narrator that sounds a little like my GPS navigator, and no Hollywood stars or special effects (James Cameron wouldn't have been challenged), but it gets the message through and leaves you with a feeling that Solar Century is actually quite a good business doing quite good work.

I would recommend splitting the video report into sections and offering the viewers the chance to select the bits they want to view, as not everyone has the time and the patience to watch a 20 minute marathon. In this 140 character world of micro-everything, I think Solar Century's movie-time might be better as a series of micro-movies rather than this one Gone-with-the-Wind version.

In any event, thumbs up to Solar Century for an innovative, creative report, one in which they have clearly invested time and effort and personal involvement of a range of budding Hollywood stars.

I hope everyone doesn't produce video reports. I go through too much popcorn.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:29AM (+02:00)

## Comments

- [elaine](#)

February 05, 2010

PS> Thank you to Marjella at the GRI (@jellie82) for pointing out on Twitter that Gruppo Cortefiel also produced an audio visual CSR report last year.

[http://www.grupocortefiel.com/en/responsabilidad\\_corporativa/modelo\\_de\\_sostenibilidad.asp](http://www.grupocortefiel.com/en/responsabilidad_corporativa/modelo_de_sostenibilidad.asp)

Thank you Marjella!  
elaine

## Don't shoot the piano player

Wednesday, February 03, 2010



I just re-read an interesting conversation on JustMeans which was started back in May last year by Martin Smith the CEO who

said:

This generated 36 comments to date and others are still trickling in. Here are my pick of the most interesting ones:

### **Martin Smith:**

CSR reports do not work because the process of creating them is artificial

### **Sandra Van der Lingen:**

We need to distinguish between CSR reporting as a business process and a CSR report. I think the old fashioned printed version of a CSR report is dead. CSR reporting as process however will remain a crucial component of CSR because of the accountability of a company towards its stakeholders

### **Joanna Hoopes:**

No one reads them because they not connected to the company's revenues, only inform decision-making on a very limited basis and are about as interesting as watching grass grow. Timberland's stakeholder engagement metrics are the most relevant and progressive I've seen.

### **Heather Rankin:**

CR reports are not well read because the target audience is small. They are not intended for mass consumption - they are generally for opinion formers such as investors, analysts, regulators, NGOs etc. The discipline of producing a CR report helps improve performance and raises the profile of sustainability issues - and the people managing them - within a company. And even though they are not widely read people often feel

assured when a company produces such a report - sure, it's no guarantee of improved performance, but it's a positive sign.

**Kevin Long:**

I think printed CSR reports should be used as door stoppers and wrapping paper. They should all be online and could still drive accountability and improvement.

**Christine Arena:** If I were the CRO of a corporation (which I hope to be one day), the very first thing I would do is strike this line item from my budget. Then I'd reallocate the funds toward the research and development of future products that help solve social and environmental problems and also make the company money.

**Michelle Bernhart:**

CSR reports aren't Harry Potter page-turners, but they serve a valuable purpose

**JoAnn Strickon:**

I've never read anyone else's, but I LOVE seeing my company's CSR report. It's great to read about all of the people we have helped, and to know that I work for a company that cares about people, community, the environment... Check it out -- it's really colorful and interesting (Manpower Report)

0-0-0-0-0

As I re-read this conversation, I had to smile at the range of comments and how amazing it is that reporting generates such extreme viewpoints. I was busily typing another response but got blocked by the 1,000 character limit, so I decided to have my full say here, at home, in the comfort of my own blog. That's what blogs are for, right?

It's true that I get frustrated when people say CSR reports are dead or worthless, because I spend almost all of my days helping Companies get their act together so that they can report, and helping them put together their reports, and I wouldn't like to think I am wasting my time :) What a worthless life I could be leading if everyone felt that reports served no purpose. Sigh! Fortunately, most of my time is spent in working with Companies on processes, not just writing the actual reports, and I could fill this page in a second with the added value these processes have brought to the Companies I serve including a client who attributes directly to reporting a very strong increase in turnover in a recent business activity. I always wonder if the people who denounce CSR Reports have ever really really really read a good report, or have ever been involved in or with a business that is writing one. Are the people who would use reports as doorstoppers really those who have personally experienced and fully understand the process of reporting?

Reporting has its place but it is not a total one-stop-shop solution for all corporate processes and communications and it is not done well by enough Companies. But it is done by many Companies and that says something about its relevance, even if the result is somewhat clumsy to start with. Over time, they get better. But to say that CSR reports do not work because the process is artificial is only true when the company CSR is artificial. To expect that you can produce a report and suddenly it's the talk of the town is naive. As I have said many times, **reporting is not the communication tool, it's the platform.** Reporting is not stand-alone, it's part of a total sustainability strategy which includes transparency. **Your communications work begins BEFORE your report is written and it REALLY BEGINS AFTER your report is published.** Too often, when people talk about reporting, they confuse the delivery of transparency with the delivery of the report. A Company doesn't have to print and ship reports (as the only paper consumption in a business which seems to give people a problem is that used for a CSR report - I have

never quite been able to understand that) - a web-based reporting format is adequate to deliver transparency. And I have yet to discover any other process in a business which focusses the mind around a comprehensive holistic sustainability strategy as the reporting process does. If it is done sincerely and in a quality way.

So maybe what people are frustrated with is not the reporting but the performance, and the fact that many Companies report without the delivering the performance. Well, folks, what I say is what are you doing about it? Are you invested in denouncing the system, or in improving it ? Are you complaining about reports or are you talking to the Companies whose reports you preceive as whitewash, greenwash, eyewash, marcom and wallpaper?

Some see integrated reporting as the solution. But, frankly, I think it's the solution to the wrong problem. The problem is not the reporting format. The problem is the ability of businesses to strategically address sustainability issues and seamlessly embed them into their practices. The solution is to change the way Boards and Execs think about sustainability and about their role. The reporting format is an outflow of this. Integrated reporting wont make for an integrated business, unless people read the integrated report, notice the lack of integration thinking, and demand improved performance. Just like they can do right now with separate reporting (because the financials are available for those who want to see them). And even today, many integrated reports are just separate reports in the same binding, and not evidence of a real shift in thinking.

Killing reporting is like shooting the piano player. Get the piano tuned and the report will turn out fine. And, frankly, we will all enjoy the music a whole lot better.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 06:59PM (+02:00)

## Comments

- [MarioVellandi](#)

February 03, 2010

---

To hell with those who believe reporting is a waste of time; if they're not in the communications space, then their opinion is worthless. Most all activities of any business and organization need to be measured and communicated in some form or another so internal and external stakeholders can know what's happening.

The entire process of sustainability communications from data collection, measurement, fleshing it out, and distributing it - through whatever channels (online, print, newsletter...) - is what we're trying to improve.

Regarding the tone, format, and channels used, it obviously depends on the audience. And it's clear that multiple audiences exist for which a style ranging from pure objective to creative storytelling subjective - will be appropriate and helpful.

- [Clayton](#)

February 04, 2010

---

I totally agree Elaine - the CSR report itself is actually only one small aspect of the overall CSR commitment & communication - the tip of the iceberg so to speak.

If nothing else, a commitment to reporting requires & drives a commitment to measure

and hopefully improve, which requires/drives actions and engagement. The publication of the report should (though not always) drive further engagement and communication, internally as much as externally.

Of course the reports themselves can always be improved - online, reader-friendly executive summaries, engaging story-telling - and particularly in areas of transparency and assurance which you are doing such good work to raise the bar.

It is true that you get what you measure, and if not for the CSR report, the measuring might quietly slip off the radar, and we may end up getting a lot less.

- [MartinSmith](#)

February 04, 2010

---

I agree with a lot of what Elaine is saying. However, I do think the CSR reporting process needs a lot of changes.

I work with over a dozen F100 companies in some capacity with the people who are doing reporting. Most find the process difficult and many treat it simply as disclosure and nothing more.

In general, I think the people inside a company that do the reporting process want to change it, but don't have the buy-in from management to change it. I was with a major pharma company yesterday owned by private equity and the CSR Director said simply "this PE company doesn't believe in any of this stuff. To still be putting out a PDF is a miracle in and of itself"

I think CSR Directors may have the hardest job in the world because very few people outside their organizations take them seriously, and whenever they want to drive change internally it is like moving a mountain.

That the current format and structure of CSR Reporting is not as creative as it could be probably says a lot more about how much large companies buy into sustainability rather than anything about the people who are doing reporting.

- [elaine](#)

February 04, 2010

---

Hello Mario, Clayton and Martin!

Thank you for reading and for your replies.

I wholeheartedly agree with Martin's point that the current state of reporting is more reflective of Companies' approach to sustainability than the report itself. That's what I meant about the piano player. As corporations mature, and their sustainability becomes truly "sustainable" , so their reporting will be more substantive and relevant.

I agree too with Clayton's excellent point - that if we dont report, we might just not measure.

And finally, Mario says it very clearly - businesses need to measure and communicate.

Despite not being perfect, the reporting process is the best thing we have right now. But I am sure in a few years time it will look somewhat different. (hopefully different = better)

Thank you all for your contributions to the discussion!

elaine

- [MelanieHalvorson](#)

February 04, 2010

---

I agree. A CSR report needs to be seen as a process not just a final product. We hear again and again from companies that do CSR reports right that the value in the report is in the process of compiling it every year and the issues the process addresses.

- [elaine](#)

February 10, 2010

---

Thank you Melanie for reading and for taking the time to comment. Of course, I agree with your insight. regards, elaine

- [Anonymous](#)

July 09, 2010

---

I translate these things. I agree with the sceptics. They are always unreadable, seldom rise above crude PR and can always be cut by 75%. Don't disagree with presenting the information in principle, but it should be online only, for those who really care how many trees their employer planted. In print, it is a considerable waste of time, manpower, effort and money. I have often wondered how much CO2 emissions and energy consumption could be cut by if all corporate CSR and sustainability report production were banned.

## 16 recently published CSR reporting resources

Wednesday, February 03, 2010

CSR Reporting comes in for its fair share of flack. The love them-hate them syndrome is no stranger to the CSR Report. If I were a CSR Report, I would move around with a bodyguard, just in case (whatisname from the movie with Whitney Houston would do just fine). If I were a CSR Report, I would probably need ongoing psychotherapy as I would constantly be questioning the reason for my existence. If I were a CSR Report, I would probably never get invited to the best parties. (Ok, apparently I AM a CSR Report).

But despite being something that everybody loves to hate, CSR Reports and CSR reporting (yes, there is a difference) generates a lot of **BUZZ** in cyberspace. Here are some of the recent star appearances of CSR Reports-ing over the first few weeks of the new decade.

### Reports on Reports

#### CSR Trends 3

An excellent publication at end 2009 with insights about corporate responsibility reporting trends from around the world. The report is split into sections covering focus, credibility, content, performance and accessibility, and uses examples from some of the finest reports around to make the point. A very good piece of research and a well written document. You can also view it **online**.

**CSR Report assurance of social indicators in CAC40 listed Companies** by <http://www.csr-europe.org/> . A good review of who is reporting on what and how in Europe.

**How to read a corporate social responsibility report** by the Boston College Center for Corporate Citizenship. The BCCC says that CSR reports are intended to portray the

relationship between corporations and society. This comprehensive user-guide looks at just about everything you need to know in developing a CSR report, intended to assist first timers.

**Top 7 Sustainability Practices** - a white paper by SDialogue. The report includes CSR / Sustainability reporting as a key practice (number 6).

### **Blops on Reporting**

(for the uninitiated, a Blop is a blog post - my invention. Neat, huh?)

**The Value of Storytelling** - by Ashley Jablow on theChangebase.com. Ashley's blop runs the theme that a CSR Report shouldn't focus just on impacts - it should tell stories. Interesting post which generated many responses - but not many stories. Ha-Ha.

**Responsible Policy** by Dr Michael Groves on Accountancy Age.com. Dr Groves says that a CSR report is just another piece of "corporate wallpaper" or a "duvet hiding all manner of governance failings". Guess he's a fan, right ? But he also goes on to make some very astute points which you can read for yourself.

And a post which neatly pulled these two together and distills the key points, called **Telling the Story of Corporate Social Responsibility Reporting** by Chris Jarvis at Realized Worth. Chris always cuts to the chase.

**What to report on ? How two CSR Leaders decide** - by Cindy Mehallow on Triple Pundit. Cindy, an experienced reporter, gives her advice on four ways CSR reporting can add value. Well worth a look.

**CSR Reports Who's reading them and is that the point?** - by Marcus Chung. Marcus, an experienced CSR practitioner and reporter asks if CSR reports are the best way to communicate. I wonder who hasn't already asked that question.

**From online CSR report to online CSR reporting** - blog post by James Osborne of Lundquist. James identifies three different models of online CSR reports.

**Should sustainability reporting be mandatory ?** a BSR debate blog post. A good summary of the usual arguments for and against mandatory transparency following the US Securities and Exchange Commission's issue of guidelines for disclosure of climate-related risks. My take is that mandatory transparency has the potential to drive major improvement in sustainability performance, though, of course, there will be ups and downs along the way.

**The CSR Reporting Journey** - from PRNewswire. This is an extract from a PRNewswire guide to CSR Reporting written by Ashley Barwig and raises questions such as who is actually writing the report, what has been the point of reporting in the past and what would reporting look like if it were not the end point ? Good questions. Ashley also supplies the answers.

**CSR Goals, Reporting and Unethical Behaviours** by Courtney Zegarsky on her Social Endeavours blog, who suggests that goal articulation in CSR Reports may boomerang to create unethical behaviours in the organization. Hmm. I hold a different view. For me, one of the critical added value elements of reporting is precisely the public commitment to such goals - though if the organization is badly managed, or internally conflicted, then

anything they do could be a platform for negative organizational outcomes, whatever they put in their CSR Report. Unless they use Chunky Monkey as a form of Alternative Dispute Resolution.

**10 best practices for writing a great CSR Report** from Environmentalleader.com. This post summarized the Boston College report mentioned above.

And then of course there were my own recent contributions **In search of the perfect CSR report on the GRI Blog** and the piece by Olivia Khalili in CauseCapitalism **Doing Good Only Gets You So Far**. In fact, Olivia writes one of the best blogs around - you should follow it avidly, as I do.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 10:19AM (+02:00)

## Comments

- Cindy

February 20, 2010

---

Helpful list, Elaine. Thanks for including my post. Glad you found think it's helpful. I'm familiar with most of the resources you mention, but not all. Am looking forward to working my way through your list.

- elaine

February 20, 2010

---

hi Cindy, thanks for reading and commenting. Looking forward to hearing more of your insights, warm regards, elaine

## Anyone for haggis ?

Monday, February 01, 2010

Macswen call themselves the Guardians of the Scottish National Dish. They have been making authentic, award-winning Haggis for the past 50 years. In 2009, the Company published its first Sustainability Report (having published an Environmental Report in 2008).

For those of you who have never tasted Haggis, well, believe me, it just can't compete with Chunky Monkey. When you realise that Haggis is made of sheep's liver, lungs and heart, plus onion, oatmeal, suet and spices, and cooked in the sheep's intestines, then you probably can understand why. (>> no walnuts). This Scottish dish is served traditionally on Burns Night in January in commemoration of Robert Burns, the poet, who wrote a poem to a Haggis. (He was apparently under some stress at the time) Haggis became very popular in Scotland, during Burns' lifetime, in the 1700's, as it was a cheap dish for the poor, as almost everything that everyone else wouldn't eat was thrown into an empty intestine and cooked up to deliver a gourmet feast. Haggis is also used in sports. Brawny kilt-wearing Scots stand atop barrels and hurl the haggis as far as they can in this fascinating sport called.. yes, you guessed, haggis hurling. I always wondered why they chose to hurl the haggis. I mean, I never had the inclination to hurl a Chunky Monkey. I suppose it has something to do with those intestines.

Macsween is a family owned business, which has been handed down over three generations since the founding of the Company and the first proud Haggis production line in 1953. They have come a long way since then, having turned Haggis into a magical brand which can now be traditional, vegetarian (oops, there go the intestines), microwaved, barbequed, used in lasagne, made into pakura, stuffed in a pitta, topped on a pizza or delicately served up as Haggis tartlets. You know the Macsween's are totally into Haggis when they describe it on their website as a "gastronomic gem". I suppose that's why they say in Scotland that Haggis is a girl's best friend. ( gem >> diamond >> get it ?)

The 2009 Sustainable Haggis Report is a 13 page charmer, complete with little Haggises roaming around the pages on little Haggis legs. There is clearly a commitment to environment and community which, at the level of a small family business, may not have major global impact (Haggis saves the world from global warming) but is undoubtedly highly significant in Scotland. Macsween have an Ethical Sourcing Policy which requires suppliers to report on their quality , environment and sourcing practices. Also, the Company has an Environment Policy which has led them to deliver significant reductions in gas and water usage, and a waste recycling level of 97.8%. Macsween is involved in the local community and contributes time, energy and Haggises. All in all, a delightful demonstration of how a small business can develop sustainable practices and state its commitment to making the world a better place, complete with green Haggis. Well done, Macsween. Despite my flippancy, I admire your business and your values.

You probably know what's coming next. Haggis flavored Chunky Monkey. With real Haggis chunks. A flavor to die for. Literally.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:49AM (+02:00)

## Comments

- [DavidCoethica](#)

February 01, 2010

---

Is nobody safe from the Elaine's scrutiny? Even a small Scottish Haggis producer gets the Chunky Monkey treatment!

Thanks for the review and history of the Haggis! Not my cup of tea (or should I say bag of intestines) but great to see a small company on the right track.

- [elaine](#)

February 01, 2010

---

hi david, I admit to having eaten haggis many moons ago whilst in Edinburgh. Actually, it wasn't all that bad! Thanks for reading and commenting! elaine

- [user](#)

February 01, 2010

---

ייליא יה  
תוירחאה לוהינ לע תעדוי יתייה אלו הריכמ יתייה אל, רלש גולבה אלמלאש תורבחל פשחהל רדהנ (רבודמה ןדעמה תא םיעטלו דנלטוקסב ןיידע לייטל יל אצי אל) ןהלש תידיגאתה  
אלא, עבוק לדוגה אלש רכל החכוה. ןטק קסעב תידיגאת תוירחא לוהינל אמגוד הלחא, הרקמ לכב

םילעבה ירוחאמש סיכרעה.  
דוע לע הדות יעוצקמ ןדעמ דוע לע הדות  
ילריש

- elaine

February 01, 2010

hi shirley, thanks for your comments. Yes, there are many small companies who are doing a great job in sustainable and responsible business who never make the headlines. i am always pleased to write about such companies here. best wishes, elaine

## Opaque Transparency

Wednesday, January 27, 2010

The Global Sustainability Research Alliance, led by the Canadian Corporate Knights, have published their Global 100 Most Sustainable Corporations in the World list. It's a fabulous piece of work, examining a wide range of sustainability indicators. **Congratulations** to CorporateKnights for developing this ranking, and to the 100 Companies that made it onto the list. Here are the top ten:

1. GE
2. PG&E Corp
3. TNT nv
4. H&M Hennes and Mauritz
5. Nokia Corporation
6. Siemens AG
7. Unilever plc
8. Vodafone Group plc
9. Smiths Group plc
10. Geberit

A couple of surprises , I suspect, on that list, but it's a great piece of research and analysis. Each Company result is supported by a page of data summary, and what's GREAT is that you can download an Excel file of all the analysis data.

Of course, being passionate about **reporting and transparency** , I was interested to note which Companies came out tops against this parameter. Here are the top ten transparent Companies according to this ranking:

1. Atlas Copco ab (Rank34, Transparency 96%)
2. BT Group plc (Rank 35, Transparency 93%)
3. Roche Holdings (Rank 58, Transparency 92%)
4. Diageo plc (Rank 18, Transparency 90%)
5. Iberdrola Sa (Rank 55, Transparency 90%)
6. Omv Ag (Rank 76, Transparency 89%)
7. Kesko Oyj (Rank 33, Transparency 88%)
8. Novozymes A/s (Rank 41, Transparency 88%)
9. Statoilhydro Asa (Rank67, Transparency 88%)
10. Umicore Sa (Rank 44, Transparency 86%)

Isn't it fascinating that there is absolutely no overlap in these two lists?

**The most sustainable Companies are not the most transparent Companies.**

The **Transparency** Levels of the 10 most sustainable Companies are all lower than the most **transparent** Companies, ranging between 25% and 81% **transparency**. The number

2 most sustainable Company has a **Transparency** score of only 25%. The corollary of this is that the most **transparent** companies are not rewarded for being **transparent** in this ranking. This is disappointing, especially given the presence of Ernst Ligteringen, the CEO of the GRI, champion of transparency, on the Global Council of Experts who oversaw the ranking. Whilst I understand that the methodology aggregates a number of factors, and that not everything has the same degree of weighting in calculating an overall sustainability quotient, I fail to understand how Companies can be sustainable without being transparent.

For me, and perhaps I am a little extreme, or obsessive, or passionate, or stupid, transparency is an essential core element in sustainability which serves to leverage and drive performance in many different ways. Where there is low transparency, there is low trust, low dialogue, low openness to innovation, and low attention to stakeholder needs. When a Company is not transparent about its performance, I wonder how committed that Company is to improving performance. Whilst I do not expect such a ranking to be based on transparency alone, I believe that some degree of overlap would make this ranking more credible.

Anyway, rant over. It's still a good initiative. You should be pleased I didn't do an analysis of **sustainability relative to leadership diversity** . Ha Ha. That would have been a much longer post .... (for starters: two of the most sustainable Companies have **ZERO** women on the Board of Directors and only 7 of the Global 100 Most Sustainables have over 25% women directors.)

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm. Visit our website at:www.b-yond.biz/en**  
Posted by elaine at 06:43PM (+02:00)

## Comments

- hiyamaya

January 28, 2010

---

Interesting analysis Elaine. It is certainly striking that that none on of the top 10 'most sustainable' companies are in the top 10 of the 'most transparent'.

If you take this at face value it seems to indicate that, despite what CSR reporting advocates like us believe (however passionately) sustainability reporting is not driving performance and better outcomes.

You can't fix this by asking the ranking system to 'reward' transparency by giving it a bigger weighting. That's cheating. What you can say is...

- 1) Maybe there is something wrong with the way they are assessing transparency (maybe they are weighing reports?) so that the leading edge dialogue, openness to innovation, and attention to stakeholder needs of the top sustainability performers isn't captured?
- 2) Maybe there is something wrong with the way they are measuring performance?
- 3) Maybe transparency precedes performance - "keep an eye on today's top 10 most transparent companies, because they will be knocking GE, PG&E and TNT off the top spots next year?"

4) Maybe there is something wrong with reporting? Maybe we need to take a hard look at 'best practice' CSR reporting orthodoxy and see what is really working?

5) Or maybe top 100 rankings are not all they're cracked up to be?

Which do you think it is?

- elaine

January 28, 2010

---

Hi Maya, thanks for your considered and challenging points. My gut feel is that the Global100 Methodology does not give enough weighting to transparency. Whilst sustainability performance is primarily what counts, doing so without reporting is like getting on the train and never getting off. If you don't get out and listen to the people, take stock, act, report, gather feedback and get back on at the next station, you just keep going in what might be the wrong direction or at the wrong pace. A truly sustainable Company must be transparent and this element deserves a much stronger place in the ranking methodology, in my view. Similarly, I think rewarding transparency is not cheating. It is recognition for the fact that transparency is for most Companies the hardest part of sustainability. Anyone can turn off lights or buy offsets and get a better Carbon Footprint. This doesn't generate too much pain or sacrifice. Not every Company can muster the required boldness to be transparent. As to your 5 options, I suspect there is a little truth in all of the suggested answers. And certainly, I may be a committed reporter, but I do believe that reporting quality needs to improve. Reporting quality is as diverse as the number of reports published and we should indeed take a hard look and see what's working both with regards to reporting quality and reporting processes in Companies. Finally, the big shortfall in the G100 sustainability ranking is that it assesses only direct impacts. With most companies, true sustainability comes with positive management of indirect impacts. So as with most of these rankings, I feel their greatest value is not in pronouncing who is number one but in the quality of debate they generate.

Thanks again! elaine

- MehrdadNazari

January 31, 2010

---

Very interesting observations, Elaine. I took a look at the list and noted also the following. In the energy sector, the selection of oil sands producers amongst the top 100 most sustainability companies seems surprising. But perhaps this demonstrates the assertive leadership of oil sands producers in the sustainability debate and embracing of related tools. They managed to become recognized amongst the most sustainable companies (at least based on Corporate Knights' methodology) without exiting one of the more controversial segments of the oil & gas sector.

Also, looking at the nine Canadian companies which made the list (see table below), it was probably not surprising to note the dominance of the extractive and financial sectors. Five extractive related companies made it to the list, but this did not include any of the prominent Canadian mining companies. The financial sector was also well represented and includes the Royal Bank of Canada. During the same week, RBC also managed a third place ranking in the 'Public Eye Award', which takes Davos as a platform with its "shame-on-you-awards" given to the "nastiest corporate players of the year." RBC's was nominated for its prominent financing role of the Canadian oil sands sector.

Go figure!

- elaine

January 31, 2010

---

hi mehrdad, thank you for reading and commenting! My belief is that all rankings serve primarily the interest of those publishing the ranking. There is no single sustainability measure which stands the true test of objective benchmarked holistic and balanced assessment. Nonetheless, the debates that are generated with each ranking such as this are valuable and serve to raise awareness. As long as we all know where we stand, it could be a good thing!

regards, elaine

---

- TobyHeaps

March 04, 2010

Hi Elaine

Thank you for your thoughtful analysis. We struggled with how to deal with companies that chose not to report certain key metrics. We had three broad choices:

- A. Apply a zero score (penalize harshly)
- B. Apply a null score (neutral/no penalty)
- C. Apply a null score and include a separate score for transparency, which is weighted in inverse proportion to the extent of ESG/CSR disclosure (ie. the less a company reports, the more the transparency score is worth).

We chose C, and it is interesting to note that 9 of the top 10 Global 100 are GRI reporters. We look forward to refining the art of presenting a new balance sheet for corporate social/environmental performance--with input from insightful observers like yourself.

Cheers,  
Toby

---

- elaine

March 04, 2010

Thank you Toby for your comment and explanation. I see transparency as an essential baseline of accountability. I believe Companies who take transparency seriously deserve to be rewarded. So my approach would be to incentivise rather than penalise. This means, FIRST look at level of transparency and award a score. Then look at the rest and score accordingly. Those with the highest levels of transparency will always do better than those with same weightings in actual programs. This is the methodology I use when we do an annual review of Israeli Companies which we call the Transparency Index. Those who have produced CSR reports, rated according to the transparency level of the report itself, get a higher score than those who haven't. I find it rather odd in your methodology that, if 9 of the top ten are (high quality) GRI reporters, they score low on transparency. Perhaps because you score only certain indicators which will always show differences. If i report on 10 indicators, but not on the 10 you look for, am I being less transparent ? Good points to debate. thanks, Warm regards, elaine

## The perfect Sustainability Report

Monday, January 25, 2010

There is no such things as a perfect Sustainability Report. Forget it!

This was the essence of my guest post this week on the **Global Reporting Initiative Blog**.

You can read it here.

Short and sweet. Have a great day !

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at:www.b-yond.biz/en**  
Posted by elaine at 12:15PM (+02:00)

## Comments

- Anonymous

January 26, 2010

Dear Elaine,

I agree with you, but I think that the worst part of the story is that I never yet found (almost 300 or more report checked on my own) a GRI A+ (Higher application) sustainability report even when officially checked A+ by the GRI itself!

So if the GRI continue approve A+ Checked report but they are not, because they do not answer to all the relevant indicators (core) we will never have the Perfect Report!

Still in the last 5 years there has been a very big and valuable improvement by corporations in their ESG accountability and transparency that is worth to mention.

Regards A.

- elaine

January 26, 2010

hi Anonymous, thanks for reading and commenting. The GRI check on reports is a representative sample check - they look at the index and a limited sample of the content to corroborate what is recorded in the Index. I agree that this leaves much scope for big gaps, which I have also noticed and find frustrating. I suppose it comes down to the question of how many resources the GRI should expend in policing reports versus driving to create a process in which the public disclosure of Companies is enough to lead to stricter adherence to the guidelines. The fact, as you say, that there has been improvement in quality and transparency might indicate that the system is, slowly but surely, working. I think it might be a good idea, where we see discrepancies, to feed these back to the GRI and to the Companies themselves. Whilst I do the latter quite a lot already, your point makes me think that I dont advise the GRI when I see an inadequate GRI Checked reports. Perhaps I should start to do this ?

warm regards  
elaine

## Sustainability is pure poetry

Saturday, January 23, 2010

Larsen Toubro is a massive multinational conglomerate based in India. They published their second Sustainability report in December 2009, entitled " \* conditions apply ". This is what they mean, in their words, *"This planet that we call home is like no other in the galaxy. No other body in the orbit has the cocoon of atmosphere that sustains life; nowhere else do waters flow from summit to sea,nourishing civilisations along the way. This unique, bountiful and beautiful world of ours has helped man flourish across time. It can certainly provide for us far into the future but ..... contitions apply"*. Isn't that poetic ?

Wait, it's gets better. *Sustainability is not just "survivability" , it's "thrivability"* . Now they are rewriting Websters. There are more poetic and linguistic twists throughout the report. I will leave you to pick them out.

Larsen Toubro is into everything including construction, power development, oil, gas, thermal power, metallurgical projects, mass transport systems, heavy engineering medical systems, insurance, banking, software, infrastructure, industrial machinery and the list goes on. Quite some business, employing over 35,000 individuals.

I haven't read this GRI checked A+ 112 page report in detail. I just wanted to point out a **nice feature**. The 8 members of the Executive Leadership Team each make their own statement about Sustainability relative to their sphere of responsibility, alongside their photo. This is nice, because it demonstrates a personal commitment by each of the leaders of the business. Each one of them is on record as being committed to sustainability. Just a shame that not one of them is a woman ! How sustainable is that ?!

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 06:09PM (+02:00)

## Comments

- [JohnBergdoll](#)

February 01, 2010

"Conditions Apply\*" is a fascinating document. It has all the right sustainability messages and the executive commitments with photos is a nice touch. I also like the information sharing throughout the document. However, after I read through the 112 page document I realized it was missing something...honesty.

The report was filled with promises and lofty goals but thing that was missing was 'where if falls short'. With many of these sustainability goals in place it would have created benchmarks for comparison. I want to know where they went wrong, the missteps, false starts, the failures and the errors in judgement.

In the end, the document felt like another slick marketing piece. It talks about transparency but it didn't tell the whole truth.

Elaine, your comment about the lack of women is addressed on page 42. Concerns:  
Male dominance in workforce  
Expectations: Employment needs of women to be encouraged  
Our Response: Considering the nature of our operations, we witness male dominance. However, with increasing number of females opting for engineering education and jobs, we are hopeful of having a more balanced workplace. We take efforts to help our female employees take care of their family responsibilities. Powai & Chennai being our major campuses, have crèche facilities for women employees.

Thank you for your blog posting.

– John Bergdoll  
<http://allcreativesolutions.com/wordpress/>

- [elaine](#)

February 01, 2010

hi John, thank you for reading the Reporting Blog and for taking the time to comment. Yes, reports need to contain real substance. I hope Larsen Toubro will take heed of your comments. The comment about women and creches doesn't fill me with confidence, somehow. It doesn't sound like enough of a plan to ensure women have equal opportunity to advance within the business.  
warm regards, elaine

## Just a Nugget of CSR

Friday, January 22, 2010

I was looking at Fortune 2010 Best Companies to work for which I became aware of via a Tweet by CSR Master-Tweeter @davidcoethica.

Company number 5 on the list is a privately owned family grocery store business called Nugget Market.. The top reasons cited for Nugget's ascent are the 10% monthly discount for employees on groceries up to \$500, and the fact that the bosses surprised the employees by washing their cars at an employee appreciation event. Ok, I think, (rare occurrence, I know) this doesn't seem like such a big deal. What can it be that propels this small Company to the near-top of such a prestigious list, ahead of giants like Cisco and legends like Whole Foods and even Goldman Sachs, who pay more in bonuses and compensation (\$16.2 billion set aside in 2009) than little Nugget people could hope to earn in the next decade (2008 revenues were \$287 million). So, I thought (hmm, getting used to this thinking thing), let's take a look at Nugget Market Webbet Site. (careful, that's subtle). Actually I was interested if Nugget Market discloses anything about sustainability or corporate responsibility.

**What do you think ? Take this test.**

**Does Nugget have a CSR policy ?**

- A: Yes, it's wonderful and shows that Nugget is committed to good business AND sustainability
- B: Not really, but they do contribute to the community
- C: No, so we can assume that they don't care about CSR
- D: No, they probably think that washing employees cars is enough

**What does Nugget do to manage its impacts on the environment?**

- A: Everything
- B: Nothing
- C: Oh tons, but it's just nowhere to be found on their website
- D: They wash employees cars to ensure employees don't waste water doing it themselves

**Why does Nugget's recipe for baked mahi-mahi look so delicious?**

- A: Because the mahi-mahi is sourced from a Greenpeace sustainable fishery
- B: Because you have to drink it with taut, supple and herbal Sauvignon Blanc
- C: Because anything with a name like mahi mahi deserves the benefit of the doubt
- D: Because well, heck, i'm all out of Chunky Monkey and anything looks good at this point

**Does Nugget publish a CSR or a Sustainability Report ?**

- A: Yes, but it hasn't been written yet

- B: They will do when they work out what it is
- C: Of course not, sustainability reports are only for BIG companies
- D: Come on, no one reads sustainability reports.

Now count up all your A's, B's C's and D's. Award yourself 1 point for an A, 4 points for a B, 17 points for a C and 27 points for a D. Add up your total. Check your result.

- 01 - 27 points: You failed. You found zilch about Nugget CSR policy.
- 28 - 29 points: You failed. You know nothing about Nugget CSR policy.
- 30 - 43 points: You failed. Nugget CSR policy is a mystery to you.
- 44 + points: You failed. Nugget and CSR remains an open question for you.

But don't despair, if you want to go work for Nugget, you have some very clear guidelines about how to present yourself. **Do not dye your hair purple or pierce your upper lip.** And if you didnt take a shower last week, forget it !

I think it's great that this small Company ( @Nugget\_Market ) has excelled at being a good employer and this is not to be underestimated. It is one of key elements of a sustainable business. I think it's great that Nugget have a strong sense of community and charitable works. Nugget obviously has a strong customer following and appears to be a respected local business.

I just find it a little frustrating that such a great business, with 9 food stores and 1,300 employees, does not take the opportunity to show even greater leadership and do even greater business by adopting a Corporate Responsibility policy and examining its overall impacts, particularly with regard to sustainable sourcing, food labelling and traceability, and overall environmental impacts. And possibly even a little transparency .. you know I love CSR reports.

Is this asking too much ?

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at:www.b-yond.biz/en**  
Posted by elaine at 01:34AM (+02:00)

## Getting your toes wet

Wednesday, January 20, 2010

es, folks, it's that time of year again. The time of year we vote for the **best of the best of CSR reports**. Now in its third year in the West End ... er ... in Cyberspace ... **CRRRA 10** (Corporate Register Reporting Awards for the uninitiated) is open to votes from all West End Cyberspace residents. I am wondering how the plot will evolve into an ultimate denouement of winners. Shall we lift the curtain and throw a spotlight on the key protagonists ? (It's not that I'm the theatrical type, I just like to *play* around a little.. haha, pun intended).

- 60 Reports compete for Best Report (Headache category)
- 21 Reports want to be Best First Timers (Get-your-toes-wet category)
- 12 Reports aspire to be the Best SME Report (Small-is-big category)
- 15 Reports go for Best Integrated Report (Get-it-all-together category)
- 20 Reports go green as Best Carbon Disclosure (Count-my-offsets category)
- 30 Reports aspire to Creativity in Communications (Greenwash category)

45 Reports display Relevance & Materiality (What-counts category)  
37 Reports hang their hat on Openness & Honesty (Oxymoron category)  
24 Reports assure us of Credibility thru Assurance (Who-are-you-kidding category)

Oy! Where do you start and how do you choose. I addressed this in a previous post and promised to come back to the get-it-all-togethers, the get-your-toes-wet and the small-is-big reports at a future date. This is that date. In the toe-wetting category at least.

#### **The get-your-toes-wet category.**

It always surprises me how many first time reports there are every year. Several hundred, and growing each year. I always like and respect first reports, as they represent a major step-change and catalyst in a Company's approach to CSR and transparency. Another thing that surprises me is how little some first-timers learn from the years and years and thousands of reports that have already evolved into established reporting formats and some, not all, that are very effective. Getting on the reporting stage (that West End thing again) is very hard. Let's not underestimate this effort.

So , of the 600+ first timers in 2008, who's on the list for the CRRRA 10 First Timer award? .Perhaps this will aid you in deciding which reports to look at and which to vote for. I have exercised great restraint and listed only ONE thing I like about each report and NONE of the things I don't like - haha - you will have to discover those for yourselves.

Of the 21 reports in this category, 2 are not GRI reports, and most of the others are GRI C level (12 reports) . This speaks to the apparent importance of having the C Application level, as a leg up into the reporting world. One report made the ambitious FMT target (Full Monty Transparency) with an A report, and a handful had their report assured. First reporters came from all sectors and many countries and ranged from tens of employees to tens of thousands, and from small-scale turnover to multi billion \$ Companies.

**Who deserves the number one slot? Judge for yourself.And vote !!**

#### **Abreu and Associates -Portugal - We advocate sustainability**

GRI B self declared 122 page report, published in May 2009.  
Independent Portuguese law firm with 134 lawyers, one of top five law firms in Portugal.  
Claims to be the first sustainability report in the legal sector in Portugal  
**One thing I like:** Discussion of sustainability in a legal context.

#### **Astra Zeneca Canada- Working on what matters in ways that matter**

Non GRI - 26 pages , published in September 2009.  
This is a community involvement report only. It contains testimonials from employees and community partners. It does not cover any other aspect of sustainability or CSR.  
**One thing I like:** Personal statements from a range of people.

#### **Ayala Corporation Phillipines - Pioneering for a sustainable future**

GRI C self declared, 48 page report, published in October 2009  
Ayala Corp is the holding Company for a diversified range of industrial activities in the finance, telecomms, electronics and many other sectors. Employs over 35,000 in the Group with revenues of over \$3.5 billion. Claims to be first conglomerate in the Phillipines that published a sustainability report.  
**One thing I like:** Environmental footprint chart

### **Bovis Lend Lease UK Sustainability Review**

GRI C self declared, 130 pages, published in September 2009

Bovis Lend Lease is a provider of construction and project management services in the real estate market.

**One thing I like:** Executive summary at start of report

### **Brasil Foods SA Brazil -Annual Report of Sustainability**

GRI C third party checked, 70 pages, published in June 2009

Brazilian foods company employing 59,000 people with revenues of \$7.5 billion. The report is published under the name of Brasil Foods, after the merger with Saida food Company in which Perdigao is the 68% partner. Actually it is an integrated report serving as an annual financial report which meets GRI C guidelines. The report is written in the name of Perdigao, and Perdigao published an annual report with 10 pages of CSR / sustainability content in 2008

**One thing I like:** Packed with data

### **CA Inc USA 2008 Sustainability Report - Connected**

GRI C third party checked, 80 pages, published in November 2008

Self-proclaimed "world's leading independent IT management software Company" with revenues of \$4,277 billion, employing 14,000 people. Although this is registered as a third party checked report, and the GRI icon is for a C third party checked report, there is no evidence of a third party check. Looks like a C self-declared.

**One thing I like:** Clean design

### **Corporate Express Australia Ltd -2008 Sustainability Report**

GRI B GRI -Checked 46 pages, published in September 2009

Office supplies Company with 2,500 employees and revenues of \$1.3 billion.

**One thing I like:** Listing of stakeholder concerns and key responses to them.

### **Elsport Kredit Fonden - Denmark - CSR Report 2008**

GRI C+ third party checked , 83 pages, published in April 2009

Elsport is the Danish Export Credit Agency administering the Danish Export Credit scheme. The organization employs 64 people. Small organization with a big impact.

**One thing I like:** Absolute clarity and detail

### **Henry Davis York - Australia - Sustainability Report 2008- Imagine**

GRI C+ Third Party Checked, 50 pages, published in November 2008

Australian law firm - the first report for lawyers down-under apparently. Henry Davis York has 47 partners and 385 staff.

**One thing I like:** The personal touch - statements from the people responsible for CSR.

### **Horizon Holdings Inc - Canada - Sustainability-based Annual Report**

GRI B self declared , 33 pages, published June 2009

Horizon is an Ontario based electricity provider providing power to Ontario, with \$88 million in revenues and 336 employees.

**One thing I like:** the GRI "filing" - detailed responses to GRI indicators as a separate section.

### **Jumeirah Group LLC - Dubai - Corporate Responsibility Report 2008**

GRI B self declared, 36 pages, published April 2009

Jumeirah Group is a hotel group based in Dubai, with 11 luxury hotels, with 12,000 employees (revenues not disclosed) . One of the few reports to come out of the UAE.

**One thing I like:** Names of individuals with responsibility to drive the CR Program.

**Millipore Corporation - USA - 2008 Sustainability Report**

GRI C self declared, 94 pages, published in April 2009

Millipore is a life science Company providing tools for the development of bioscience research and biopharmaceutical manufacturing. They have revenues of \$1.6 billion and 5,900 employees

**One thing I like:** Real pictures of real people working in a real company

**National Instruments Corporation - USA - 2008 Citizenship Report**

GRI C self declared , 63 pages, published in April 2009

This Company makes instruments for scientists and engineers for the development of new technologies. \$821 million revenues in 2008 and a workforce of approximately 5,000 people.

**One thing I like:** Highlights, Challenges, Commitments format

**Northeast Utilities - USA - 2008 Corporate Responsibility Report**

GRI B self declared,38 pages, published in July 2009

Electricity and natural gas provider in New England. Northeast has 6,100 employees. Couldn't work out how much money they cash in.

**One thing I like:** Good safety performance reporting .

**Societe de Transport de Monreal - 2008 - The STM in 2008 Sustainable Development Report**

GRI C self declared, 46 pages, published in June 2009

Public transportation Company in Montreal, 8,398 employees, \$927 million in revenues.13th largest corporation in Quebec

**One thing I like:** Contextual information and background.

**The Walt Disney Company - USA - 2008 Corporate Responsibility Report**

GRI C self declared, 97 pages, published in March 2009

TheWalt Disney leisure business which brings in around \$38 million in revenues and employs over 100,000 people (depending how you count the seasonals).

**One thing I like:** Modest tone and admission of shortfalls.

**TUI Travel plc - UK - Sustainable Development Report 2008**

GRI C self declared, 46 pages, published in July 2009

TUI Travel is a leisure and lifestyle activity travel Company with 13.9 billion pounds sterling in revenue and 50,000 employees operating in the UK and in Europe.

**One thing I like:** Progres versus prior year targets.

**Vaisala Oyj - Finland - Vaisala Corporate Responsibility Report 2008**

GRI C GRI checked, 50 pages, published inMarch 2009

Vaisala is an environmental and industrial measurement Company, producing observation and measurement products for meteorology and other functions. Revenues 242 million EUROs. Employees 1,200.

**One thing I like:** Their vision.

**VIP Packaging - Australia - 08 Sustainable Choices**

GRI undeclared, 49 pages, published December 2008

Privately owned packaging Company, employing 1,154 people.

**One thing I like:** Benefits and challenges of packaging.

### **WPA Pinfold - UK - Sustainability Report Edition 1**

Non GRI, 31 pages, published August 2009

WPA Pinfold is a brand and communications design Company. This is the only report I have ever seen which does not contain even one single number. That is, if you discount the odd date, page numbers and the cost of the chairs in the offices (no kidding). It is not a report, it is a nicely designed book of sustainability philosophy. I wonder why they called it a report ?

**One thing I like:** The fact that they provide free fruit for their staff

### **888 Holdings plc - Israel/Gibraltar - 2008 Corporate Responsibility - People Planet Play**

GRI A GRI checked, 87 pages, published in October 2009

888 Holdings is an online gaming Company.

**One think I like:** The fact that I wrote it.

Phew!

There are only two more things I want to say:

1. Happy voting!
2. Where the heck are you hiding the Chunky Monkey?

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 01:48AM (+02:00)

## Comments

- UKati

January 29, 2010

---

Hi Elaine,  
I always admire how you find time to read so many reports!  
Great job!  
I did my part, and voted...

- elaine

January 29, 2010

---

thank you Kati! We can compare notes on or voting after the awards!  
elaine

## The infinite possibilities of online sustainability reporting

### Saturday, January 16, 2010

Online sustainability reporting is evolving rapidly. No longer does the plain ole downloadable PDF represent the state-of-the-art of transparent presentation of sustainability performance. No longer must we wait it out for the last megabyte to appear on our screen and we can start to read the CEO statement with glee (see Wainwright Bank's 2008 13 MB download report) . These days, we should expect to be enticed, attracted and engaged by more attractive presentation of metrics and people telling their sustainability stories. We are offered different ways to control the data such as DIY report builders (see Philips report for 2008) or nice ebooks to read as we curl up in an armchair

with our laptops (see Deutsche Bank 2008 report or the spectacular SeventhGeneration 2008 report). We can see videos of Company Managers telling it as it is (hear Gap Inc CEO walk his talk in the 2008 Report), see a range of podcasts (see Bayer 2008), or even take a tour on an interactive map to the hub of csr activity that the Company is engaged in at a specific location (see Cisco 2009 Report). Some Companies offer only a summary report as a download (see Unilever 2008) whilst others offer a regular array of local or localized reports (see Vodafone and Telefonica) or alternative language versions (See Fedex 2008) . Some Companies do more than just report on CSR, they move towards engagement and interaction using blogs (see the Intel CSR blog) or fully-fledged websites to host genuine dialogue ( see Voices of Challenge by Timberland on their 2007-2008 Report) or interactive polls so that we can demonstrate we are still awake as we read (see Adidas 2008 Report) (Adidas even asked the verrrrrrrry risky poll question "Are Sustainability Reports useful ?" and to date 85% of the responders said YES!! (Hah! Vindicated at last!! hope it wasn't just the report writer and consultant who voted!). Some reporters ask for feedback (BMW 2008 Report ) and some make it worth your while by offering a PRIZE for providing feedback (see Beiersdorf 2008, who also got really caught up in the online sustainability fever and urge you to take their Sustainability Quiz - oops, no prizes for winning that - wonder why?! ) . Nexxar.com, who we partner with on reporting, as they are the leading online reporting technology and presentation specialists in Europe, produce magnificent interactive charts that you can sit playing around with forever (see Royal Dutch Shell 2008).

There have been some reviews of online report presentation - by Radley Yeldar in April 2009, Nexxar.com in July 2009, and more recently by AltaTerra Research in a report called "Greening the Company Website: A new Era in Sustainability Reporting" . This last review covers more than just presentation - it provides an evaluation of the substance, accessibility and navigation capabilities of 60 leading Companies and their online reports (though the focus is mainly on environmental information). **Timberland** scored highest, with a group of others including **Alcoa, BASF, Centrica, Kingfisher, TNT and BT** coming up close behind. Not surprisingly, perhaps, the highest scoring attributes for online presentation was navigability (my new word for 2010) , whilst the provision of data substance and timeliness scored lowest. The research also reviews the degree of assurance of online data (something we have tended to expect only from printed reports). Another interesting insight from this research is that the Companies who tend to rank high in other sustainability indices are not necessarily the ones who present their reports best online. This is not dissimilar to what we found last year when we produced the Transparency Index - an evaluation of the sustainability transparency of the leading Companies quoted on the Tel Aviv Stock Exchange.

**So, what this all about? What's the deal with reporting formats and online creativity?**  
Does this really make a Company more sustainable? Do all these formats really make reading reports easier, better, orgasmic? What are the factors that lead us to select a certain format over another format? And what does the Reporting Blog like to see?

Well, it's all about which wall your ladder is standing against, to paraphrase the Seven Habits guru, Dr Stephen Covey. It's wonderful to have a magnificently navigable report, but if my ladder is against a wall that requires data (positive and less positive), on time, in context and with appropriate commentary, then the most creative online extravaganza won't be effective for me, even if I climb to the top rung.

As far as online is concerned, I want to see the material issues prominently presented, and I want to navigate the website seamlessly without having to open up link after link in

new windows that ultimately crash my mind, not to mention my PC. I want data against the most important indicators, GRI or otherwise. I want the ability to ask questions and provide feedback ... and get answers, not just push a questionnaire into a black hole (as I did with the Avon Report some time ago and never got any form of acknowledgement or response). I want to be able to download something, perhaps just a summary, so that I can use the report as a reference without being online, or so that I can annotate and bookmark the PDF, one of my numerous report-reading habits. I would be happy to engage in open dialogue provided I can see the dialogue of others as well, which is a true tribute to transparency and bold engagement - but I would also like to see Company employees engaging in this dialogue with external readers - no one I know does really well yet (I think Intel is the closest).

In other words (well, in the same words, but shorter), **I want to see online reporting leading us to a level of true substantive material transparent reporting, and true engagement and dialogue.** Online presentation is a TOOL to help achieve this, not an objective in itself. Professional presentation can undoubtedly attract readership and make the report more palatable, even attractive, but let's not forget that the horse pulls the cart and the wall holds up the ladder. Haha. I was tempted to write : The Monkey rules the Chunky, but i thought that might be a bit obscure for all of you who are vanilla-only consumers.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at:www.b-yond.biz/en**  
Posted by elaine at 10:18AM (+02:00)

## Comments

- [SusanMcPherson](#)

January 16, 2010

---

Well said, Elaine! Thank you for contributions to our knowledge in this industry!

- [elaine](#)

January 16, 2010

---

Thanks for taking the time to make a comment, Susan. Glad if this blog is of service to you and others.  
warm regards, elaine

- [JamesFarrar](#)

January 17, 2010

---

at the risk of modesty I think SAP is a worthy addition to the list of companies trying to change the game : [www.sapsustainabilityreport.com](http://www.sapsustainabilityreport.com)

- [TomSnell](#)

January 17, 2010

---

Really great blog post Elaine. What are your thoughts on Starbucks' online reporting? I always felt it was pretty good, and enjoy the ability to customize:  
<http://www.starbucks.com/sharedplanet/customGR.aspx>

- [elaine](#)

January 17, 2010

---

hello James, thank you so much for reading and for your comment. The SAP online report certainly contains some spectacular technology and innovative elements such as

interactive graphs, an excellent materiality matrix, the sustainability roadmap, the online dialogue and the survey results which show all feedback received in a transparent way. Thanks for mentioning the SAP report, I hope this format has helped SAP in generating internal as well as external dialogue around the report and sustainability issues, warm regards, elaine

- elaine

January 17, 2010

---

hi Tom, thank you too for reading and commenting. Yes, Starbucks online report presentation is very well thought out. They have the DIY report builder, nicely formatted GRI Index, Quick Links feature and more. The report invites reader participation with the Speak Up and Take Action features. Thanks for mentioning the Starbucks report.

Last year over 3,500 reports were issued and whilst i have read or viewed most of them (! feels like :) ), There is a limit to how many I can mention in each Blog post. So other good examples such as Starbucks or SAP as mentioned by James are very helpful to me to know what others are finding attractive or useful.

Thanks again, elaine

- Nexxar

January 18, 2010

---

Hi Elaine!

Thanks for this great blog post and the mention!

As a principle I think a good online report should not just replicate the printed content but add value by using typical online technologies. Starbucks, SAP, Bayer or Shell are good examples. I would also like to draw some attention on "create your own report" we do for our clients. It brings together parts of the report that belong to a certain subject and offers new navigation on the left. E.g. the new Report of EnBW (currently just in german, english to be released this week)

[http://www.enbw.com/applikationen/de/der\\_konzern/nachhaltigkeitsbericht](http://www.enbw.com/applikationen/de/der_konzern/nachhaltigkeitsbericht)

On our homepage we offer a free benchmark tool to rate online reports  
<http://benchmark.nexxar.com>

By answering about 30 questions on usability your strength/weakness profile is generated as PDF and send to your Email.

Best  
Thomas

- MehrdadNazari

January 18, 2010

---

Hi Elaine,  
Matching the formats with the more on-line savvy and demanding readers are probably some of the drivers of the shift to on-line reporting. However, in the Canadian context, some of my course participants from crown corporations (state owned companies operating) mentioned that they need to have 'something physical' to plant on the desk of a minister and/or show during a press conference etc, which is driving their choice of hard copy format (perhaps in addition to online). I guess this shows priority audience/reporting driver...

There are also concerns by report assurers when there is flexibility of assembling and ability to update or provide responses to individuals. For the latter, there may be some concerns about providing information (to one party without making the same information available to all other parties. Is CSR market sensitive information...?

- elaine

January 18, 2010

---

Hi thomas: I agree that online technology can give great additional value that printed or PDF formats cannot achieve.

Mehrdad: Yes I agree. Few Companies are reluctant to entirely forego the convenience of some sort of printed report.

Thank you both for reading and commenting, Best regards, elaine

- NathanSchock

January 19, 2010

---

Elaine,

I can't add anything to what you said but I simply had to let you know that it was an excellent post. Keep up the good blogging!

- elaine

January 19, 2010

---

Nathan, thank you so much, appreciate your warm words. I'll do my best to keep on blogging !! warm regards, elaine

- MarcusChung

January 21, 2010

---

All great points, Elaine. I'd add that, at least in my experience, one goal of offering an online report is to engage new readers.

Our most recent report includes video "voices", which we hope someone might spend a minute or two watching, even if they read nothing else!

- elaine

January 21, 2010

---

hi Marcus, thanks for reading and for your reference to the McKesson report and the voices section, which is a great way of bringing your people and your corporate citizenship closer to readers. For those who are interested the link is : <http://bit.ly/5eH41a>

I think it makes a big difference to hear the CEO talking about the company's commitments, and also see others do the same.  
best regards, elaine

## The Ghetto Fighters and CSR

Wednesday, January 13, 2010

What do the Ghetto Fighters have to do with CSR? Stay tuned. I will explain.

### *Who were the Ghetto Fighters ?*

These were the group of people who led the resistance to the final liquidation of the

Warsaw Ghetto which was established by the Governor of the Warsaw district in Poland in 1940. A fighting organization was declared in 1942, led by Jewish leadership in the Ghetto, to stage the Warsaw Ghetto Uprising, the "first urban uprising in German-occupied Europe", which succeeded in holding out for over a month until it was finally defeated in May 1943. All those who were left were deported to extermination camps, though a certain number survived. Of those who did, some made their way to Israel and founded Kibbutz Lohamei Ghetot (Ghetto Fighters) Museum in 1949, on the sixth anniversary of the uprising. In addition to building a cowshed, a kindergarten and living quarters, one of the founders' very first acts was to lay the foundation for a memorial museum, which would be not only a way of remembering those who had lost their lives, but also serve as a tribute to the survivors' spirit and the renewal of life. Warsaw had been home to over 350,000 Jews before the occupation. By 1943, only 11,500 remained.

***So, what has this to do with CSR?***

The Warsaw Ghetto Uprising was a triumph of **vision** and **leadership** under the most impossible circumstances one could ever imagine. Instead of waiting till the "storm had passed", or committing mass suicide (a very real option at the time cf: Massada), the **choice** was to use every possible option to survive and **leave a legacy**. Some incredible **leaders** emerged from within the Ghetto population to pioneer what would be a miraculous fight against inhumanity and abuse of everything we know about **human rights, respect for and acceptance of others, equality** and **tolerance**. The **community** drew itself together, gathered its **collective spirit and capabilities**, developed a **network based on trust and mutual support**, to fight the good fight. But these were not the only people who made choices. There were many righteous people who assisted the oppressed Jews during the occupation and during the uprising. Those people had chosen not to be **complicit** in the evil of the Holocaust, but risked their lives to help where they could. The entire story of the Warsaw Ghetto and its Fighters is a tragic but wonderful manifestation of **values** and how we adhere to values when under extreme **stress**. Ultimately, the Warsaw uprising is the optimistic a story of the spirit and **victory of humanity**. The survivors, few though they may have been, went on to recreate life, share and teach their experiences, and promote humanism and democratic values for generations to come. Ultimately, the Warsaw Ghetto is a lesson in **sustainability**.

***So, you are STILL wondering what this has to do with CSR. Here is the final piece in the puzzle.***

In my meetings with a long-standing friend and fellow professional in the field of advancing social justice, who is today the Marketing Manager of the Ghetto Fighters Museum, we discussed how this unique and inspiring place could serve as a platform to teach sustainability. The Warsaw Uprising may be over, but globalization of business has contributed to the continued oppression of many different peoples in the world, there is discrimination in business organizations, abuse of human rights, complicity in supply chain irregularities, erosion of values, particularly in times of crisis, a lack of collaborative spirit and a reluctance to combine and share resources to ensure the best collective chances of survival on our shared planet. Competitive forces work against the best outcome for all. These are issues of CSR and sustainability, which we can see in every aspect of the Warsaw history. By using this platform, we can create a learning experience which is powerful and associative in a way which no other learning framework I know can achieve.

And we have a little time for Q&As:

***Q: Wouldn't it be totally depressing to attend a workshop surrounded by a memorial to***

*the tragedy of the Holocaust?*

**A:** No. The Museum celebrates the survival, the bravery, the risk-taking, the astounding capabilities of those driven by values, humanism and a better future life. The Museum celebrates the human spirit and what it can achieve. It's an optimistic message.

**Q:** *But did those people really have a choice? They were attacked, they defended themselves. What choice is that ?*

**A:** Of course they had a choice. Anyone who has read Viktor Frankl's book, *Man's Search for Meaning*, will know that life is a conscious choice, survival is a choice, sustainability is a choice. They could have chosen to do nothing. The righteous ones amongst the Polish people could have chosen to be complicit, like so many others. This is the parallel with business today. Business, or the people who run businesses, have choices. Choices which are not so easy to make. But they are choices. The Warsaw Ghetto may seem like an irregular backdrop, but those who have attended workshops there to date have proven that this format can be a catalyst for deep paradigm change.

### **Back to CSR**

We are now developing a series of workshops in partnership with the Ghetto Fighters Museum team (the Museum has been running workshops, courses and learning programs, including management training, for a long while) The CSR workshops will cover: sustainability principles, ethics and assimilation of ethical values in business (especially in times of extreme pressure) , diversity and inclusion, collective and personal accountability and more. These workshops will blend with existing CSR processes in businesses to support new generations of CSR leadership at all levels.

Oh, and we might even serve Chunky Monkey in the afternoon break.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 11:10PM (+02:00)

## Thank you, H&M!

Sunday, January 10, 2010



How do you learn ? You make mistakes. This is the lesson Swedish global fashion retailer H&M learnt this last week in New York, when an insightful and bold young lady Cynthia Magnus, a name H&M wont forget for a long time, found discarded bags of unwanted clothes outside H&M's store on 34th Street, New York. Clothes in the bags had been intentionally damaged to

prevent re-use - gloves, socks, jackets, shirts - clothes which needy families could derive great benefit from. The story was first reported by Jim Dwyer in the New York Times on Jan 5th, and did not omit to make reference to H&M's statements of commitment to Corporate Social Responsibility. Within hours, cyberspace was buzzing with anger, indignation, scorn, incredulity, cries for boycott, accusations of irresponsibility, analyses, commentaries, tweets and diggs and facebook posts. By Jan 6, Twitter was the number 2 trending topic. And H&M published their response.

A search for "H&M destroying clothes" on Google now brings up over 70,000 references. Actually, bags of discarded Walmart clothes were found too but H&M have born the brunt

of the outrage. All major news publishers took up this story. And it seems like everyone had something to say. Here are some more mentions from a variety of sources.

Jan 6, a blog post from DemocraticUnderground.com ... followed by several responses

Jan 6, from NowPublic.com - on the full story

Jan 6, from Jim Dwyer again on the NYT blog - with a follow up and H&M response

Jan 7, from the Huffinton Post - with pages and pages of reactions

Jan 7, from the Telegraph.co.uk - on the "storm of protest"

Jan 7, a blog post by WalletPop - retweeted 121 times

Jan 8, from the Mother Nature Network - on H&M's declared intention to donate clothes in future

Jan 9, post from the Party for Socialism and Liberalism - called "capitalism values profits not people's needs"

Jan 10, from Shine on Yahoo - a summary and review of the story

and, funnily enough, a great analysis from the insightful Maya Forstater on how H&M should have responded popped up on my Tweetdeck screen as I write this very post.

H&M has actually come a long way in CSR. They have produced an annual CSR report since 2002, the last one being published in April 2009 covering 2008's activities. I actually reviewed this last report on CorporateRegister.com . All H&M's reports are downloadable from their website, as is their Code of Conduct in 25 languages and a range of other responsibility related materials. The Company has made significant progress in developing sustainability strategy and was one of the first to speak out against Uzbekistan's forced labor and child labor in the cotton picking fields (though I must say that their position is a little ambivalent - "avoid Uzbekistan cotton in their products" rather than definitively banning it. The CSR Manager of H&M, Ingrid Shullstrom, maintains a blog on the H&M CSR home page. As chance would have it, she writes on 29th December, just a few days before H&M hit the headlines, that she will not be posting during January and February 2010 due to extended leave and *"should something exceptional happen in the field of CSR during my absence, one of my colleagues might post an update in this column"*. What impeccable timing. So far, colleagues havent posted an update, but the headline **"H&M donates clothes to charity"** does appear in bold on the same page. Coincidental, or similar impeccable timing?

Anyway, I wanted to draw attention to a few things:

Folks, it can happen to the best of us... embedding CSR in all levels of the business is a fantastic challenge (see former post about Deutsche Telekom) , and with the best will in the world, someone goofs. No excuse. You have to embed harder. H&M have learnt THIS lesson, now, I bet.

In one of the articles I read on the subject, H&M is now rapidly scrambling to update all their policies and procedures relating to discarding and donation of old clothes. I suspect, so are all of the the retailers that have heard this story. Better late than never, right?

And of course, the power of the social media, and especially Twitter, to act as a catalyst for such a story. This vindicates my previous comment that Twitter has done more for CSR than some of the great thought leaders. Just by getting it out there, just by providing a platform for so many people to have their say, no corporation in today's world can expect to get away without responsibility, accountability and transparency. Either you proactively manage it, or, as H&M found out in this instance, it manages you. When you are on extended leave.

Should heads roll at H&M? **No**  
Should we believe that H&M are an irresponsible retailer ? **No**  
Should we boycott H&M ? **No**  
Should we be outraged at this incident of destruction? **Yes**  
Should we accept H&M's apology and give them time-out to revise their practices ? **Yes**  
Should we be keep a close eye on H&M in the future ? **Yes**  
Should we expect to see this incident reported in H&M's next CSR report for 2009, due out in a few months? **YES**

And as with everything, good emerges from bad. I suspect that every single fashion retailer will have learnt from this incident, and H&M top of the list.

So **thank you H&M**, for your mistake , we have all learnt something. And I suspect that the world will be a (slightly) better place as a result.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at:www.b-yond.biz/en**  
Posted by elaine at 03:24PM (+02:00)

## Comments

- gianlu

January 13, 2010

---

Great Post.  
Just a question.  
Why do you think we shouldn't boicot H&M?

Bye  
G

- elaine

January 14, 2010

---

hiya gianluca  
I feel that a boycott is an extreme sort of action which will have no significant long-term effect. H&M have been caught in the act of behaving irresponsibly, and, if we give them the benefit of the doubt, unintentionally. However clumsily they may have responded, they have apologized and committed to reviewing and rectifying the situation. H&M has a good track record on CSR on the whole, and i do believe this incident will have shaken them into a new level of awareness. So I am for giving them a little space to get their house in order, and I believe they will.  
elaine

- SherieWinston

January 15, 2010

---

Excellent post, Elaine. I agree, CSR must be embedded throughout an organization, starting at the top and extending to every employee and associate.

- elaine

January 16, 2010

---

hi Sherie, thank you for your comment. Glad we agree!! Thanks for taking the time to comment.

warm regards, elaine

## A little fish with your STPP, madam ?

Wednesday, January 06, 2010

I don't watch much TV. But this week I caught an investigative documentary called Kolbotek. I was riveted, shocked and scandalized. My flabber was gasted, my ass was tounded and my over was whelmed, as they say in Manchester. **Here's the story.**

Fish importers have a choice between quality and price. If they go for (low) price, they purchase fish which is packed in China, in a packing process which first picks out wriggling worms from the freshly caught fish by hand using tweezers, bangs holes in the fish so that it will absorb water and chemicals, immerses the fish in a water-STPP solution in order to make it look bloated and bigger than it really is, shakes it around so that everything gets properly absorbed, and finally, freezes and packs it, without any indication of the volume of water in the pack, in many cases without indicating the presence of STPP. STPP (**sodium tripolyphosphate**) is a commonly used preservative, but in this case, it serves to ensure maximum water retention so that when frozen, what is a kilo of fish, is actually 50% or more water. So when we have bought frozen fish, we have been buying more chemically treated water than fish, and paying a high cost for this privilege.

On revelation of this **irresponsible trickery** in the fish industry, some Israeli grocery chains responded. **Shufersal** was the first to make an **unconditional recall** of all relevant fish products and take them off the shelves. Another private chain, Rami Levy has also removed products. Other retailers are "considering". Now, some thoughts:

**So first, I want to congratulate (and thank) this fast response by Israel's largest grocery.** Clearly the responsible thing to do. Beyond Compliance. An act which will give them extra points both in my mind and on my credit card account. And I hope many others. Shufersal is a big player, over 240 stores, over 10,000 employees and over \$2.5 million in annual revenues. Despite this demonstration of responsibility, **aside from financial reports**, we are not treated to any additional level of transparency. The only thing that resembles Corporate Responsibility on their local language website is a Code of Ethics, though their corporate vision stresses leadership. Where is Shufersal's commitment to responsible consumerism, to greening of the retail chain, to responsible workplace and supply chain practices ? Who knows! This act of responsibility counts in their favour, but a thorough lack of transparency is a big opportunity for this chain to truly lead the Israeli grocery industry to new levels of sustainability. **How about a first CSR report, Shufersal ?**

**Second, I want to know who trains the buyers of the retail grocery chains, and what standards, if any, they work to.** This fish thing is a complete scam. A knowingly deliberate act to mislead consumers in the interest of higher profits. Who questions this? Where are the ethical purchasing training courses? **My consulting business** has recently forged an alliance with the **Israel Purchasing and Logistics Managers Association**, to assist the development of ethical, responsible and green purchasing practices. I think I might suggest we start with grocery retailers.

**Third, I took a look at CSR in the fish industry.** There are many issues we have been aware of for years regarding the fish industry and sustainable fisheries. The **Marine**

**Stewardship Council** was established by Unilever and the WWF in 1995 to address safeguarding seafood supply and mitigate the impact of overfishing on the marine environment. The work done by the Council since then in controlling and establishing fishery standards is applaudable. But a site search didn't bring up the issue of STPP. I found a nice **CSR report by MarineHarvest for 2008** no mention of STPP there either. Seems to me that there is a loophole of awareness here, which I suspect may be exploited in other markets at the expense of consumers everywhere. So folks, check your labels, ask questions of your retailers, and if all else fails, go off fish. At least, the STPP flavored kind.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 11:32AM (+02:00)

## Comments

- [DavidCoethica](#)

January 06, 2010

---

It never fails to ass tound me when stories like this are made public. How many blind eyes are there in this world?

I'm really interested in the big global grocers views on this - any news from Walmart, Tesco etc?

- [elaine](#)

January 06, 2010

---

Thanks for your comment, David. I agree. Doesn't ANYONE in ANY of these supply chains have ANY thought about the total dishonesty of their systems? Still, sooner or later, the truth will out....

elaine

## Doctor Sustainability - a new Reporting Blog feature for 2010

Friday, January 01, 2010

**NEW on the Reporting Blog for 2010. Ask Doctor Sustainability.....**

**Dear Doctor Sustainability:** I have been having serious problems getting my senior management to agree to publish a Sustainability Report. They say that we should just get on with the work, and not waste time producing reports. I am going out of my mind. I have nowhere else to turn. I have tried everything. My husband's cousin says I should resign. Do you think that would be the sustainable thing to do?

**Dear Desperate:** *I have much sympathy with your dilemma, it is one shared by many Managers in many Companies. My advice would be to go underground. Get a team of committed people together and start to write the report anyway, using the GRI Let's Report framework. Just get the template and fill in the blanks. If the worst comes to the worst, and your senior management find out, you can always stay underground and emerge in time for annual bonus.*

\*\*\*\*\*

**Dear Doctor Sustainability:** We published a CSR report last year and I have now noticed there are many errors. Our carbon footprint is the wrong size, and it doesn't match both feet. Our employee headcount doesn't include bodies - it's just heads. And the chapter about **green** building was written before we painted the Head Office **blue**. I believe our stakeholders should be told. Wouldn't you say that transparency is a key element of sustainability?

**Dear Transparent:** *If it was published, in print, in black and white, it must be true. Your stakeholders will believe anything. Especially if you have an Assurance statement that makes it very clear that they haven't noticed any errors.*

\*\*\*\*\*

**Dear Doctor Sustainability:** The Chairman of our Board (actually it's a woman but she believes that calling herself a Chairman advances the business interest more effectively) has decided that we should publish a Sustainability Report and has set a deadline two months hence. But here's the thing. Our organisation is not sustainable. We have nothing to write in this report. What should I do? Tell her? Or borrow some texts from marcom and hope no-one notices?

**Dear Unsustainable:** *What makes you different from 95% of the Companies that publish reports? Not having anything to write doesn't stop these reporters from filling 100+ pages. In fact, you could probably piece your report together by copy-pasting a random selection of generic paragraphs from other reports. Just make sure you use photos of your own employees, and believe me, your Chairman will be delighted when you deliver the report in UNDER two months.*

\*\*\*\*\*

**Dear Doctor Sustainability:** I was wondering how many reports have been published in 2009 and which is the best? Where can I get good data?

**Dear Data:** *I am pleased you are looking for data. This is something often lacking in Sustainability Reporting. For data on Sustainability Reports, I always use CorporateRegister.com, and their data shows, for the first time since 1992, a slight dip in the annual number of reports. In 2009, there were 3,185, versus 3,446 in 2008. But this is not an exhaustive list, I estimate closer to 3,500 published reports as several local-language reports may not be included. If you want to influence this data, make sure you issue your report in 2010. And tell your friends.*

\*\*\*\*\*

**Dear Doctor Sustainability:** We are about to start work on our next Sustainability Report. Many believe we should go for an Integrated Report which includes the Annual Financial Report and the Sustainability Report in one publication. Others say we should continue to do them separately. I am in anguish over this dilemma and haven't slept for 5 nights, my wife says I am exhibiting signs of stress, and my colleagues have threatened to banish me to the PortaKabin in the Company grounds. Please help. Should we separate or integrate?

**Dear Stressed:** *The way I look at it is this. Is your business integrated or does it regard*

*sustainability as a project which people work on alongside the business? The honest answer to this question should clearly indicate the reporting route to choose. Of course, if you answer dishonestly, then go for an integrated report. You can fill it up with financials and keep the sustainability bit to a level which won't cause your Company any embarrassment. And the sleep thing, I recommend a good helping of Chunky Monkey before your head hits the pillow.*

\*\*\*\*\*

**Dear Doctor Sustainability:** I really admire you. How did you become a Doctor in Sustainability. You are my inspiration. I have been looking for a study program so that I can become a Doctor in Sustainability too. What do you recommend?

**Dear Competitor:** *Next question, please.*

\*\*\*\*\*

**Doctor Sustainability** is available to answer all your Sustainability Reporting questions. Please post your questions in the comments section below and Doc Sus will respond before your next report goes to print (or to online).

\*\*\*\*\*

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:03AM (+02:00)

## Comments

- PerrineB

January 04, 2010

---

This is soooo funny Elaine! I love it. This made have a good laugh - nothing better to start 2010! Cheers and Happy New Year!

- Julien

January 05, 2010

---

Greatly creative (or creatively great?) and interesting! Bravo Elaine!

- elaine

January 06, 2010

---

Thank you Perrine and Julien for reading and commenting. Glad if I was able to raise a smile for the start of a new decade! elane

- Anonymous

February 10, 2010

---

Hi,

I would like to understand a little something about sustainability reporting. What is it? Why is it important? What issues are considered when developing sustainability report?

Where can i get information about Sustainability reporting? eg. websites, books?

Thanks in Advance

- elaine

February 10, 2010

hi anonymous, there is heaps of information about sustainability reporting on the web, in the corporate websites and reports of companies, books, pretty much anywhere. And of course, this blog :). A good place to start might be the Global Reporting Initiative Website. You could email me at [info@b-yond.biz](mailto:info@b-yond.biz) if you want more specific information.. but you will have to reveal your identity:)  
elaine

## Happy New Year and the Best of the Funniest

Thursday, December 31, 2009

On this last day of the year and the decade, I wanted to wish all the Reporting Blog followers and all 2009 visitors a very very Happy New Year.

The Reporting Blog has increased in readership every month during 2009 and retweet levels, facebook comments and direct approaches to me by email are increasing. The Blog feeds into Chloregy and The Green Economy Post, Alltop and other sites from time to time. Reporting has featured in Alex Harris's wonderful Reputation Report and the CSIC Blog with Sherie Winston and we have guest posted on Peter Korchnak's Sustainable Marketing Blog. Fabian Pattberg picked the Reporting Blog as a recommended website., and Chris Jarvis listed the Reporting Blog as one of the top 10 CSR blogs in his now famous list of 51 sites for CSR. We have had feedback and conversations online and offline from all over the globe, and generally enjoyed being a part of the social media buzz in 2009. Thank you to everyone who is giving air-time and energy to promoting the CSR and Reporting message. Thank you for reading the Reporting Blog and for all your recommendations and interactions. Thanks for inspiring me to write.

My limited powers of analysis deduce from all of this that there **is** a healthy interest in csr and sustainability and reporting themes, and how they relate to the way we do business and contribute to a better world. I hope this will continue in 2010, and that the Reporting Blog will continue to be a useful resource for many, and an analytical, sometimes critical, sometimes very critical look at CSR and reporting themes, but always a reporting advocate, adding an occasional touch of humour, or a dollop of virtual Chunky Monkey, to all those who land on its pages.

Wishing the CSR community, and all friends, followers, readers, professionals, unprofessionals and blogosphere addicts:

**HAPPY, HEALTHY, PEACEFUL, PROSPEROUS, FUN  
2010**

oh, and just in case you think this post is a little too short, here are some of the **BEST of the FUNNIEST of 2008/2009.**

Santa's CSR Report - i am not sure Santa found this funny.  
From cradle to market - about the life-cycle of PIGS - before H1N1 became a trending topic

The Shiseido Way - some humour in the way Shiseido reports  
 Can cows save the planet - what can be done to stop effects of cows belching  
 Now babies can save the planet - no-burp, no waste cute planet saving kids  
 The Henkel sustainability song - and funny variations on a theme, always makes me laugh  
 Is **sex** a renewable resource - one of my all time faves  
 The world is in trouble- I need to go on a diet - it still is and i still do  
 Can you speak CSR report - the anti-jargon of reports, this was a popular post  
 Chunky #CSR Monkey - about sustainable ice cream YEAH!!!!!!!!!!!!!!!!!!!!  
 33 applications of a CSR report - for the sceptics (do they *still* exist?)  
 Why go paperless when you can have crap? - rather irreverent look at paper raw materials  
 What's your financial personality? - and who locked the fridge?  
 Cuppa anyone ? - sustainable tea cures warts

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz)**  
 Posted by elaine at 01:55PM (+02:00)

## Comments

- AlexHarris

January 02, 2010

Great post as always Elaine and thanks for the mention. I learn more from you than most.

Have a wonderful 2010.

Alex

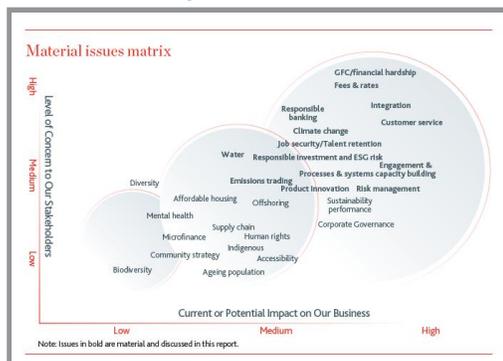
- elaine

January 02, 2010

Thanks Alex! Happy New Year to you too ! elaine

## Reporting Wishlist for 2010

Wednesday, December 30, 2009



Everybody is doing year-end and year-beginning posts. The best of the last decade, the trends for the next decade. The amount of times we blinked in 2009. The amount of times we intend to blink in 2010. The personalities. The influencers. The events. The non-events. The anything you can count or evaluate. So I thought, hey, this is a good train to board. So I bought a ticket to the Turn-of-the-Decade Rush-to-Post, and jumped in the carriage marked:

### The Reporting Wishlist for 2010.

When you read and review as many sustainability reports as I do, you begin to wish that



all reports would provide a certain basic level of, well, level. Here are just a few of the things I would like to see in CSR and Sustainability Reports in 2010 (in addition to, not in place of, what is).

### The MATERIALITY MATRIX

As I write this post, I am contemplating the nice, slim summary report of Westpac Banking Group for 2009, just issued, sitting on my desk. I just happened to open it straight to page 26 (yeah, right) , and how

fortuitous, a really nice matrix on that page. Evidence of a thought process about issues in the business, and how to report them. The opposite of the retail approach. Stack the shelves. Get everything out there. Maybe some impulse-shopper will just be around to buy anything. Nope, retail reporting is not the best reporting strategy. The best approach is to select the most important issues, be transparent about what's selected and why, and report on these in detail. And the best way of doing this, for me, the reader-stakeholder-professional, is by showing me a nice graphic display of what counts. Like this, from aforementioned Westpac report:

or this nice interactive version on line at GE  
 So first on the 2010 Reporting WishList is **the Materiality Matrix.**

### The FEEDBACK

Let's face it, if you have written a report and no-one has given any feedback, you didn't create enough BUZZ. **And if you're report ain't buzzin, then neither are you.** If the whole point of a report is to serve as a platform for generating stakeholder dialogue and feedback, then please, reporters, make sure you get some. And please report on this feedback and how you related to it in your upcoming report. Like Daiichi Sankyo.

### The DELTA

How I wish all these l-o-n-g reports would clearly identify what is different about the new report from the last report. If the reporters are going to regurgitate lots of prior content for completeness, and in *some* cases, this might make sense, my wish is to see these "and-this-is-something-we-prepared-two-years-ago" bits clearly highlighted. So that I don't have to read them again if I don't want to. And so that I can focus on what's new and relevant. If at all possible, all reports should contain new, fresh, up-to-date material, which represents the DELTA. And explain the DELTA. If some of last year's objectives dropped off the end of the desk, never to reappear, and new ones grew horns, I would like to know that. I don't want to have to search. If you have changed your employee headcount methodology, or electronic waste weight calculation, please do enlighten us. Make the DELTA (and the differences) clear so that the reader can get a clear picture.

### The number of employees who have read the report

Another mantra of mine is that employees must engage with the reporting process and the report. This is one of the best ways a business can gain true value from reporting, and use the the process as a way to drive sustainability performance. Why Companies don't measure how many employees read the report, or take any form of interest in the report, continues to astound me, as I have previously blogged. I wish to see reported, in reports published in 2010, the number of employees who have, in some way, read, responded to, asked about, worked on, discussed, presented, or in any other creative

way (ok, dont let your imagination get out of hand), engaged with the report. Ideally, I would like a metric: the number of employees that have read the report. Most Companies know how to survey employees. Get the data. Just by surveying, the number will increase. I wish to see more employees valuing the CSR report as the useful working document it should be.

#### **A relevant Assurance statement (for all non-first reports)**

You know how I feel about assurance statements. Enough said. I want to see better assurance in 2010, for all non-first reports. OK. Correction. **Significantly** better assurance. And I want to see the Global Reporting Initiative stop awarding + for anything that doesn't even remotely resemble a relevant Assurance statement.

#### **People's faces**

I wish to see more people's faces in 2010 reports. Not just any faces. Not just the faces of the CEO and the Chairman, and not the stock photo faces that look like Stingray people. I wish to see more faces of more people who work in the organization and who have contributed to the report, or to the work that has made the report possible. I want to feel that these people are talking to me, instead of an anonymous reporter who is producing a standard marketing glossy. People make the report come **alive**, and they deserve recognition in the report. So slap a little powder on their faces, mascara for those that wish (Chairman included), set the zoom and get off to their workplace with the digicam and click when they smile. Oh, and write down what they say. It's probably much more interesting than what you were planning to write in the first place. So come on, reporters, make my wish come true in 2010 and let's have the **Full Monty**. (well, faces, not ... er... you know).

**Any Reporting Blog readers have a wishlist?** Don't be shy. Post a comment with what you would like to see in 2010 CSR and Sustainability Reports. And remember what the glorious Maya Angelou said: Ask for what you want and be prepared to get it.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 05:54PM (+02:00)

## Comments

- [JeffreyHogue](#)

October 29, 2010

---

Elaine, very good blog post. I am wondering how you advise companies when they have reported a materiality matrix for several years to innovate this relatively standard element of a good report. We are struggling to find a better way than a 4x4 matrix (similar to the ones that you have displayed here). Any cutting edge ideas out there that you have seen that may be more interesting to the reader?

# Ethical Fashion - Who cares ?

Tuesday, December 29, 2009

Today I lectured to 4th and final year Design students at the Fashion Design faculty of the prestigious Shenkar Design College in Tel Aviv. My objective was to create awareness of the important impact of fashion designers on social responsibility and sustainability, and to encourage these young budding designers to exercise social and environmental responsibility as they start to practise their new profession. Some of these students will be individualists, creating and selling their own innovative designs. Many will go on to work as designers in Companies who retail their fashion in Israel and perhaps world-wide. Some may even become world famous designers to the **celebs**, attaining a position of influence far greater than a modest, well, sort of modest, consultant like myself can do. This was the only exposure of students to sustainability thinking as part of their four year course, something I am hoping will change as the importance of fashion design with a sustainability mindset becomes more compelling. My presentation, entitled **Ethical Fashion, Who cares?** I regret, is only in Hebrew at present, so I will take you through a brief summary of my key points here:

**The fashion industry is a multi-billion dollar industry**, employing over a million people and touching the lives of each and everyone of us on the planet, at all stages and phases of our development. **Who cares about sustainability, CSR and ethics in the fashion industry?** No-one declares that they want to destroy the planet's natural resources, wear sweatshop shirts at the expense of the most basic human rights of children in the Far East, or make the hole in the ozone layer bigger. No-one says they want to impoverish communities through exploitation or perpetuate a fast fashion consumer culture which results in tons of unwanted clothes sent to landfill each day. So maybe everyone cares. But caring is not enough. We know that people care only when we see them take action in line with what they care about. In the fashion industry, we can start with three core groups who influence fashion, and ask ourselves what they really care about:

- **Designers** - to what extent do ethical, social and environmental considerations form an early part of the design phase?
- **Retailers** - to what extent do similar considerations dictate retail policies and practices ?
- **Consumers** - to what extent do consumers vote with their feet, or more accurately, their purchasing choices?

There are many positive examples in all three categories of fashion industry stakeholders such as these, though, overall, **the fashion industry is still a perpetuation of unsustainability**, especially in Israel where 90% of fashion is imported and little is disclosed about supply chain processes by almost all the leading retailers.

**The result of everything that designers and retailers do ends up somewhere as a consumer choice.** So I then took the students through a brief review of the things that impact consumer choice, beyond the pure design elements of a specific garment. I focused on three broad areas:

- **Materials** - fabrics, yarns, adhesives, dyes, and all forms of accessories - what environmentally friendly and ethically favourable choices are available to the fashion designer ?
- **Production processes and supply chain** - sourcing, outsourcing, transportation, sales, fair trade - what influence does the designer have on manufacturing complexity and waste levels, for example ?
- **Garment care** - what the consumer does after purchasing a garment, which makes

up a significant element of the garment's total life-cycle impact, often greater than the impact of producing the garment.

I then I ran through a reasonably exhaustive list of issues for consideration by designers including fabric traceability, organics, garment life-cycle, labelling, issues related to body image, use of pesticides, models and modelling practices, technology developments which facilitate use of environmentally friendlier fabrics such as hemp, and more.

Finally I looked at the question of transparency and yes, you guessed it, my favourite subject, **reporting**, and talked about the leading reporters in the fashion industry, including the only private fashion house in Israel to have produced a CSR report, my client, comme il faut. I mentioned the Global Compact, and our efforts to drive the Israeli fashion industry to accept and promote the UNGC Principles, though only the comme il faut Company has done so to date, and one more en route, whose first Communication on Progress we are currently working on.

To sum up, I stitched it all together (don't you just love puns?) and suggested that if they care, they should take responsibility, as designers, and consider social and environmental issues at the start of the design process. Perhaps if I ever become a celeb, one of them might design an eco-celeb-outfit for me. Chunky Monkey colours, please.

I also referred those who are keen to learn more to my list of wonderful books, all of which I have read, enjoyed , learnt from and been inspired by, on the subject of ethical and sustainable fashion, textiles and apparel. Here's my list, in no particular order, they are all great!:

- Eco-chic: The Fashion Paradox, by Sandy Black
- Sustainable Fashion and Textiles : Design Journeys , by Kate Fletcher
- The China Price: The True Cost of Competitive Advantage, by Alexandra Harney
- Travels of a T-shirt in the Global Economy: An Economist examines the markets, power and politics of world trade, by Pietra Rivoli
- Social Responsibility in the Global Apparel Industry by Dickson, Loker and Eckman
- Eco Chic: How to be ethical and easy on the eye, by Matilda Lee



I waited as some rushed to copy down the titles. Good sign!

Later, as I pondered over questions the students asked, and the real impact of their work, I tried to recall to what extent designers are given air-time in CSR reports. I recalled the wonderful 2005-2006 report by Gap Inc where they state : ***In our business, everything begins with design.*** And later in the report, there is a quote from the Director of Textile Development:

Quick look at one more: Next plc, whose 2009 report I just came across a day or so ago. It's an interesting report, doesn't really touch on the role of the designer, though there is evidence that designers are bound by social and environmental commitments such as the development of traceable sustainable cotton

products and more.

I hope that this new generation of designers will be a generation of sustainable designers. And I hope that consumers will both demand and applaud this direction. That

is, if anyone cares.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 11:09PM (+02:00)

## Comments

- Lavinia

December 30, 2009

---

Excellent,  
Happy New Year, Elaine.

- elaine

December 30, 2009

---

Thank you Lavinia. I hope you are enjoying the Holiday Season, and wish you a great start to 2010.  
elaine

## what are csr consultants good for ?

Saturday, December 26, 2009

You are about to develop, or rethink your Sustainability strategy. You are about to devise a program for advancing women in your business. You are about, finally, to write your carbon management policy. You are about to conduct, for the first time, an encompassing stakeholder engagement and dialogue process. You are pouring over your materiality analysis and wondering how to prioritize all those issues that came up. You are responding to queries from the CFO regarding the return on investment of the Company's community involvement program. You are wondering what the competition are doing in the CSR and sustainability space. You are contemplating a cause marketing campaign to boost sales and help the community. You are about to write your first CSR report. Or your second, Or your third. Or your thirteenth. Any of these hit home? Because the next question is tougher. Should you hire a consultant?

After almost twenty years as a practitioner, I have now been a consultant for the past 5 years. Actually, I never held very high views about the contribution of consultants. You know, like the jokes. For example: Consultants are like people who borrow your watch to tell you the time and then walk away with it. Or the one where the consultant starts off to help become part of the solution and ends up being part of the problem. So why did I become a CSR consultant? I won't bore you with the biographical details, but now that I am one, I believe I add value. In fact, my clients believe I add value. Recently, a potential new client, a CSR Manager, asked me to help formulating a response to internal challenges such as: **What do you need a consultant for? Why can't we do CSR in house? Prove that we need a CSR consultant!!**

Hidden in these challenges are basic questions (doubts?) about the value of consultants in any business activity, but also the view of CSR as a profession in its own right with specific areas of expertise. CSR is not something people do because they have nothing else to do. Or because they are altruists. It's a profession like any other. Developing and evolving, but it is a profession.

Here is my take on CSR consultants and why they add value. Of course, there are CSR consultants and there are CSR consultants. Good and bad, as in any profession. How you select your consultant is another thing altogether. But let's assume, for the purpose of this exercise, that we are talking about **highly professional, competent, skilled, amicable and ethical consultants**. (Oops, did I blush?)

**Use your internal resources for core activities.** Consultants provide expertise which is not present in the organisation. It doesn't need to be present in the organisation. No CSR Manager of any business can be an expert in everything that is going on in the world of CSR, and doesn't need to be. The CSR Manager should be driving assimilation in the business, using a range of tools (which may include external processes). The CSR Manager's job is about building CSR capabilities in the business. This needs different knowledge, skills and competencies than those a consultant brings to the table. Consultants are focused in their area of expertise. If they are good, they spend almost as much time maintaining their knowledge and updating their frames of reference as they do imparting it to clients. That's their core business. In the field of CSR, this means keeping abreast of daily developments and changes in the CSR/Sustainability landscapes, understanding the latest revision of the AccountAbility standards, knowing the content of the latest ISO26000 draft revision, knowing which Sector Supplements the GRI has issued, knowing who won the CRRA 10 reporting awards (ha! Gotcha, the voting is still on), knowing the EICC exists for relevant clients, or the UNPRI, or the Equator Principles, or the UNGC, CEO Water Mandate, knowing who tops the CDP list, knowing which conferences are happening, knowing the outcome of COP15, and its potential impact on business and the low-carbon economy (ok, that won't take long) knowing which are High Purpose and which are Vanguard Companies, knowing the state of upcoming green legislation in your country, and knowing what's trending and how to leverage what's trending. And more. This reminds me of Malcolm Gladwell's brilliant book, *The Outliers*. The idea is that you don't get to be top in class at something because you were in the right place at the right time. You get to be an outstanding achiever because you invested hours upon hours of developing your knowledge and skill. That's what a good consultant does, so that she can quickly understand your needs and make the right associations from the wealth of information overload that is floating around the CSR ecosystem, quickly analyse what's relevant for your business and make appropriate observations and recommendations. Why would a CSR Manager want to do all this? And how could a CSR Manager do all this without diverting her own attention from the core of improving business CSR capabilities. My clients, and I suspect my colleague consultants' clients, know that this high level expertise is worth budget, but not capex. Why buy the Chunky Monkey Machine when you can buy the Chunky Monkey? This, of course, assumes you want to deliver a good product - a good strategy, a good policy, a good program, a good report. Each organization has to judge to what extent this external expertise is necessary for them to achieve their objectives.

**Save time not reinventing the wheel.** CSR consultants have methodologies and tools and process which save time. I am working on producing a Communications on Progress for the United Nations Global Compact right now for four different clients, each with a different core business, a different need to communicate and at a different stage in their overall CSR Activities. Each facing different dilemmas and holding different hopes about what such a Communication process will do for their organization. Whilst the style, tone, content and length of each communication will be different, my base methodology and approach saves each client a significant amount of time. Same goes for Sustainability reporting. I hear many Companies who embarked on their first reporting process

describing months and months of activities, some even more than a year. Consultants can, and I can prove this from experience with my own clients, reduce the lead-time for the reporting process, precisely because they have done similar work several times over and know the process, pitfalls and opportunities. Recently a client asked me to produce an analysis of various sustainability metrics for SRI Indices. I was able to do this in a few hours because I am so familiar with the tools involved. A newcomer to the field would probably have taken twice the time.

**Don't expect to see everything from the inside.** CSR consultants are able to spot things that are dissonant within the organization that might not have picked up. A recent example is a client of mine who has outstanding "green" credentials, adherence to leading "green" standards, great green technologies and excellent tracking of all environmental metrics which show strong reduction of environmental impact over time. This, however, is not leveraged by the marketing function, and appears nowhere in the Company's marketing literature, product information or website. A clear instance of internal silos which a professional on the outside looking in can clearly see. I did so and pointed this out to the marketing team, and I will bet any money that this will be addressed in the coming months. No-one wants to waste an opportunity. Of course, this could have been spotted internally. But, it wasn't. I could offer many more examples from the the last few years and several clients. The plain fact is, that it's hard to see everything from the inside.

**Sometimes, someone else needs to say it.** Having been on the "inside" in global businesses for so many years, you just have to realise that sometimes, the internal voice is not the strongest one, no matter how right it is. Sometimes, the divergent (did someone say political?) forces in an organization prevent the right recommendation from winning the day. Sometimes, the perceived authority of an external expert is what it takes. This is why, for example, I was the one to deliver training in sustainability to the Board of Directors of a leading financial services group, and recommend a Board procedure for CSR leadership, which the Board then adopted. Coming from the internal CSR Manager, this might have carried less weight.

**External reality is on the outside.** CSR is about direct and indirect impacts. Direct impacts need to be managed internally, they are about how the organization behaves. Indirect impacts are the things an organization does that carry its influence well beyond the scope of its internal actions. How does an organization know what impacts it is having? How does an organization know the context of the external reality that it is competing in? Dialogue with stakeholders, sure, but which stakeholders? What issues? What questions? How can the organization know what it doesn't know? A good CSR consultant will have the answers to creating the picture of this external reality. A recent project of mine for a global client was to map the entire social media landscape for CSR communications in Europe and recommend a social media approach in Europe for their business. I knew how to do this. I spend half my life in social media and CSR. I knew what they didn't know and where to look for it. I could bring them their external reality. In other cases, and this is particularly relevant when we are writing CSR reports, clients sometimes need to be aware of competitive activity in the CSR field, because reporting naturally is an opportunity for someone somewhere to create a benchmark. We never start a report without first mapping all the relevant sector reports and listing all the material issues that show up. Of course, that could be done internally. But when the CSR Manager is spending all her time looking for and reading reports, she is not advancing CSR in the business.

**Leave time to go to the beach.** How much can an internal organization handle? A business has two choices, Resource up for all the internal needs to do any job, not just CSR related work. Or have a lean team focusing on the core value adding work and use external experts to provide what is not-core and / or is overly time-consuming. When all is said and done, work-life balance is part of CSR and if your CSR Manager needs to do everything in -house, unless she has a very large team, she may just not have time to go to the beach.

**It's cheap.** It's cheaper than getting it wrong (I was recently approached by a Company who write their first CSR report internally. The report is bad. They are now looking to hire a consultant to clean it up, correct it and upgrade it). It's cheaper than maintaining an expanded team. It's targeted expenditure to deliver improved business results over time. **A good consultant should contribute more than the value of his or her fee**, though sometimes this is hard to quantify with precision.

So there you have it. This is a totally subjective view. Bit like asking Santa what he thinks about Christmas. (note: seasonal flavour for this Boxing Day post).

**Use of a CSR consultant should be a balanced decision based on:**

- Company CSR needs and objectives
- Levels of familiarity with leading CSR practices and CSR expertise
- Size of the CSR team
- Lead-time for the CSR assignment or ongoing requirements on a retained basis
- Budgets
- Complexity levels of internal (CSR) processes.

Oh, and a good CSR consultant also tells his/her clients when they don't need him/her any more. Because you won't need your consultant forever. Which is one of the reasons you hired him/her in the first place..

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:50PM (+02:00)

## Comments

- [FabianPattberg](#)

December 29, 2009

---

Hi Elaine. Thank you for this interesting post. I really enjoyed reading it. Choosing a consultant can be a very difficult decision and I have found that most companies either go with one large consultancy ( the big 4) or a smaller one which has the "extra factor" in terms of specific sector expertise or network. Is this your experience as well?

- [elaine](#)

December 30, 2009

---

Hi Fabian, thanks for your comment Glad you enjoyed the post.

Yes, there is a clear tendency for large companies to select large-company consultants. Often because they think bigger equals better, or bigger equals safer. You and I know this is not the case. Often, the smaller consulting firm has a much stronger level of specific professional expertise, greater flexibility and attentiveness to client

requirements, greater continuity over time, and higher value for money contribution. Of course, I am not objective, as I am often frustrated by the tendency of larger companies to pick what they feel is a safe consulting option, instead of truly picking the option that will deliver best overall value.  
elaine

- UKati

December 30, 2009

Hi Elaine,  
Good post! What I see in Hungary is, that companies either go for big, or "international" consultants, or they go for NGOs. For some reason in CSR consultancy being an NGO is already adding some extra points to your chances of getting the job. No matter what the experiences or knowledge is behind. Maybe it is trendy to work with an NGO, or more probably it is the VERY LOW price for what NGOs give the same type of services. We see this a big problem in Hungary. An other problem is, that companies are not critical enough with the consultants. They get a document, and they accept it, they pay without question, and then tell us for example, that they do not like to work with consultants, because they cannot use the materials they get... And at that time they might have a new on-going contract with the same bunch, because they have the "name". It is very frustrating, I can tell you. We thought that good quality work will bring us more work. but sometimes I feel that companies only care about the price, and that they can say, they have done the project. They do not care whether it was bringing the advantages or not. One of our clients said at the project evaluation meeting, that they did not expect such deep auditing of their report, and that they have realised real benefits. That does feel good!

I also agree with you Elaine, that a good consultant tells the company if she feels, they are not needed anymore, or with this specific issue. Teaches the company how to fish, instead of giving them fish. We try to live according to this, and propose mentoring and coaching type of services rather than "fully consultant done" Projects. and of course trainings!

- elaine

December 31, 2009

hiya Kati, thanks for your comment, NGO as consultants is a growing trend, I agree, and needs to be addressed with caution - the NFO must be professionally capable of providing the correct advice without conflicting interests getting in the way. And I agree selection of consulting "brand" names rather than quality is a frustration. Well done though on getting positive feedback. Hopefully they will tell their friends!  
elaine

## Reporting Buzz at Daiichi Sankyo

Friday, December 25, 2009

Here is an interesting way of creating BUZZ with a CSR report from the **Daiichi Sankyo Co Ltd**. I refer to their Corporate Social Responsibility Report for 2008.  
thumbnail from CorporateRegister.com

This is the third report from this Japanese pharma and biotech Company, a 52 page PDF which is inspired by GRI guidelines but does not index the GRI Framework. The Group prides itself on its innovative pharma for addressing lifestyle diseases, including thrombotic disorders, diabetes, cancer, autoimmune diseases and more. The Group sells around 900 billion Yen of products and employs around 15,000 people.



What is **surprising, refreshing, outstanding** about this report is its **focus on dialogue with stakeholders**. The entire first section of the report, almost a third of its content, is dedicated to detailed approaches to dialogue with different stakeholder groups. The cherry on the top of this process is the inclusion of a section that preceded the writing of the 2008 report - the two-phase **Report Reading session** conducted in order to gain stakeholder feedback.

Daiichi Sankyo sent a questionnaire to 159 external stakeholders (consumers) and received 123 responses. Of these, the Company invited 11 individuals to a dialogue session. The Group was split into two, to work on two themes: (1) Creating a better report and (2)

Making the report easier to understand. The feedback provided by this group is disclosed in the 2008 report.

What prompted me to look at this report was a similar Report Reading session for the 2008 report which I found on the Internet. This time, the target stakeholder group was 19 Students from a local University School of Business. The themes of this second discussion were more focused (corporate positioning, relevance to stakeholders and quality of the report as a communication tool), the feedback from students more direct and the response by the Company relating to what would be adopted in the 2009 report more transparent.

I like this. I believe this is best practice. A while ago I wrote a post about making your CSR report BUZZ. Now obviously, Daiichi Sankyo had implemented these practices before I produced my post, so I cannot take credit for any indirect influence here whatsoever (unless they were influenced by ultrasonic brainwaves from half way across the world) . But it looks to me as though there is definitely a **BUZZ** in the way Daiichi Sankyo create dialogue around their report, and benefit from it. Well done . **I believe this is a model for others to follow.** Domo arigato. San.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 11:27AM (+02:00)

## What Twitter does for CSR

Thursday, December 24, 2009



I was recently wasquoted in a post by the brilliant Sherie Winston as saying that *"Twitter has done as much for corporate responsibility as the great thought leaders through sheer accessibility,"*. And in a

linkedin conversation about CSR reporting, Cindy Mehallow, who has done wonderful work with PSEG on reporting, asked me why I think Twitter has done so much for CSR communications. So here's what I think Twitter's contribution to CSR and to CSR



communications is all about:

**Twitter makes CSR info accessible to more people more of the time.** With hundreds of CSR and Sustainability and Green tweeps tweeting their CSR news items or other CSR interest items, the world cannot fail to be more aware of many new aspects of CSR and how it is evolving as we speak blog tweet. Awareness in itself doesn't make all that much of a difference. But awareness is a precursor to action. Just by making people aware, you change their paradigms, and new paradigms bring new motivations and new activities. I have no data, but I would bet any amount of chunky monkeys that CSR tweets have driven CSR actions to a great degree in these last few years.

**Twitter IS CSR conversations.** Of course, Facebook, LinkedIn, Justmeans,

DevelopmentCrossing and many more networks offer conversation possibilities. But Twitter does it quicker, faster and more directly. Limiting to 140 characters forces you to choose what you want to say very carefully. Just look at some of the dialogues happening on Twitter around COP15, or human rights, or employee engagement. They may not have the richness of a LinkedIn thread, but people are getting their points of view across. I believe this is changing the way people are talking and thinking about CSR.

**Twitter brings CSR leaders closer .** The wealth of twittering CSR celebs such as Ray Anderson of Interface (@RayCAnderson) , Jeff Swartz of Timberland (@Timberland\_Jeff) , Jeff Hollender of Seventh Generation (@JeffHollender) , Kevin Moss of BT (@KevinMoss) , Richard Branson of , well, Richard Branson (@richardbranson) , Fadi Ghandour of Aramex (@fadig) Dave Stangis of Campbell Soup (@dstangis) , and CSR thought leaders such as Noreena Hertz (@NoreenaHertz) , Christine Arena (@christinearena) , Rosabeth Kanter (@RosabethKanter) Adam Werbach (@adamwerbach) , Joel Makower (@makower) , and CSR organizations such as CERES (@ceresnews), the GRI (@GRI\_Secretariat), make the possibility of conversing with these leading lights, understanding what's important to them, hearing their insights and following their example. This is what future CSR leaders aspire to and are inspired by. Equally, I am sure that the CSR-tweeting leaders are thereby exposed to questions, feedback and reactions that that are uniquely twitterous, i.e. that they would otherwise have no access to. And this helps them build their own thoughts and positions and leadership.

**Twitter stages CSR connections.** People are meeting each other, creating partnerships, making deals, doing new things in the CSR space. Connections and actions that would never have been possible on slow networks such as Facebook or Linked in. Twitter is fast and furious, creating fast and furious changes in the way people are working together across country borders.

**Twitter is just one big CSR conference.** It is probably true to say that someone is tweeting

from every single CSR conference or event, wherever it is happening in the world. So what would normally have been a closed meeting for the privilege of the privileged few is now an open newstream of insights from inspiring CSR folks for the accessibility-challenged many. This is helping to create greater interest in the CSR body of knowledge which is evolving as we blog.

**Twitter is the absolute best source of CSR news.** In addition to all the CSR news sites that tweet away such as @CSRWire, @GreenEconPost @2Sustain and more, i suspect that there is no news item anywhere on CSR that doesnt get tweeted, that is, noticed by a far greater community. Whether it be a latest video from a CSR conference, or a new social flavor from Ben and Jerry's, or a donation of \$375,000 by Unilever to Feeding America, or human rights abuse in someone's supply chain, or a way to make your holiday gift benefit the world ( @iGiveTwice) ...it's tweeted. Now don't tell me that's not influencing the way Companies think and talk about CSR . Here are a few i just jinged:

**Twitter is now core in CSR comms strategies.** HP, Fedex, Microsoft , Intel and many more are tweeting their CSR updates. This is a tool to engage both internal and external audiences (us CSR folks call them stakeholders). Think back to a couple of years ago. What comms routes did companies have to spread their positive news and engage in conversation about it, with just about anyone?

**Twitter is a CSR jobs recruitment platform.** At least once a day a CSR job is posted on Twitter. Or should i say once an hour. Because it seems like that.

And, I saved the best for the last:

**Twitter announces CSR reports.** Every CSR report published is announced by someone somewhere on Twitter (oops, its me, more often than not) (haha) Often, highlights from the report such as ghg emissions reduction, or community invesment, or a CEO statement are tweeted as well. I think Twitter has become a platform for creating awareness of CSR reporting in a way which has never been achieved through press releases, websites, email, or RSS.

Note that I havent mentioned the way Twitter is used to promote brands, or the way it is used for customer service, or to announce new products and services. All these link to CSR as well, in one way or another.

All in all, Twitter is a CSR communications tool , more than anything we have ever had at our disposal in the past. So now, Cindy, you know what I meant. But I am glad you asked me to spell it out.

Anyway, I'm off now to send a few CSR tweets before my signal-to-noise ratio takes a nose-dive....

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 01:00AM (+02:00)

## Comments

- [MayaForstater](#)

December 25, 2009

---

This is a great guide for CSR professionals on how they can use Twitter in their work (or as I put it in the space restricted environment of Twitter itself – it's a CSR-nerd view).

Introducing more CSR folks to the value of Twitter is great, particularly given the relatively low representation to date of CSR heavyweights, or serious CSR discussion on Twitter. However, I wonder if this nerd-centric view (...you can connect with other CSR professionals, share CSR reports and news...) misses out on the real potential for Twitter (and other social media) to be game changing for the way that businesses interact with stakeholders, and respond to social and environmental issues.

The internet and social media unseat the privileged position of expert information gatekeepers: doctors and journalists, encyclopaedia publishers and film critics, NGOs and advertisers; all must now compete in a much more open public market for ideas, influence and trust. And so too must CSR reporters, analysts and thought leaders.

Social media does, as Elaine tweeted me, give CSR professionals, new, stronger communication platforms with broader reach, but it also changes the cost of mobilising action by individuals, getting and receiving information, sharing opinion and conferring trust and making links across organisational boundaries – in other words the stock-in-trade of what CSR folks do.

Of course CSR is not about 'what CSR professionals do', but about how businesses listen to, understand and respond to their stakeholders, and the social and environmental challenges that concern them. Thinking about twitter and CSR in this light means that it is much more interesting than an always-on 'virtual CSR conference' where experts (and wannabes) talk to other experts (and wannabes).

The revolution will not be tagged #csr. My guess is that the most interesting conversations on twitter with relevance to corporate responsibility are not tagged #csr, #susty or even #eco but are about the issues that no body thought were issues, and may still turn out not to be (like the fact that HP computer's facial recognition software appears unable to track black faces). Using Twitter or other social media for CSR communication, is as much about connecting to where the conversations are already happening as it is about micro press-releasing information from CSR reports and programmes.

My guess is that we are still near the beginning of the societal changes that social media will enable - like early car users we are closer to thinking about automobiles as 'horseless carriages' than to being able to imagine the knock-on development of drive-thru restaurants, suburbs, multi-packs and children's social lives.

I would be interested to hear what people think are the best or most interesting examples to date of social media enabling real, material change in the business of social responsibility.

Maya Forstater  
(@MForstater)

- elaine

December 25, 2009

---

Maya, thanks so much for your comments and observations (I will post my reply at your blog post as well!)

<http://hiyamaya.wordpress.com/2009/12/25/twittering-to-change-the-world/>

Your reference to Clapham Junction is spot on. Twitter is the place to be aware of the conversations, news, issues that are going on, but not necessarily the location where the real conversations take place. Our exchange is a perfect example - i blog, you tweet, i tweet back, we realise there is more to say and we go back to our blogs in order to have the conversation. And maybe others will notice the tweets and join in the blog discussion.

By the way, when i tweeted a few days ago the issue about HP black faces recognition, i tagged it #csr. Jeff Swartz of Timberland recently tweeted "To all who have taught me about sustainability and social change via Twitter: Thank You. I have been listening and learning."

So when i say that Twitter is changing CSR, it is because of the way it is presenting and creating access to so many different aspects of and views about corporate behaviour that we would otherwise never have a chance of hearing about, and certainly not real-time. Awareness is a precursor to action. Many of the CSR professionals on Twitter are corporate practitioners whose awareness may bring new paradigms into business practice. Twitter's limitation is what we have experienced - the inability to have a deep conversation. There are many other platforms for that. But I agree with you that we are just at the beginning of the revolution - whatever it is tagged!

warm regards, and holiday greetings to you and all  
elaine

- Cindy

December 27, 2009

---

Hi Elaine, Your reply to my question does a great job of describing many of the ways the CSR community uses Twitter to surface and share issues, news, opinions and best practices. In that respect, it contributes greatly to the dialogue and development of the field. Beyond that, I am eager to see how companies use Twitter to inform and engage stakeholders. It seems that many companies are further ahead in using other social media tools to exchange dialogue with stakeholders.

## Who will win the CERES -ACCA 2009 Awards?

Friday, December 18, 2009

This headline from CSRWire caused me to pause and take a closer look. (Well, it had reporting in the title. Couldn't pass that up!)

Finalists chosen for CERES-ACCA North American Sustainability Reporting Awards

The fourteen shortlisted Reports selected by a panel of judges, against a detailed set of criteria under the headings of Completeness, Credibility and Communication are:

1. AEP
2. Baxter
3. Bristol-Myers Squibb
4. Citi
5. Coca-Cola Enterprises
6. Ford
7. GE
8. HP

9. Intel
10. PG&E
11. Seventh Generation
12. Suncor
13. Sunoco
14. Timberland

#### **Who won in previous years ?**

##### **Best report**

GE(2008) Ford and Timberland (2007) Vancity (2006) Nike and HP (2005) HP (2004)

##### **First runner-up for Best Report (!)**

Bristol Myers Squibb (2006)

##### **Best SME:**

Seventh Generation (2008 and 2005)

##### **Best First Timer :**

Ball Corporation and Symantec (2008), Green Mountain and Mountain Equipment Coop (2006)

##### **Commendations :**

**Innovative Reporting:**Vancouver Organizing Committee for the 2010 Olympic and Paralympic Games (2008)

**Emerging Issues Reporting :** Dell (2008)

**Climate Change Reporting :** Suncor (2007)

**Product Stewardship Reporting :** Dell (2007)

**Continued Excellence in Integrated Reporting :** Dofasco (2005)

**Continued Excellence in Social Reporting :** GAP Inc (2005)

There were awards in 2002-2004, but you will have to look these up yourself. haha.

For a report to be considered, the reporting Company must apply. This is standard for most reporting awards, I think, including CRRA 10, CorporateRegister.com's annual awards, with the exception of the GRI Reporting Awards, in which every single report published last year competes for readers' votes.

A few things strike me as I look at the shortlist.

**First,all the shortlisted Companies are seasoned reporters**, some having reported since the 1990's. Guess that knocks the Best First Timer award on the head, right ? Which is a shame, as the first report is always the toughest, and often the most interesting and creative. Some Companies, once they get into the routine of reporting, produce a routine report.

**Second**, as far as I can tell, **Seventh Generation is the only shortlisted SME**. Are they still an SME? They sure make a lot of (good) noise for a little Company. But their report, as is their leadership and general approach to sustainability, is creative, fun, serious and one of the best around. And I checked. Whilst 7th Gen does not disclose financial information, so we have no idea how many billions of \$ profit they are making, they do employ only 93

full time people, which is one measure of Company size. But why is this the only shortlisted SME? Did no other SME's apply ? Or did the judges not select the categories in advance and shortlist against category ? Either way, either 7th Gen makes it a hat-trick this year, or they go head-to-head with the big fish.

**Third,there is a little thing about reporting that concerns transparency.** Level of transparency is not stated explicitly as a judging criterion, though the "completeness category" (40% of the total score) includes reference to the level of detail included in the report. But if I were to take the GRI Application levels as a guide to the degree of transparency, I find only 4 reports making the top grade (A level): Suncor, AEP, Ford and GE.

**Fourth,one of the judging criteria is Assurance,** part of the "Credibility" judging criterion (35% of the total score). Only two of the 14 shortlisters were assured : Bristol Myers Squibb and Suncor.

So all in all, I am going to go out on a limb and **attempt to predict the winners** which will be announced in January, without making any regard to content, style, tone or length of the reports:

**Best Report:** HP and Timberland

**Best First Runners Up:** Ford and GE

**Best Second Runners Up:** Intel and AEP

**Best SME:** Seventh Generation

**Best Assured Reports:** Bristol Myers Squibb and Suncor

**Best Report that didnt Apply :** Dell

**Commendation for excellence in Pharmaceutical Sector reporting:** Baxter

**Commendation for excellence in Banking Sector reporting :** Citi

**Commendation for excellence in Beverages Sector reporting:** Coca Cola

**Commendations for not having previously won :** PG&E and Sunoco

I must have picked at least one or two winners with this selection, right ?

What I wonder, though, is that of the 500+ **additional** reports which were published in North America, Canada and Mexico in 2009, and did not apply for an award, which are better than the ones that will win ?

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 08:09AM (+02:00)

## Comments

- Brian

December 18, 2009

---

Great post, love the predictions for the awards! One correction, the winners will be announced in May at the Ceres annual conference (<http://www.ceres.org/conference>), not in January. So you'll have to wait even longer to see if your predictions are right!

Brian

Thanks Brian for reading, and for the correction. I saw the conf was in May, but somehow i thought the results would be announced before then. My mistake. Oh, and in my rush to post amidst the Friday chores, I forgot to congratulate the 14 shortlisters ... so belated congratulations to all 14, and Good Luck!  
elaine

## Communicating CSR

Thursday, December 17, 2009

Last week , I enjoyed the privilege of being interviewed by **Sherie Winston** who writes for the **CSIC Blog : Rocking the Boat**. The CSIC is the **Center for Social Impact Communication** at Georgetown University, creating "leadership opportunities for communicators who want to use their skills for positive social impact".

I first "met" Sherie in the Twittersphere / Blogosphere when I read her fantastic series of six blog posts, all under the heading of **Communicating CSR**:

1. **Whose job is it and do the leaders excel ?**
2. **What sets Companies apart ?**
3. **Perception doesn't equal responsibility**
4. **What your website says**
5. **Whose job is it ?**
6. **Seize the opportunity**

Each post offers a different perspective on the way the CSR message gets through (or not), based on a thorough and intelligent research study of **20 Companies** including **GAP Inc, Fedex, Microsoft, Nordstrom, Cisco, American Express, Starbucks** and more. I thoroughly recommend you read all six posts and the research report itself which you can find **here**.

When Sherie asked me for an interview, I immediately assumed she would send me some questions via email and I would respond via email. Not so. A professional journalist such as Sherie had to have a **real** conversation. And I am glad she insisted, as the result is far better than I believe an email exchange would have delivered. To my surprise, Sherie split our conversation into two posts (did i say THAT much ?!) :

The first, entitled **Thoughts from the Thought Leaders**, covered a little of my professional background and the work we have been doing to educate for an ethical supply chain in the Israeli fashion industry.

The second, entitled **CSR Reporting: Changes are needed** covers my thoughts about CSR and Sustainability reports, a subject, by which you may now have gathered, I could talk about till 2025.

I was happily amazed (and relieved :-)) that Sherie had reflected my sentiments perfectly in both pieces, whilst pleasantly surprising me with creative ways of presenting the thoughts. This is a great tribute to her journalism and writing skills. I was also pleased to have another outlet for some of my messages on CSR because, to requote myself (I am

usually much more modest, honest!), in the CSR business, "we work to create the market we serve" by creating awareness and understanding of the risks and opportunities that CSR brings, and the benefits of transparency and reporting.

**Thank you , Sherie. A triple Chunky Monkey** (virtual , sorry) is now zooming through cyberspace towards you.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 10:06PM (+02:00)

## Comments

- [NathanSchock](#)

December 24, 2009

---

Thanks for the link to her blog. I subscribed and look forward to reading her posts.

## Disclosure: this is a sales pitch!

Thursday, December 17, 2009

I am not sure if it is protocol to use your blog to advertize your services. I haven't done before (ok, well, maybe a teeny weeny super subtle plug once in a while) . So as we are approaching the **Holiday Season**, where people are filled with **joy** and **goodwill**, I am hoping will forgive me if I make a brief departure from my usual writing and commentary to make a little offer relating to one of our Reporting Services. By now, you know i am passionate about Sustainability Reporting and love to work on reports.

If you are planning to publish a CSR or Sustainability Report over the next few months .. you should consider:

### **A SUSTAINABILITY REPORT PRE-PUBLICATION REVIEW**

I would be happy to offer our services for any or all of the following:

- **REVIEW** of your final or almost-final draft report, provision of feedback and recommendations for improvements for your internal use as you finalize the report for publication.
- **ASSESSMENT** of the readability and credibility of your report and suggestions of ways which might enhance appeal and credibility, including checks for consistency with previous reports, if this is not your first time.
- **ANALYSIS** of your report against GRI indicators to provide a Third Party Check of the Application Level, including gap analysis of contents versus the GRI index or the Global Compact Communication on Progress.
- **PROVISION** of a consultant's statement relating to the quality, materiality or any other aspect of the report which could be printed as part of the report as it is finalized.

I can offer fast turnaround, high quality analysis and commentary, sharp assessment of what's appealing and what's not about your report, and pertinent recommendations, based on years of experience writing, analysing and reviewing Sustainability reports of all types from all sectors of businesses around the world.

Of course, if you haven't started writing your report, well, I would love to write it :) If you would like an external verification of your report, I could do that too (I have IRCA and AccountAbility Sustainability Practitioner certification). If there is anything else you think I might be able to assist with relating to your reporting process, I would be happy to talk.

Please contact me directly via my Company website for all queries. You can see a range of published report reviews I have written this year here.

**Thank you**, and **apologies** to those whom I may have offended with this sales pitch! Promise I won't do it again (till next Christmas!) . Good luck to all you reporters out there, and **Happy Holiday Season!**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 06:13AM (+02:00)

## CSR Holiday Wishes

Wednesday, December 16, 2009

I would like to take this opportunity to wish all my readers a Happy Holiday Season. And in the interests of diversity and inclusion, I offer some special wishes to individual reader stakeholder groups.

To readers appearing on more than 799 Twitter lists- **Have a Happy Listmas**

To my readers concerned by global warming- **Have a Cool Yule**

To alternative transportation advocates- **Have a Cool Mule**

To readers who advocate responsible drinking- **Have a Happy Pissedmas**

To my readers involved in community work over the holidays- **Have a Happy Assistmas**

To my readers who are currently unemployed as a result of globalization- **Happy Dismissedmas**

To readers who listen to classical music whilst reading CSR reports -**Have a Happy Lisztmas**

To readers generating their own energy this holiday season-**Have a Joule Yule**

To readers in the ethical diamonds business-**Have a Jewel Yule**

To readers who like dancing at the CSR office party-**Have a Happy Twistmas**

To readers who like doing other things at the CSR office party-**Have a Happy Kissedmas**

To readers who don't manage to do other things at the CSR office party-**Have a Drool Yule**

To readers in the Middle East region-**Have a Happy Coexistmas**

To readers prone to eating too much Chunky Monkey-**Have a Happy Resistmas**

To readers in favour of the armed forces, war and violence-**Have a Happy Enlistmas**

To my younger readers behind with their classwork-**Have a School Yule**

To all the Big Global Energy Companies.-**Have a Fuel Yule Have a Fool Yule**

To readers who work thru the holidays because they have no work-life balance-**Have a Happy Missedmas**

To all readers with young babies who have sacrificed their career to raise a family.-**Have a Nappy Christmas**

To all readers publishing a CSR report over the holidays-**Have a Happy Persistmas**

To all my really boring and unimaginative readers-**Have a Sustainable Christmas**

And finally....

To all my readers who are dyslexic from reading too many CSR reports - **Have a Crappy Histmas!!**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 07:33PM (+02:00)

## Comments

- Julie

December 17, 2009

---

Merry Christams, Happy Holidays, Happy New Year...wishing you the very best Elaine! Enjoy reading your blog and look forward to more in the New Year! - Julie Urlaub

- elaine

December 18, 2009

---

thank you Julie. Praise indeed from a top rate blogger yourself. Happy Holidays to you too! elaine

## 17 ways (I counted) to bring CSR reports ALIVE in the business

Tuesday, December 15, 2009

An interesting discussion on Justmeans with Gil Friend, founder of Natural Logic, and Dave Stangis of Campbell Soup Company prompted this post. I mentioned in one of my Justmeans updates that I had been designing a questionnaire to seek employee reactions to a client Company's first CSR report. You can read the ensuing discussion yourself, but one of its offshoots relates to one of my mantras. That it is incomprehensible to me how much work goes in to the publication of a report, and how little goes into ensuring it reaches, and touches, one of its primary stakeholder groups, the Company employees. I will explore that a little here.

The publication of a report is the start of its long life in the organization, until it is reborn again with the next report. During its lifetime, the report can serve several useful, I might say imperative, objectives within the organization. Of course, the report is not the sole vehicle for internal work, but it is a good platform as it covers such a broad range of the Company's activities. Here are some of the ways you can put your report to use in the organization:

**Senior Manager Round Tables** - Starting with the CEO, discussion sessions on specific themes in the report, or aspects of the report, with random groups of Managers. Round Tables could be designed as open discussions about material issues, the challenges and the dilemmas, based on what is presented in the report. This also serves to ensure Senior Management read the report (!), and reinforces their commitment as they are seen to walk the talk.

**Group discussion sessions in organic teams** - Using single sections or even cases studies or paragraphs in the report, conduct conversations about the content within organic teams , based on focused questions of the specific sections - Why is this important? What can we learn from it? How does it relate to our job? Does this feel like a

fair representation of the Company.? What could we do better? Who are the stakeholders affected? How does this fit with our overall sustainability goals? What can we contribute? What should we think about or do before the next reporting cycle?

**Fun activities for familiarization with the report** - (Gil Friend suggested something like this and i agree) - ranging from quizzes, report trivia, team competitions, report crosswords, report awards (best photo, best case study, best quote), best rewrite (!) etc. This might include report memorabilia :)) such as "*I reported 2009*" T-shirt, "*Reporting leads to better performance*" mousepads, "*This is my CSR report coffee cup*" printed on guess what, a coffee cup. What about starting a graffiti wall, much as Anita Roddick described in Business as Unusual? Not everthing has to cost money.

**Employee survey** - I think it is absolutely essential that Companies survey their employees to see how many are taking an interest in the report, what they think, and what they would improve.

**Training activities** - Every Company spends so much on training, this often includes leadership or strategy training - the Company's sustainability report is a window to the Company's leadership, or should be. The CSR report should be an essential part of leadership training. Even if the report is awful, the dialogue that training workshops generate could be useful in helping to make it better in its future rebirths. Equally, the report can serve as material for training exercises in identifying business opportunities, risks or ethics training for employees.

**New hire orientations** - Every new hire should be directed to read the report, and part of the new-hire orientation program should include a discussion about their impressions. Is that such a hard thing ? You join a Company, you want to know about it. Is reading the CSR report such a burden ? When I joined Procter and Gamble in the days before anyone had even dreamt (or had nightmares about) CSR reports, I was given a copy of "Eyes on Tomorrow" by Doubleday and Ferguson, a very detailed and at times rather stodgy history of the Company, but i read it from cover to cover.

**Performance Scorecarding** - Perhaps the Company has a Balanced Scorecard, or some other form of performance management system. If so, sustainability performance is probably in there somewhere. If not, the commitments or intentions stated in the Company's report should be measurable, and measured. The results should be widely communicated.

**Different Communication Formats** - Exec summary, briefing papers, webcasts, video summaries, posters, Q&A briefs etc, use of company intranet forums if they exist, perhaps even an online marathon with Senior Management and the Reporting team who respond to quesitons live in real-time.

Did I miss anything ?

In many cases, unless the reporting is a one-person show (and, regrettably, it sometimes is) , many employees will have contributed to the data and information contained in the report. Doesn't it make sense for them to be consulted about the report once it's issued ? Not only as a way of showing them respect, as core stakeholders, but also as **a way of gaining essential information about whether their input was appropriately reflected.**

I think you get the picture. When planning your report, make sure you plan beyond

publication - at least six months ahead. **Plan six months of intensive employee familiarization, understanding of and engagement with the report.** At worst, employees become aware and can be more adequately equipped to support the Company's sustainability objectives. If this is all they pick up, it's a benefit. At best, they become so engaged that they begin to see sustainability opportunities in everything they do, speak out passionately against unsustainable practices and turn every external interface into one in which the Company's values and sustainability practices are promoted. Give me a CSR report, tell me about the process of writing it, and I will design an employee engagement process for your Company around it. Why ? So that your next report will be even better. Why ? **So that your business performance will benefit.**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:05PM (+02:00)

## CRRA 10 How will you vote? You WILL vote, right?

Sunday, December 13, 2009



It's that time of the year again when we try to pick the winning reports from a pool of 130 entries in the Corporate Register Reporting Awards 2010 (CRRA 10) . **If you pick the top ten, you get a BIG PRIZE.** But, if that's not enough motivation, you also get the chance to influence which of the reports in the pack will get highlighted for great glory and recognition. I have voted. Strongly suggest you do too. Passivity was never terribly gratifying, so go vote. **You have until January 29th 2010.** Here is the voting site.

This is year number three of these popular awards. In the first year CRRA 2008 there was, I think, an unlimited number of reports, but last year, my friends at CorporateRegister.com accepted a limited number of entries - that improved format works again this year.

### What do you look for in a report?

Actually, the award categories pretty much answer that question:

- Best Carbon Disclosure
- Best Creativity in Communications
- Best Relevance and Materiality
- Best Openess and Honesty
- Best Credibility through Assurance

Other categories relate to reporter characteristics:

- Best First Time Report
- Best Integrated Report
- Best SME report

And to round off, there is a catch-all category of Best Report for the reports that do an overall best in some of all of the above categories.

Let's take a look at who is competing for what. And what what is.

## **Best Carbon Disclosure.**

### **Previous Winners:**

CRRA 08 (39 entrants) BMW AG

CRRA 09 (17 entrants) Royal Dutch Shell

20 reports in this category this year, including both previous winners.

### **What does a best carbon disclosure look like ?**

To answer this question i went to the Shell winning report of 2007. The report contains a detailed discussion of climate change and carbon impacts, and future scenarios that will affect our great-great grandchildren. The actual Shell carbon footprint data is on their website, and shows a year on year reduction since 2005, from 93 million tonnes to 75 million tonnes in 2008. (82 million in 2007, the date of the winning report). Not bad.

The Bayer AG report was the runner up in this category in 2009, and their carbon disclosure (7.6 million tonnes) is short and to the point, total emissions, GHG Protocol, indirect and direct emissions with breakdown of component parts and commentary. Also not bad.

For me, a best carbon disclosure includes:

- actual total carbon emissions for the entire business
- some context, if possible, industry benchmarks, where available
- data presented over at least 5 years, if available
- details of the methodology used to make the calculation, whats in there and what's not
- verification of the carbon numbers
- explanations for the increase or decrease in emissions
- details of whether carbon targets have been met in the reporting period
- future targets
- clear, accessible presentation which a 15 year old can understand

Of the 20 entrants, I was surprised to see quite a few names that have not competed in this category before - 13 to be precise, including Dell, Amcor, Hess, Novo Nordisk, Panasonic, Veolia, and even Compañía Minera Doña Inés de Collahuasi SCM which gets a bonus for having the longest and most unpronouncable Company name in the entire competition. Is the number of new entrants an indication that carbon disclosure has become more imperative?

## **Best Creativity in Communications**

### **Previous Winners:**

CRRA 2008 (100 entrants) : Coca Cola Enterprises

CRRA 2009 (36 entrants): Coca Cola Enterprises (yes, that's twice!)

There are some that might say that CSR reporting is too creative, so much so that it often departs from reality. **(Joke!)** The 2010 awards has 29 entrants, and the big question here is can Coca Cola make it a hat-trick? Whats so special about Coca Cola creativity? The CRRA guide to the categories talks about creativity in the following terms:

*Which report is a real pleasure to read, because the authors have given thought to both the content and the reader? Do you find the report engaging and informative, or boring and unimaginative? This award is for the report which best succeeds in getting its message across, using creativity as a defining factor.*

I have to admit that, without reading every word of the Coca Cola 2007 report, I wasnt struck by its mindblowing creativity in communications. It is clearly written, well paced, neatly designed and flows well. Perhaps the most creative thing about it is, if you look carefully, Coca Cola don't refer to CSR but to CRS! Or maybe they are just dylexic.

For me, creativity would go a little further than this. It would use analogies and stories to make the data and context come alive, case studies and perspectives of people in the business. It would make connections in my mind that I hadn't considered before, that help me appreciate the true challenges and efforts involved in driving CSR, or CRS, forward. The 2010 competition has 15 entrants that are new to this category including Bunge, Walt Disney, Export Development Canada to name just a few (well, 3).

### **Best Relevance and Materiality**

#### **Previous Winners:**

CRRA 08 : (167 entrants) BP

CRRA 09 (40 entrants) Vodafone

This year, 45 reports are vying for first place, including the two previous winners. And what do we look for in a best materiality report? A materiality matrix. Evidence that there has been a process of stakeholder engagement, and considered evaluation of stakeholder and business strategy input, prioritized, and effectively reported. Reporting of material issues should go into greater depth than the shopping list rest-of-the-report. Vodafone has a history of doing this well, and their 2007 Report, the famous 398 page report, is true to form with a very colourful matrix and a list of key issues. Well, with 398 pages to play with, they could have included 15 materiality matrices.

### **Best Openness and Honesty**

#### **Previous Winners:**

CRRA 08: (167 entrants) Bayer AG

CRRA 09: (32 entrants) The Cooperative Group

36 Reports in the running this year in a category which many would say is counter-culture to CSR reporting. Does this report come clean, tell the bad news as well as the good? the Awards organizers ask. And let's face it, that's what honesty is. It's not the absence of lies, it's the creation of a balanced representation of the CSR affairs of the Company. The Cooperative Group Report for 2007/08, entitled Altogether Different and Making a Difference, declares early on that the report is intended to provide a "warts and all" account of the Coop Group's CSR performance. Hmm, I'm not sure I want ALL the warts. It's a 141 page report, and the style is just a bit too chatty to make for easy reading, and I would have preferred them to highlight the warts in yellow or something, because, in the sample I reviewed, I couldn't find any at all.

### **Best Credibility through Assurance**

#### **Previous Winners:**

CRRA 08 (59 entrants) BP

CRRA 09 (22 entrants) Vodafone. Again.

This award is for the Assurance Statement that adds the most credibility to the overall report. Sometimes, I think it would be a step in the right direction to have a statement which adds ANY credibility to the report. 24 reports in this category this year. You know I like talking about Assurance. The BP 2006 report that won in the 08 awards does contain a fairly detailed Assurance statement. But, I regret, all it assures is what they haven't noticed ... the Assurers didn't notice any material misstatements, they didn't notice any exclusions, they didn't notice any improper collection of data etc. What DID they notice? The Vodafone-398 is marginally more assuring, and includes a long list of recommendations and detailed activity performed by the assurers, to whose attention also nothing came that caused them to believe that.. well, you know the rest of the mantra.

Anyway. I am going to round off here, I might come back to Best Integrated, Best First

Timers and Best SME's as these reporter categories hold their own uniqueness and are worthy of spending a little more time on. Although there is one report that I worked on in the Best First Timers category - 888 Holdings - online gaming Company. You can vote for that one now if you like, no need to wait.:)) But dont worry, there's enough time for you to vote in all the above categories before i get around to writing my next post.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 02:07AM (+02:00)

## Santa's CSR report

Monday, December 07, 2009

Jingle Bells, Jingle Bells, Jingle all the way... yes, Christmas is coming .. and **time for Santa to write his CSR report**. This year, Santa's report is mainly about climate change and environmental issues, and yes, you've guessed it, it's going to be a GREEN CHRISTMAS.

I thought I would give you a preview of how Santa introduces his report this year.

### **Santa Claus Elves, Reindeers and Responsibility Report 2009**

A message from the CEO:

Dear Stakeholders,

It is my great pleasure to bring you this, my 1745th Responsibility Report which I hope you will read with joy in your hearts, happiness in your soul, and a glass of quality brandy in your hand. Oh my, the world has changed somewhat since I was born in 245 AD. They called me Saint Nicholas back then, and to this day, I try to live up to my saintliness by adopting the principles of responsibility, transparency and accountability. 2009 has been another Greening Santa year, with many environmental achievements which you can read about in the following pages, and an intensive year of improved governance, elf diversity, reindeer rights, equitable toy distribution to the world peripheries, and stronger ethical auditing of all my outsourced production factories. Furthermore, I am introducing for the first time this year a toy-recycling program – instead of delivering new toys this year, I will simply pick up all last year's toys and deliver them to other children. This is likely to save 5,000,000 tons of carbon emissions, 95,000 tons of plastic, 4,973 rainforest trees, and close down 293 toy factories in China and Taiwan. In this way, I will keep children happy, reduce global warming, and save myself endless headaches wondering what to get for everybody. Should there be a discrepancy between the toys collected and the toys required, I plan to offer a virtual platform for ordering gifts via Santa.net to further save on transportation costs and to advance my ambition to become the first carbon neutral Santa ever. I will offset all outstanding emissions by funding the production of eco-socks using 100% organic cotton recycled from elf undergarments for hanging on the mantelpiece. The socks, not the undergarments.

In preparation for this report, I conducted a Stakeholder Panel and received some useful feedback relating to elf exploitation, gender mainstreaming amongst elf communities, and the life-cycle of reindeer reins. I analysed all these issues in a materiality matrix, but I

have not included this in the report, because none of these issues were actually found to be material.

The report is written in accordance with the highest global standards, the GRI framework, at Application Level A. The report is not assured, because I ran out of money to pay the Assurance fees. Apart from which, let's face it, I am Santa. Who's not gonna believe ME?

During 2009, I have significantly improved the working conditions for my 583,000 elves in permanent, full time positions, by providing them with in-dorm TV's, iPhones (one per couple, elves are half the size of regular people. I have had some complaints from those who have got half an iPhone, but I expect this will be rectified when wePhone is launched). I also formed a Professional Elf Education (PEE) program, to assist in developing elf talent and accelerating the rate of in-house promotion. We still have a problem with gender, and cannot seem to locate enough elfees to come to PEE. However, I have realized that if I have a sex-change operation, the entire Board of my Company will become female, so I have set this as a target for 2010.

Finally I wanted to draw your attention to the vast improvements in my environmental impacts, beyond those mentioned above. I have reduced electricity consumption by turning off all the lights on the sleigh. Last week, in rehearsals, 7 reindeer fell asleep, as they thought it was daytime. All elf uniforms are now produced under the watchful eye of the Ethical Trading Initiative and made from natural materials such as coconut-shell fibers and bamboo. Two elves were hospitalized because someone left the coconuts in the trouser pockets, and one got a bamboo splinter in his bum. But all problems should be ironed out by next year ( must remember to fix that old iron). My red Santa suit is now a kind of nondescript beige, reflecting the natural hemp used in its production. I will review this in the coming year and revert back to red if no-one recognizes me. All elves and elfees have been trained in office greening, and we now use disposable cups several times over, except for those who object to rapid proliferation of H1N1 virus amongst elf populations. Reindeers are fed only organic lichens with no added nutrients. On the ethics front, all elves have been trained in Responsible Practices, and are now able to assist in toy deliveries without insulting cheeky children or taking bribes from celebrity tots.

During 2009 I won several awards:

- **Best Santa for Diversity and Inclusivity** (we have 34 different Elf Affinity Groups, including an Elvis Presley Elf Lookalike Group)
- **Best Workplace for Working Elf Moms** (elfees get to do the late deliveries so they can cook Christmas Dinner on time)
- **Philanthropist of the Century** (who has given out more toys than Santa, hmm?)
- **Green Business Award** (i think this is because the elfves wear green uniforms)
- **Reindeer Lifetime Appreciation Award** (because i turned the lights out on the sleigh)
- **Sleigh Manufacturers Society Honorary President** (who has done more for sleighs than me?)
- **Chinese Toy Manufacturers Ethical Hero** (yes, I beat Mattel)
- **Lapland Cartographers Award** (modestly speaking, it was me who put Lapland on the map, any map)

I hope you will gain immense pleasure from reading this report and will provide your feedback via Santa.net in the section entitled "Santa wants your Feedback." Nice, eh?

Merry Green Christmas, everybody !!

Santa Claus  
Chairman, President, CEO and COO  
Santa Claus Universal Magnanimity (SCUM) 275 AD Ltd

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:43AM (+02:00)

## Comments

- [Matthew](#)

December 07, 2009

---

You've done it again Elaine. Outstandingly funny while staying true to format. Happy Holidays and may your new year be bright green.

Matthew Rochte  
Sustainability / CSR Consultant  
[OpportunitySustainability.com](http://OpportunitySustainability.com)

- [CaraC](#)

December 07, 2009

---

Elaine you are prolific! I love your wit and always enjoy and learn much from your blog posts. Happy Holidays! :-)

- [elaine](#)

December 07, 2009

---

Thank you Matthew and Cara, you are the best !

- [Lavinia](#)

December 08, 2009

---

Elaine, you are a hoot. What a great way to get people to be happy and bright and think GREEN.

- [elaine](#)

December 08, 2009

---

Thank you Lavinia!! You are a great friend ! Happy Holidays to all!

- [DanielRoberts](#)

December 16, 2009

---

Fantastic. I promise that the Assurance Review (pre-first draft) could not have been for this report.

Cheers and a wonderful holiday season to you and all.

Dan

- [elaine](#)

December 16, 2009

---

Thank you Dan. I also follow your blog at <http://raasconsulting.blogspot.com/> with great interest .  
Happy Christmas to you too!  
elaine

# Unassured and fed up

Sunday, December 06, 2009

I read many sustainability reports, and many assurance statements. Today, i lost my **rag. (I was cleaning the kitchen)**The **quality of sustainability report assurance is abysmal, on the whole.** So many Companies taking good money to provide what should be a seal of quality on sustainability reports offering not much more than a page of printed **hot-air** seems to me to be highly irresponsible. Maybe assurance assignments are easy money. Maybe they are not as sexy as reporting assignments. Maybe the providers just dont have the skills, or are not willing to guarantee the quality of their auditing work for fear of liability. Maybe someone might actually make a decision based on the quality of the assurance? What a disaster! Whatever the reason, assurance is just not making the grade. And worse, the **Global Reporting Initiative**, in awarding a "+" at each Application Level, without checking the quality, for so-called assured reports, unwittingly perhaps, is complicit in this **devaluation of the assurance process.** So I took pen to paper (**fingers to keyboard**) and sent a letter to the CEO of the GRI. Here it is:

Sunday ,6th December 2009

**For the Attention of:**

**Mr Ernst Ligteringen**

**CEO**

**The Global Reporting Initiative**

Dear Ernst,

**Quality of Sustainability Report Assurance Practices and Allocation of "+" in the GRI Report Check**

As you may know, my business in Israel, BeyondBusiness Ltd, is a strong supporter of the GRI, and we are Organizational Stakeholders. We provide sustainability reporting services to a range of clients, who we always encourage to report against the GRI framework. My business partner, Liad Ortar, was the one who took the initiative to translate the GRI Framework into Hebrew back in 2006, creating greater accessibility for local Companies and paving the way for GRI reporting in Israel. In fact, we wrote the first GRI (Application Level B) report in Israel for Bank Leumi together with their team, the first GRI report at application level A for comme il faut, a private fashion Company, and now we are working on the first GRI report for a non-profit in Israel. In between, we have written several other GRI reports. We like the GRI framework and apply it for all types of organizations in all sectors. Of course, there are elements which could be improved in the future, but overall, we are strong advocates. In addition, we always encourage our clients to have their report checked by the GRI, to ensure confirmation of proper adherence to the guidelines.

**There is one area, however, where I feel the GRI does not do justice to the reporting process, and this relates to Assurance.** The role of Assurance is to enhance credibility and trust in the report, as a promise to stakeholders that the report has been independently, externally verified by a qualified expert, or group of experts, both in terms of the accuracy of content and the relevance of material issues, and in terms of the fair and balanced representation of the overall content. In checking reports, for the award of a "+" Application Level, **the GRI checks only the presence of an Assurance Statement**, not the quality of the content or the appropriateness of the assurer. The "+" award provides a benefit for Companies, as the "+" tends to promote the assumption that the GRI confirms that the Assurance Statement achieves the appropriate quality of verification, as per the

GRI guidelines. Companies who publish an A+, B+ or C+ report indicate by definition that their report has adhered to these standards.

I read, write and regularly review reports. My reviews are published on [www.CorporateRegister.com/reviews](http://www.CorporateRegister.com/reviews) for all to view. In performing such reviews, I try to assess whether the report presents a credible and trustworthy picture of the organization's Corporate Responsibility activities. Of course, I always read the Assurance Statement, if there is one.

**And now to the crux of my message.**

**In many cases, the Assurance Statement seriously lacks the ability to assure.**

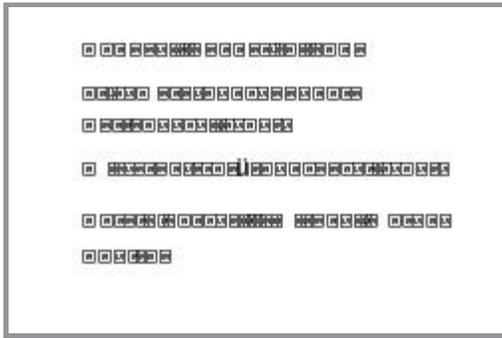
- Often the statement is a partial assurance of only a very small sample of the report – for example – the carbon emissions.
- Often the statement fails to give reasonable evidence that the Assurance Provider has done the rigorous work required to draw a conclusion about the quality and material relevance of the report.
- In many cases, the Assurance Statement is signed off by a Company and it is not known who actually did the Assurance work. In one currently “featured” report, the name of the Assurer is not legible.
- In other cases, the Assurance statement is largely a reprint of the prior year's statement.
- I have seen one report where the Assurer was the very same consultant who supported the entire development and writing of the report, which is a serious breach of the assurance “quality standards” that require the Assurer to be a party “not unduly limited by their relationship with the organization or its stakeholders.”
- One report, which is a currently GRI “featured report” is an integrated report and contains only an audit of the financial statements, and no verification of the sustainability content, as far as I can see.
- And it is almost never clear what changes have been made to the report content prior to publishing as a result of the Assurer's intervention.

**And yet, the GRI automatically awards a “+” for all Assurance Statements**, just because the Reporter shows they exist. This, in my view, undermines the contribution of the assurance process and devalues the GRI check.

I suggest the GRI should take a stronger stand on the subject of assurance, and that the GRI should check that:

1. The Assurer is external to the reporting organization and not engaged in any other form of service provision with the Reporting Company for at least 12 months prior to providing assurance.
2. The Assurer has relevant experience of corporate responsibility practices qualifies him or her to do the work, and signs the Statement in his or her name.
3. The Assurance Statement relates to the **entire content** of the report, disclosing the detailed methodology used.
4. The Assurance Statement makes reference to specific core material issues and whether the reporting Company has addressed these in the report
5. The Assurance Statement gives positive confirmation, and not a statement of several negatives that confirm only that the Assurer has not noticed inconsistencies or errors, but has positively done the work to conclude that the content is accurate and relevant.

Anything less, should not deserve a “+”.



Assurance statements would benefit from following the principles underlying good CSR reporting: Transparency and accountability.

In a review of several of the current featured reports on the GRI Website, I find that adherence to the above criteria is low. Few of the statements I reviewed suggest a professional and quality approach to assurance, and the GRI approach seems to condone this.

**I would like to recommend, that the GRI adopts a new policy to read and check Assurance Statements, and award “+” only if the Assurance Statement and the Assurer meet the above criteria.**

This does not preclude a Company including a consultant’s statement, or opinions of experts relating to part or all of the report. This is often a nice touch, and adds value, but it does not carry the validity of a formal Assurance Statement which earns the Company the highest level of adherence to the GRI Framework with a “+” designation.

I would be grateful if the GRI would consider this recommendation and a possible change to its practice with regard to the checking of assured reports in the future. I send you this letter as an open letter, which I plan to publish simultaneously on my Reporting Blog , in the hope that it will generate some discussion from other reporting professionals as you consider this recommendation.

Thank you for reading this letter, and for all the GRI does to promote sustainability. I look forward to hearing from you

Warm regards,

Chunky Monkey Me Elaine

\*\*\*\*\*

That was the letter. I don't expect that the GRI response will be an enthusiastic YES OF COURSE, though i do believe the GRI, as a multi-stakeholder organization, will be receptive to feedback, and hope this will be taken in good spirit. Whatever the response, I could not remain passive on this issue, which irks me time and time again every day as I dip in to some report or other.

By the way, the report mentioned above which has an assurance statement signed illegibly - well, see what you can make of this

Maybe it was written by an alien ?

**CorporateRegister.com** produced a good report about Assurance approaches in July 2008 called **AssureView**. This report discusses quite well the difficulties of assurance including the fact that there is no "common currency" or accepted methodology of performing assurance of non-financial data. The conclusion hits the nail on the head:

So what do you think ? Am i unassured and fed up all alone ? Should the GRI change its policy? Do you read and believe Assurance Statements ? And how important is all of this?

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 09:52PM (+02:00)

## Comments

- ClaytonTFord

December 06, 2009

---

Really interesting and valuable perspective, particularly from someone in your position and with your experience Elaine. Thanks for raising, and more importantly taking action on your perception / frustration.

Assurance becomes increasingly vital as CSR reporting becomes more and more mainstream, and the 'commercial' and reputation benefits become increasingly apparent.

My personal experience inside just one company is slightly different - whereby I have been surprised, then impressed, by the rigour of review of data and claims I have submitted to our annual global report. However, this is just one example and others may have different perspectives.

I think the principles you have recommended to the GRI are a very worthy starting point - great piece.

- elaine

December 07, 2009

---

UPDATE: Monday morning 7th December, immediately after receiving my letter, Ernst Ligteringen, CEO of the GRI personally wrote this positive response:

Dear Elaine,

Thanks for your letter, your interest in improvements in GRI Guidance and your recommendations in this respect.

We do take this kind of feedback very seriously; reason while I will ask my colleagues to look closely at your recommendations and discuss them. We will get back to you when we do have a considered response. As it won't be a routine response it might take us a moment, for which I ask your understanding.

With best wishes,  
Ernst

Great !

- elaine

December 07, 2009

---

Hello Clayton, many thanks for your response. Yes, I am sure there are some Assurers who do a thorough job and add value and credibility.

Thanks for reading and taking the time to respond.  
regards, elaine

- Master

December 07, 2009

---

Hi Elaine.

Read your entry with great interest and definitely agree. Most assurance statements I have come across here in Sweden looks "copy paste", even when comparing different assurance organizations statements.

I like your recommendations to GRI. I hope they will be implemented as time progresses.

Keep up the good work!

/Tomas

- elaine

December 07, 2009

---

Thank you Tomas both for reading and for your positive comments, and insights about assurance. Every opinion counts.  
best regards, elaine

- elaine

December 07, 2009

---

Second Update

Monday 7th September 2009

A response from Mike Wallace, Director of the Sustainability Reporting Framework at the GRI, who says:

Hi Elaine

Your comments are very much appreciated, especially given the time and resources you continue to invest in GRI and in your comprehensive overview of this situation.

The Report Services team is part of my team and we are actually in the process of reviewing the Application Check and Assurance situation. I'll be meeting with my team later this week (I'm currently in the US) and we'll get back to you with details about what we're planning and how these changes will address your concerns (or hopefully most of them).

We'll be back to you as soon as possible.

\*\*\*\*\*

My reaction: It's not easy for an organization such as the GRI to juggle with all the demands of diverse stakeholders. I think this is a great example of responsiveness and demonstration of willingness to consider new ideas. I look forward to hearing the GRI thoughts on this subject.

- UKati

December 08, 2009

---

Hi Elaine,

I was very happy to read your post, because it reflects what I feel in Hungary. We set up our own CSR business a year ago, "departing" from a large CSR consultant company, since we did not agree with many things. We have two focuses within CSR, trainings and GRI related services. Report writing is one main branch in this, but assurance is

another. I was fed up (like you) with the possibilities and the quality and value of existing assurance possibilities in Hungary. No useful critics, that would really make a company improve, no rigorous check of GRI application level (sometimes I wonder whether they have read the G3 at least once from beginning to end), meaningless sentences that are the same from year-to-year and from report-to-report. For this reason we developed a report evaluation system of 3 levels, where bronze is only GRI application level check, silver includes also data and data gathering process examination and verification, and expert view and recommendation, and the third level (gold) includes above all previously mentioned a panel discussion with experts of the stakeholders. Unfortunately the name of our company (alternate) is not considered as trustworthy as some of the big accountant firms... We won only one tender this year, for CIB Bank, and I had the project ending discussion just last week. I was surprised to hear the manager saying, that they got more than expected, he did not think someone would really check how they gather and handle data, and they got what they were aiming at, the weaknesses of their processes! The result they noticed was, that the people doing that work felt they were taken seriously, and now they put extra effort on improving the processes. You can see the report and assurance here

[http://www.cib.hu/system/filesserver?file=/csr/CIBGroup\\_sr\\_2008.pdf&type=related](http://www.cib.hu/system/filesserver?file=/csr/CIBGroup_sr_2008.pdf&type=related) the assurance statement unfortunately cannot reflect the detailed results of the work we have done, as you wrote, it is difficult to show, which changes were made due to the verification process. I would be interested in what you think, because we want to improve our methods continuously. One interesting thing I came across during the work was, that even that they had an external consultant helping them with the report, most of the things I had them correct was related to proper GRI adherence, like having 3 years data, or having a statement why they don't. Sorry for the long comment! Keep up the good work!

Your fellow GRI OS and enthusiastic GRI fan

- elaine

December 09, 2009

hello Katalin (Ukati) , thanks for reading and for your fabulous comments and insights!!! I looked at the CIB report and Assurance process and simply love the work you have done!! Would love to talk more about this by email - [elainec@b-yond.biz](mailto:elainec@b-yond.biz) - please do drop me a line so we can talk in more detail. I very much understand and agree with the points you make about large firms and the difficulty of breaking through their grip on the market. You should make sure the GRI know about your methodology - i am sure this will be helpful as they say they are reviewing this right now. I will do a separate piece on the blog about your assurance approach - so lets be in touch, warm regards, elaine

## Why we do what we do

Wednesday, December 02, 2009



Yesterday was a good day for the CSR-Reporting blog. Permit me to tell you why:

**First**, we received a great compliment in the form of a recommendation from Sustainability Expert **Fabian Pattberg** who runs the **Sustainability Forum**, one of the best CSR resources around. Fabian

recommended the reporting blog in his new category of **Recommended Websites**. (Fabian on Twitter: [@FabianPattberg](https://twitter.com/FabianPattberg))



**Second**, Chris Jarvis posted as follows:

Chris Jarvis is the author of **Realizing your Worth** blog, and one of the world's authorities on CSR and employee volunteering programs. His blog is always packed with insight and good practical advice based on years of experience. (Chris on Twitter: [@realizedworth](#))

**There is something about getting credit from your peers which is truly gratifying.** In a business world which is competitive and sometimes rather brutal, despite our CSR efforts, praise and recognition from professionals who *understand* is always a

boost. This is a tribute to our community of CSR professionals on Twitter and other social networking sites. **THANK YOU** to Fabian and Chris, and all other members of our great community. I salute you all!

**Third**, yes, there's more...

Yesterday I received a reply from Indranil who wrote to me on 30th November - unedited email as received:

Elaine,

I am a full-time MBA student at University of Oxford. I have been reading your blog for quite a while now and drawn very valuable learning which helped me in my academic work.

I take special interest in how large organisations are building sustainable practices around the core of their business, and also how they are communicating that to the wider stakeholders. I am currently undertaking a comparative study of Nestle, Danone and Unilever in terms of their CSR reporting methods and whether the reporting methods are effective in building "trust" among the wider stakeholders.

I have taken the approach mentioned in one of your blog posts about starting from the CEO's message and then drilling down into the specifics of each of the areas of emphasis. While that provided me a perfect ground to compare the quality of the reports, it is not providing me with a qualitative basis of comparing the "effectiveness of building trust". I am not being able to build a framework around which I may be able to structure the comparisons.

It would be great if you could please provide me with some pointers. What would you look for in a CSR report to see whether it has the right elements to build trust? Thanks a lot for reading. It would be a privilege to hear from you.

Warm Regards,  
Indranil.

This is Indranil:

**This is the essence of what I wrote back to Indranil:**

CSR reporting should contribute to building credibility, trust flows from that.

The things I look for:

**\*\* Has the organization reported "difficult" data as well as positive data?. A "good news" only report is not credible.**

**\*\*Has the organisation really been transparent about its intentions – are there clear**

measurable targets which represent a future commitment?

**\*\*Has the organisation included external commentaries** from a range of experts, not only those predisposed to saying nice things, and are the commentaries fair and balanced?

**\*\*The overall level of transparency** - reporting on total levels of women in the business, for instance, but not how many women in senior management.

**\*\*Explanation of inconsistencies** – e.g. changes in calculation methods for carbon footprint

**\*\*The organizational infrastructure for CSR/sustainability.** If there is no clear accountability within the organisation, it is difficult to believe the company is serious about sustainability.

**\*\*Consistency of reporting over time** – I often look at two or three prior reports to see how actions, themes and targets are reported consistently

**\*\*The content of the assurance statement**, if available. If it is a very limited gushingly favourable statement, it decreases credibility rather than adding to credibility.

**\*\*You might wish to take a look at [www.CorporateRegister.com/reviews](http://www.CorporateRegister.com/reviews)** - the "credibility" section of my report reviews often picks up on all these points.

Indranil explained in his reply:

You might be wondering by now that why students of a business school are suddenly so concerned about CSR, but here in Oxford, our business school is dedicated towards building responsible corporate citizens who can lead the businesses of tomorrow. So much so that even our accountancy course has a strong element of how “morality” and “intentions” impact accounting practices and how, we, as business drivers of the future should try and shape such business practices towards an honest, ethical and sustainable future.

**This is the proof that the time and energy that myself and so many other CSR professionals spend writing, informing, sharing, offering tips and guidance, thoughts, insights and recommendations is actually getting through.** The future leaders of industry and business are reading this stuff. **This is the most gratifying thing of all.** Forward-thinking, level-headed, positive-minded business students are using our output to shape the way they think and I am confident, the way they will work and impact. I expect Indranil and his peers will be transparent and accountable business leaders.

**And this, folks, is why we do what we do.**

And now, i think we all deserve a b-i-g helping of Chunky Monkey....

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:42AM (+02:00)

## Comments

- gianlu

December 03, 2009

Hi Elaine,

every single word you wrote is beautiful!

It seems that you're really trying to bring ethic in your reviews.

And' that's how a review should be done.

I'm completely with you.

But I have one question, how this behaviour will help your business?

Because we all live in the same world and maybe sometimes from a customer point of view, truth could be against business.

I know that this statement is completely against the CSR, and I'm just.... waiting for a positive answer

;-)

Thanks a lot

---

- elaine

December 03, 2009

---

hi gianlu, thanks for reading and commenting. If i understand your question correctly, you ask how transparent reporting can help business, rather than put it at risk? Of course, transparency has its risks. And i always say that a business is transparent whether it plans to be or not. Sooner or later, the truth is exposed. So you can manage it or let it manage you. Which comes down to the very risk and essence of CSR - managing risk and identifying opportunity. Sometimes transparency, even on difficult matters is an opportunity to shape more positive views. No Company is 100% transparent and i doubt any will ever be. Just as we all as individuals have things we prefer not to share with others. but creating a habit of transparency on material issues is, in my view, one which creates more opportunities than the risks it presents.

Thanks again for following the Reporting blog and for engaging in the conversation.

Have a great day!

elaine

---

- FabianPattberg

December 03, 2009

---

Hi Elaine. It was my pleasure to mention you in my recent post. And I fully agree with you that the recognition in this industry is a very important aspect. We all need to work together to change the ways organisations see their responsibility. It is too easy for them to just go for the short profit. The long term effects of their business are just too easy to forget in the daily routine.

Thanks for being a source of knowledge and inspiration for all of us.

Fabian

---

- Julien

December 03, 2009

---

Congratulations Elaine! You deserve all of this, that's for sure!

---

- gianlu

December 04, 2009

---

Hi Elaine

thank you for your reply.

I appreciated it very much.

G

## Even Embassies do it

Sunday, November 29, 2009

I was in the **British Embassy in Tel Aviv** last week. **(No, they aren't trying to deport me or anything.. as far as i know . Yet.)**. As I waited for my meeting to start **(stripped of my cellphone and laptop, so feeling completely at a loss)**, I looked around for something to do and noticed the **FCO Internal Employee Magazine. The Magazine for Foreign and**

**Commonwealth Office People** around the world. Issue 76. Sept/Oct 08. A little out of date, I admit, but interesting all the same with a big headline "**Greener Outlook**". The FCO is the branch of the British Government with is responsible for promoting British interests overseas, and is staffed by Ambassadors, Diplomats, Attaches, and a host of other people, stationed in all corners of the globe. 14,900 people working in 160 countries at present, with a 2 billion pound budget. . (**Guess us Brits must have a lot of interests to promote, right?**). You can find the FCO on Twitter at @foreignoffice. And i found it interesting that the theme of this edition of the employee mag was about what the Embassy people over the world were/are doing to improve their environmental impacts. A few examples:

- Carbon Neutral Birthday parties for the Queen in Rome, Milan, Naples and Bari
- New energy efficient solar-heated Embassy building in Manila
- Vegetable and herb garden at the Governor's residence in Gibraltar
- Composted waste in Port Louis
- Cycling to work in the UK and in Mexico City
- Carbon neutral printing of the Employee Magazine

Commendable, old chap, no ?

I tried to find some additional information on Greening the FCO on their website, but couldn't . The FCO produces an **Annual Report**, and though it does mention the importance of Britain developing a low-carbon economy, the closest it comes to CSR is the Comprehensive Spending Review, which i think is FCO-speak for budget.

What does all this have to do with CSR reporting ? This. **Two Annual Environmental Reports published by the British Embassy in Sofia, Bulgaria**, the later of which you can **download here**. As far as i can tell, this is the only British Embassy post which publishes this type of report. I couldnt find any other Embassy of any country that produces a CSR or an Environmental report. **Big big round of applause** for this initiative to the Brits in Sofia.

It's a nice report, 16 pages, covering everything from the Embassy 7-member Green Team, the modern glass Embassy building with heated sub-floors, the Embassy Environmental Policy and external Environmental Audit, Key Performance Indicators and targets, including medium term up to 2012, Carbon Footprint, and an Environmental Pledge by all the Embassy members. A short report, but a significant one which demonstrates a strong commitment. Though I would hope to see them expand the scope a little to include social impacts in future. Embassies can be very influential in addressing social and human rights issues, as well as, via the Trade sections, help encourage awareness for responsible business practices. UK Companies are in leadership positions on this, and foreign Embassies could do much to help leverage this abroad.

I hope that more Embassies will take the lead from the Sofia Brits. This is largely uncharted territory for this type of organization, so more pioneers will be welcome.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:53AM (+02:00)

## Comments

- gianlu

December 03, 2009

Interesting, at least there's someone in Italy trying to do something on carbon impact....(ok they are English but that's just a detail...)  
You love your job right?  
You would probably be able to do a CSR review even on a Mickey Mouse children's paper.  
;-)

- elaine

December 03, 2009

hi gianlu ... i did do a review of Disneyland's CSR report... and yes, i love my work. and i love reporting. We all have our quirks, right ? :)  
elaine

## Does size really matter ?

Friday, November 27, 2009

**Should small Companies report ?** Do you agree with the statement that *"CR reporting is for companies with large footprints"* ? Does the size of the Company, and its footprint dictate whether a Company should be transparent and accountable to its stakeholders? Is it true that *"that large companies have many more resources than small firms"* and therefore, large Companies can afford to report and small Companies cannot ? Should a small Company content itself with *"more written policies and statements about our impacts"*?

The quotes (in red) above are from Toby Webb, the founder and manager of **Ethical Corporation**.(The questions are mine!) I have met Toby briefly a couple of times, when I have attended Ethical Corp's conferences, which are very good. I regularly follow his blog **Reflections on Ethical Business** which I genuinely find to be **one of the best blogs around on CSR**, full of sharp insight and commentary. Recently Toby posted **"Twelve reasons why I won't read your corporate responsibility report"**, and my response, which was basically that the twelve reasons Toby mentions for not reading CSR reports, are precisely the reasons he **should** read reports (**call me argumentative if you like, but check it out**), led to a ping-pong of why reporting is for all organizations, irrespective of size (**me**) versus why a small business doesn't need, or have the resources, to report (**Toby**). This prompted me to bring the ping-pong on to my territory, a blog about **reporting**, for all organizations (**ALL** organizations) and elaborate on why I believe this to be so.

**What is reporting ?** It's a process by which a business, after reasonable dialogue with stakeholders, considers the most material issues for them, the stakeholders, and for its business sustainability, and is transparent about how it performs on matters of stakeholder interest. **Reporting is part of the loop of dialogue** - we listen, we act, we respond, we listen again. The report is the periodical output of this cyclical process. **The process itself builds relationships, trust, management discipline, identifies risk and opportunity, contributes to positive reputation and enhances investor interest, to name but a few benefits.** The resources required to produce a report are do not need to be overwhelming - more often than not, the design, printing and dispatch of reports can cost more than the investment in writing them, or the consultant fee. Most of these cost elements can be avoided by producing a PDF download or an online report, with modest graphics. The content is what counts. In a small business, personnel resources may be more limited, but the issues are far less complex than in a big global business, and require less personnel. So i think **this we-ain't-got-the-resources line is a cop-out for not applying rigorous thinking to sustainability, or accepting accountability.** Oh, and let's

face it, no-one reads reports, anyway, right ?

**Let's take a look at some stuff relating to SME reporting:**

**In Spain, 822 SME's now produce CSR reports.** Why ? It enables them *"to increase their competitiveness in a setting where transparency and distinguishing features play an important role. .... the preparation of the reports initiates the enterprise in the main aspects of CSR while encouraging it to develop its skills of self-diagnosis."* This is reported on the **Instituto de Crédito Oficial** website, an organization which assists SMEs to report.

The **Global Reporting Initiative** website has a **section dedicated to support for SME's** , and lists a **whole string of SME's who report**. In an **interview with Scott McAusland** on the GRI website, he says that **SME's "account for about 90% of businesses worldwide and 50 - 60% of employment."** Often SME's are part of MNE (multinational enterprise) supply chains, and therefore may have a need to demonstrate ethical, accountable and transparent behaviour in order to stay competitive.

**CorporateRegister.com's 2010 CR Reporting Awards has a special category for SME's** , as in previous years. You can find many SME reports in the **CorporateRegister.com database**. The European Commission produced an **excellent guide for SME's for communicating CSR**. Whilst the focus of this guide is communications, of which reporting is only one element, it lists many compelling reasons for SME's to communicate about their CSR activities, with a CSR report included in the different channels relevant to different stakeholder groups.

In a post back in July 2009, called **You don't have to be BIG to do CSR**, I gave an example of an SME from Moldova who reported many positive impacts which almost certainly no-one would ever know about had they not reported themselves. **Local competitiveness and reputation** are just as crucial here as for bigger businesses.

Many of the reporting SME's confirm that both the process and the report deliver significant benefits as mentioned above. It is important to note that the process cannot succeed without the product of that process - the report itself - a periodical health-check of strategy and metrics, and renewed commitment. A report is the most appropriate vehicle for this - as part of a total CSR and communications strategy. I don't see this as a privilege reserved for only the big blockbuster corps.

**What might a Company like Ethical Corporation have to gain by a reporting process and publication of a report?**

- **Stakeholder engagement and materiality analysis** could throw up new insights about ways to serve stakeholders and do more, better, business. At worst, it will provide an external reality check of how the Company is perceived by those who can influence its success.
- **An environmental risk and impact assessment**, followed by an Environmental Policy and Action Plan could deliver several benefits - cost savings through improved internal environmental practices, travel habits, printing and sustainability in events management.
- **A statement of mission, values and perhaps even a Code of Ethics** could serve to align employees and all contributing writers to the Company's "what we stand for" and support the building of alignment, trust and reputation. Marketing practices for example are an important element of this too.

- **A review of Human Resources practices** - even with a small team - could assist the business in improving employee engagement and becoming more attractive to potential employees.
- **A review of how the Company contributes to the public good** through its business activities, and involves its employees in community activities or supporting social causes could contribute to positive reputation, improved engagement and skill development.
- And more than anything else, **scoping of Ethical Corporation's indirect influence** on its many readers and conference attendees could provide the business with a platform to measure and increase its influence and potential readership. Through a "Green Conference Facilities", for example, the Company could provide attendees with an opportunity to make their own contribution to environmental sustainability.
- And finally, the **compiling of all of this into a periodical, coherent report** would provide a basis to maintain this cycle of planning and improvement, track performance and maintain a leading edge.

**Would this sell more mags or bring more people to summits ?** Maybe not in the short term. But we all know that sustainability is a long haul and not a quick-buck thing. And it really doesn't matter how many people the Company employs or how many \$ it earns. It's all about impacts. As Dolly Parton said, as far as i recall, *"If you think you are too small to influence, you have never been in bed with a mosquito"*.

Note that i haven't even touched on the sense of **duty** we might assume of a Company whose core business is communicating about business ethics and *"encouraging debate on responsible business"* . The GRI produces a report, BSR produces a report, The Guardian produces a report.

Enough said. I don't hope to convince Toby or Ethical Corporation, and i understand that every business must choose its own ways of doing things. My comments could apply to any small business, not just Ethical Corp. I just felt the need to share my perspective in good spirit on something i have, as you may have noticed, strong views about. And by way of disclosure, I am a CSR report-writing consultant so i am not totally objective. Thanks to Toby for allowing this debate on his blog - I expect i am getting on his nerves a bit. Oops! Next time i see him at a conference I will buy him a Chunky Monkey!

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 12:00PM (+02:00)

## Comments

- Jernej

November 27, 2009

You may want to look at some further readings on sustainability reporting by SMEs and on general responsible entrepreneurship at:  
[http://www.nfcrs.org/international/small\\_and\\_medium-size\\_enterprises/index.htm](http://www.nfcrs.org/international/small_and_medium-size_enterprises/index.htm)

Caution: This page is lephantic in size, but has low impact (don't worry) - be happy, it's friday

- gianlu

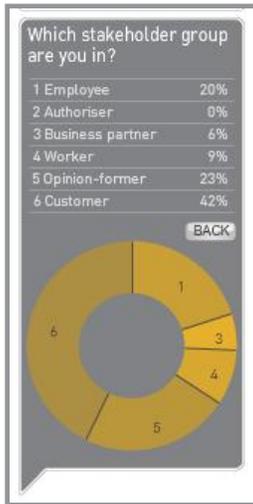
December 03, 2009

Clap Clap Clap!

Ah.  
I forgot a big  
CLAP CLAP CLAP

## HR behind the times on CSR

Sunday, November 22, 2009



The Human Resources function is a critical partner in the development of a responsible and accountable corporate culture. Corporate Responsibility is often referred to as improving impacts on stakeholders. Nothing new here. Employees are stakeholders. Nothing new here either. The better you treat, or impact on, your employees, the better the business will perform. Numerous statistics and surveys prove this correlation. The engagement of every employee in the business is really the only way to ensure flawless corporate responsibility. I am reading Adam Werbach's book at the moment, **Strategies for Sustainability**, and quite by chance, or not, he makes the same point - more eloquently than I do, I must admit. However, it's nice to be in such illustrious Company. Adam says: ... "to execute a strategy for sustainability, you must engage individuals personally" (page 132).

Ultimately, corporate responsibility is not just about treating employees well, or investing in their development, or providing a ramp if they are in a wheelchair. It's not only about how satisfied they are on the job. Corporate responsibility is transforming every employee into an ambassador of the corporate responsibility message of the business. Ensuring that they understand, are involved, are inspired and know where they can play a role. This means moving from impacts **ON** employees to impacts **OF** employees. Each employee in the business interacts with any number of stakeholders every day, maybe thousands of daily connections. This potential, to turn every single stakeholder interaction into one which moves the CSR agenda forward, is **more powerful than almost any other single business activity**.

CSR reporting is often seen as something which primarily benefits employees. Through the report, they get a comprehensive view of the way their Company interprets and progresses sustainability themes. Often, the CSR report contains news and information which had not cascaded through to them via regular internal communication channels. In some cases, Corporate Responsibility reports even state the names of individuals in the Company who are responsible for progressing different action items - an example of this is **Vancouver City Savings Union (Vancity)** (page 35). But when I recently tried to ascertain how many Companies actually track how many employees read all or part of their reports, I couldn't get an answer.

I found one example of something coming close to this on the **Adidas website where readers of their online report are asked to own up and identify themselves**. The results are displayed in a neat graph.

We don't know how many people took this survey, and I am not quite sure what the difference is between an employee and a worker, but this is a **great way to see what kind of people are taking interest in the report**. And a very brave move on the part of Adidas to

have an open survey such as this on their reporting site . **In a recent dialogue with Symantec**, i understood they progress many activities in the framework of internal communications to ensure employees are aware and engaged. But, bottom line is, overall, **we DON'T KNOW if employees take any sort of interest in one of the most important documents the Company publishes to stakeholders**, and if they are capable of being the ambassadors for that document, and the Company.

**Who is responsible for this ? After the CEO, it has to be the HR Function.** The HR function must ensure processes are developed within the business to raise employee awareness of key strategies and processes, especially those which are in the public domain. **Why doesn't HR do this ?** Because, I submit, most HR Managers just don't see how they link to Sustainability strategy, beyond matters relating to ethics and values, and sometimes, community volunteering (because no-one else does it). Most HR Managers really don't see the relevance of ensuring high quality communications and dialogue about sustainability programs. When was the last time you had a progressive conversation with an HR Manager about sustainability in the supply chain and the HR role which supports that ? How do HR Managers recruit people into sustainability jobs ? In what ways does HR adopt sustainable practices as a function ? Most HR Managers cannot tell you. **The HR function has still not grasped the principles of a stakeholder society and stakeholder-driven business.**

This is a pretty damning picture of HR people. This is why i am writing a book as a guide for HR Managers on all things sustainability and corporate responsibility, due for publication next year. In order to test my theory, I produced a short survey for HR Managers. Of the lowish number of responses I have had to date, this is some of the initial data:

- **100%** of HR Manager responders say that HR Managers need to have some understanding of Corporate Social Responsibility
- **54%** of HR Managers say CSR is something they are involved with as part of their ongoing role
- **80% and 70%** respectively say this involvement relates to ethics and community involvement, with **zero** being involved in supply chain practices and external stakeholder engagement.
- **45%** said that HR Managers need additional skills (and knowledge) to support CSR
- **30%** said they had targets related to CSR

and one HR Manager, in responding to the question "What does the concept of Corporate Social Responsibility mean to you ?" wrote : "Sustainability" . Well, at least that's something.

**So, they all think it's important, half of them are responsible for it (in a limited way), and a third are measured on it.** Less than half think they need to learn new ways of doing things in order to do it. Frankly, I think this is a saddish picture of the HR function. **And i am keen to get a wider sample of opinions from a broader range of HR Managers so PLEASE pass this on to any HR Manager you know and request they complete the survey HERE:** <http://bit.ly/3HpxnS>

I promise to update you all with the results. Thank you !

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:35PM (+02:00)

## Comments

- Anonymous

November 23, 2009

---

In case you've missed it - at GreenBiz is a story, titled "The Role of Human Resource Management in Corporate Social Responsibility", with links to relating report and checklist by Coro Strandberg Consulting (dated May 2009)

<http://www.greenbiz.com/research/report/2009/09/19/role-human-resource-management-corporate-social-responsibility-0>

- Cindy

November 24, 2009

---

You're absolutely right that employees are a key audience for CSR reports. In fact, that was a key premise when we created the Public Service Electric & Gas (New Jersey's largest electric and gas utility) 2007 Environmental Leadership Report.

<http://tinyurl.com/ykaqfg4> This report was a key component in PSEG's strategy to become regarded as an environmental thought leader. We knew our first order of business was to educate employees and prepare them to act as brand ambassadors. Our efforts were strikingly successful, according to a survey we conducted shortly after releasing the report. Roughly 95 percent of employee respondents agreed or strongly after reading the report that 1) PSEG was an environmentally responsible company, 2) the report helped them better understand the company's environmental record, and 3) they felt better prepared to discuss PSEG's environmental accomplishments.

Unfortunately, measuring results of communication initiatives is often neglected. BTW, we handled the CSR report and related communications out of the PSEG corp comm department, not the HR department.

- elaine

November 24, 2009

---

Cindy, thank you, this is a great story and a super example of employee engagement. 95% is a very strong figure. Thanks for sharing this. I would like to understand more about how your HR department supported this - could you make contact with me at [elainec@b-yond.biz](mailto:elainec@b-yond.biz) so that we can talk ? thanks, elaine

- elaine

November 24, 2009

---

hello "Anonymous"

Thank you, yes, I have seen the article in Greenbiz and the Strandberg material. Many thanks!

elaine

- SandravanderLingen

November 27, 2009

---

Hi Elaine, thanks for your thoughts on this topic. I agree that HR plays a role in building the corporate culture and communicating the CSR messages but I don't think they come right after the CEO. From an employee point of view, the person who influences me the most is my direct manager. So in my view the person who is most important after the CEO is the direct manager and not HR. If a company manages to get these people motivated, most work is done. Perhaps I'm a bit sceptical about HR people (sorry, don't take it personally if you work in HR). In the companies I've worked for they did not play a strategic role.

- elaine

November 27, 2009

---

Sandra, thank you for reading the blog and for your comments. Of course, you are absolutely correct. Direct managers should be the ones to motivate, communicate, set personal example. The function of HR is to create capability, deliver process, create coordinated internal communications tools so that the Direct Managers can do their stuff more effectively. I used to direct HR in a global Company and still consider myself an HR professional but like you, i also notice that HR in many companies is not at the driving wheel with the rest of the leadership. This is a big shame.

best wishes, elaine

## Prostitution, fashion and communicating CSR

Friday, November 20, 2009



Embed. Once more. Interweave CSR into the fabric of your business. This is my fifth and final post on this subject, (for now!) inspired by **Ethical Corporation's** 2009 research report called **How to Embed Corporate Responsibility across different parts of your Company**. We already covered how people do it (embedding CSR in **Human Resources** ), how buyers buy it (**Procurement function** ), how accountants count it (**Finance function** ) and how truckers truck it (**Operations and Logistics Function**). Now, we examine how they all talk it. **Embedding CSR in corporate communications - internal, external, marcom and reporting.**



With case studies and insights from the Man Group (**don't worry girls, this isn't a gender thing, the Man group was founded by James Man over 225 years ago. Not his fault if he had a gender-biased name**), Hewlett Packard, Novo Nordisk, BT, Vodafone, Starbucks, Pepsico and reference to research findings from McKinsey, embeddng communications covers reporting (**ahaaaaaaaaaaaaa, my favourite subject. See ? I saved the best for the last**) and how to make reporting effective, marketing to consumers using CR messages, and communicating with your colleagues internally.

One of the things I liked in the research paper was a quotation from the Global Triple Bottom Line Management at Novo Nordisk who said that the **report is a key method for "keeping the Company accountable for performance"**. This is often underestimated as a prime use for CSR reports. The more internal and external stakeholders that know about corporate goals and objectives, the more pressure there is on the individuals in the business to deliver. Another interviewee goes even further and says that **reporting should drive behaviour change**. In my experience, this does happen.



**Another thing about CSR communications is that the core message should be spread by every employee in the Company**, in a way that is relevant to her or him, and her or his role in the business, and in her or his own words. I will illustrate this with an example from one of my clients in the local market.

Communications and dialogue has long been at the heart of the **comme il faut fashion** house in Israel. Every bi-annual fashion collection is supported by a social campaign which involves employees and

customers in dialogue.

#### **from comme il faut Winter 2010 collection**

Last season's campaign, a bold move, was centered around customers bringing to the Company an unwanted **bra**, in return for which they received a discount on new purchases, whilst the Company donated cash to support healthcare for **women trapped in prostitution**. You can imagine that the subject of prostitution is not one which is easily introduced into the world of fashion, beauty, positive body image etc, and it was not without a certain trepidation that this company for women, known to be outspoken in promoting women's rights, decided to stand up publicly for women who have been abused by society. Before this campaign launched, many internal dialogues were held with employees of the fashion house, both to help them understand the plight of women trapped in prostitution and prostitution survivors, who still need much support, and also to **build their skills in engaging customers** on this subject. I facilitated many of these conversations and was fascinated by the range of insights this brought out. Subsequently, during the campaign, each of the several thousand customers who donated a bra engaged in a conversation about prostitution and also benefited from new insights.

The current campaign for the Winter 2010 collection is themed **Re-fashion**, and looks at what endears us to certain items of clothing year after year, and how we can re-fashion and re-fresh them so that they can serve us even longer, inspired by the principles of **environmentally preferable "slow-fashion"**. Customers bring in an item of clothing, which the comme il faut designers examine in order to understand why that particular garment is so special that it stands the test of time. The customer gains a discount on new purchases and the opportunity to win a \$5,000 new wardrobe. And women trapped in prostitution get a new garment as a gift from comme il faut for every old one that is brought in. This has **doubled the conversation effect**. Not only is the social content still present, but now the Company can engage customers in conversation about their most intimate reasons for wearing the same pair of trousers, or the same blouse or skirt, year after year, and use the customer experience in the new garment design process.

**Why is all this important ?** Because these campaigns **embrace the principles of corporate social responsibility in processes based on communications**. They require every employee in the business to understand and engage with the campaign and what the Company is trying to communicate. It makes them think about their own role in supporting the campaign and furthering the commercial and social objectives. And it help

them understand the way others think and use this in making business decisions. And this, in my view, is what embedding CSR is all about.

By the way, you can read comme il faut's CSR report (I led the writing of this report) **here**.

I have now completed my series of posts on embedding CSR in different functions of the business. **Thank you to Ethical Corp for the research report which prompted this series**. And now, if you see me walking around in my undies, the reason is probably that i gave all the rest of my clothes to comme il faut ....

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 03:19PM (+02:00)

## Comments

- [Anonymous](#)

November 24, 2009

Hi Elaine

As always, I enjoy reading how you turn professional theory into business reality. Very inspiring!

Shirley Kantor Shani

- [elaine](#)

November 24, 2009

hello Shirley, thank you very much for your comments! Of course, as consultants, it give us great satisfaction to be able to assist companies putting things into practice, rather than just talking :) Thanks for reading the blog! Bye for now, elaine

## Paper conservation at Heinz - or not?

Saturday, November 14, 2009

**Heinz published their fifth #csr report yesterday**. It's a GRI B self-declared report. Congratulations! I didn't read it yet. But something struck a nerve with me, so i decided to use Heinz as a **scapegoat** in my upcoming rant. Heinz is by no means the only Company who does this, but, well, they just happened to plop only my screen as I have the energy to rant. Here is what they say about the online report:

*"Reflecting our commitment to environmental responsibility, Heinz has conserved paper and the energy used to produce it by publishing our 2009 Corporate Responsibility Report exclusively online. This online report provides more in-depth information than previous reports about our corporate social responsibility activities and includes multimedia elements. In addition, we are offering a customizable PDF so readers of this report may print out any sections they wish."*

**Start rant.**

What is it about CSR reports that they are held up as the sole example of a Company saving the planet by not printing it? What about Annual Reports? Heinz makes it **really really easy** for anyone, not just investors, to **order a printed copy of an Annual Report** . There is nothing in the rest of their CSR report about conserving paper. Reduced printing in everyday operations? Percentage of recycled paper consumption ? On-line billing?

**Zilch.** The only example we have of Heinz's commitment to conserving paper is this **one single example** of a sustainability report.

**There are many good reasons to produce on-line reports, beyond the conservation of paper. And Heinz reports many good examples of environmental positives** including reducing packaging initiatives and more. But if the CSR non-printed report is the only paper-conservation exercise that is highlighted by a Company, I begin to wonder how balanced their reporting is.

**Finish rant.**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:28PM (+02:00)

## Comments

- gianlu

November 15, 2009

---

I'm completely with you.  
Your rant is reasonable.  
;-)

- elaine

November 16, 2009

---

thank you gianlu!! And thanks for reading my blog!

## Inform, inspire and involve to embed CSR in operations

Saturday, November 14, 2009

Embedding, post number 4. We already covered embedding CSR in **Human Resources**, **the Procurement function**, and **the Finance function**. All of this, as you may recall, is based on **Ethical Corporation's** 2009 research report called **How to Embed Corporate Responsibility across different parts of your Company**. This time, i will cover the ways Companies embed CSR in the **"Facility, Logistics and Operations"** bits of the Company. Having managed logistics for many years with Procter and Gamble in Europe, this is an area of the business I am familiar with. The report looks at:

- How to make facility or manufacturing operations more efficient and more environmentally friendly through consultation with operators and line workers
- Developing low energy or socially innovative solutions for triple bottom line benefit
- Identifying no-cost innovation solutions
- Developing partnerships to drive suggestions for improvements

Most people will understand quite easily that environmental opportunities are abundant in the Manufacturing and Logistics functions. With examples from **Boots**, **Hewlett Packard**, **Novo Nordisk** and **Vodafone**, the report cites examples of innovative solutions in different aspects of the supply chain which offer benefits for customers and the business, and which have been developed using insights and suggestions of those involved on the ground. Opportunities such as haulage partnerships with non-competitive companies to **optimize truck payloads, recycling and re-use** rather than disposal of products, **real-time energy monitoring** are some of the solutions highlighted. The key common demoninator of the development of these solutions is : **dialogue**. Creating a

culture where employees of the business, suppliers and customers can contribute to developing triple bottom line solutions is core.

Developing new ways of doing things, and maintaining a constructive dialogue with suppliers, customers and employees does not happen automatically. A company looking for CSR opportunities in the manufacturing and logistics functions needs to define its objectives and create awareness for the concepts of social and environmentally preferred ways of manufacturing or trucking. This means creating communications processes for all these stakeholders, so that CSR is part of their mindset when they are reviewing operational activities. **"Greening employees"** for example, reflects the process of educating, informing, involving and inspiring employees regarding environmentally friendly practices.

What better Company to use for a review of the embedding of CSR in the logistics function than a logistics Company. I took a look at **Fedex 2008 CSR report**. Here is an example:

*"At the FedEx Packaging Lab, our engineers use the latest materials and tools to solve shipping challenges, including environmental ones. FedEx engineer Yongquan Zhou recently helped a customer shipping heavy exercise equipment from China find a more protective and environmentally friendly alternative for a commonly used cushioning material known as expanded polystyrene foam (EPS). His result: a **honeycomb-style packaging** with corrugated pads and banding, a packaging solution that not only reduces damage at a comparable cost, but is also better for the environment."*

I assume Mr Zhou didn't wake up one morning out of the blue and thought to himself over the morning cornflakes: *"Hmm, I need to find environmentally friendly packaging solutions today"*. I bet he didn't say to himself " *Wow. Honeycomb-style packaging, gotta do something with that"*. I bet he didn't think, as he helped himself to a third bowl of cornflakes, *"I can contribute to saving the planet today by developing environmentally-friendly solutions for Fedex clients"*. Maybe he did, but the chances are that if he did, it was because of a culture that had been developed at Fedex to ensure employees are aware of their possibilities to contribute to environmental efforts, and provide them with the opportunity to do so.

**You can't embed CSR if you don't inform, inspire and involve.**

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 10:13AM (+02:00)

## 12 ways to engage stakeholders and the AA1000SE standard

Thursday, November 12, 2009

So you think you know how to engage stakeholders, right ? Most of the CSR reports I read and **review** don't really address stakeholder engagement with any real depth. It is always included as a headline, but more often than not, the headline is followed by a list of **declarative generic hot-air** such as *"engaging with stakeholders helps us understand their concerns and respond appropriately"* or *"we regularly engage with stakeholders on*

*the issues they care about" or "it is an important part of our mission to listen to our stakeholders and respond to their concerns" or the **best of all**"engaging with stakeholders is a core element of our approach to responsible business practices, and we are transparent about the ways we engage with stakeholders, the issues that arise, and our response to them"*(ok, i invented that last one - sounds too good to be true, right?)

Many sustainability reports refer to employee or customer surveys as evidence of engagement, or the fact that there are regular meetings with suppliers to discuss their next price decrease or delivery lead times - but **this is not engagement**. This is doing the stuff necessary to do the business, in a traditional profit-oriented way. **Stakeholder engagement is a relationship of equals based on open and transparent dialogue which results in better business, better relationships and a better triple bottom line.** Here are the top 12 ways to engage stakeholders:

- Invite them to your new product launch (**makes the room look fuller, as though there is LOTS of interest**)
- Invite them to the Christmas Party (**unless they are wearing a yarmilke**)
- Ask them to come and view your new office art collection (**don't worry if the Mickey Mouse poster is not their favourite objet d'art**)
- Suggest they invite you for a tour of their manufacturing plant (**get prepared for a long trip to northern China**)
- Ask them what they expect of your Company (**then make for the nearest emergency exit**)
- Call a stakeholder panel (**and if it doesnt answer, call again**)
- Make a complaint about their service (**they must be doing SOMETHING wrong**)
- Give them your private office hotline number (**and take care not to answer Hello Mother**)
- Tell them you will share your last tub of Chunky Monkey if they will talk honestly about their experience with your business (**ok, maybe not, offer them generic vanilla instead**)
- Ask your stakeholders about the things they consider most material (**dont be surprised if they repond: polyester, wool, acrylic etc**)
- Subpoena them (**sometimes you just gotta forget the carrot and go for the stick**)
- Ask them to memorize a tape containing the mantra " your company is wonderful and meets all my needs" (**and loop-broadcast it at your next investor roadshow**)



But seriously folks, **stakeholder engagement has its own standard.** For the folks who take it seriously. This standard has been revised recently. It's the **AccountAbility AA1000 Stakeholder Engagement standard**, which is currently the subject of a series of stakeholder consultations around the world, and is available as a **wiki** for input by cyberspace dwellers.

The Standard *"provides a **defined process of engagement and participation** that that will enable comprehensive and balanced involvement that will result in strategies, plans, actions and outcomes that address and respond to issues and impacts in an accountable way."* (**yes, those long AccountAbility sentences again**) It covers the principle of **inclusivity**, the way to analyse stakeholder groups, and the way to plan, prepare and manage stakeholder engagement processes. As part of our bit to make the world a better



place, my Company **BeyondBusiness**, in partnership with another local consulting firm **GoodVision**, conducted a **stakeholder consultation** on the AA1000SE in Tel Aviv earlier this week.

Around 20 representatives of the business and non-profit sectors attended, including CSR Managers of our client companies such as **Bank Leumi, Teva Pharmaceuticals, Motorola Israel, Maccabi Healthcare Services** and others. The Meeting was generously hosted by the **National Lottery organization**.



In general, there was **much interest in the concept of stakeholder engagement**, which hasn't developed in a structured way in Israel. There was general appreciation for the adoption of a structured approach to stakeholder engagement, and a recognition that **it takes two to tango** - ie even if a business wants to engage external stakeholders, there must be a reciprocal

interest in responding and a willingness to engage in open and constructive dialogue. It is not always easy to bring all parties to the table.

We all agreed, however, that you get stakeholder engagement, sooner or later, whether you want it or not. In today's era of cyber-information, no corporation operates without someone noticing. **Sooner or later, if you don't engage your stakeholders, they will engage you.**

It's advisable to apply a structured management process to ensure this is a positive interaction. The AA1000SE standard provides the basis.

I am now going to engage with some Chunky Monkey ..... :)

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 01:14PM (+02:00)

## Can Finance Managers count CSR ?

Sunday, November 08, 2009

Embedding CSR in .... wait for it ... the FINANCE function. Oops! Did i hear that right ? Do CFO's have a CSR mindset ? Isn't CSR just a cost center and not a revenue generator? Isn't that how most CFO's think? So what's the deal with embedding CSR in the financial division of the corporation? This is another post in my series relating to embedding CSR in the business, prompted by **Ethical Corporation's** latest research publication on **How to embed Corporate Responsibility across different parts of your Company.** , a 100 page report published at end September 2009. It provides an analysis and case studies

covering 5 organizational functions: Human Resources, Finance and Accounting, Communications, Procurement and Logistics and Operations. I have already blogged about embedding CSR in the **Procurement function** and in the **Human Resources function**. Here comes Mr Money's turn.

**I will pause to tell you a story.** I was once attending an Executive Leadership Meeting of a Company, where an unavoidable 60 redundancies were to be made as part of a cost-reduction exercise. The CFO, on hearing this number of people who would be dismissed, shouted out with glee and said " Great!! That will almost solve our cost problem." or words to that effect. The sight of a respected Manager of a large business almost jumping with joy at the fact that 60 people were about to lose their livelihoods still makes me feel rather sick. It's not that I have anything against Finance Managers (apart from the fact that they always seem to control what money is not available, rather than what is), but this "people equal costs" approach is the sad antithesis of corporate social responsibility. **Story over.**

Finance Managers are also employees and share responsibility to be **ambassadors** of the corporate CSR approach. They create their share of direct impact through their resources consumption, travel and waste generation , and participate in corporate volunteering activities (**unless it's month or year end**) . They are the authority on managing the Company's money are the first in line to field investor questions and analyst queries. They are the first to understand the financial implications of most corporate risks. So, it seems **there is a basis for the financial function to be a contributor to, and not just a calculator of, a Company's CSR programme.**

The Ethical Corporation research report refers to **CIMA** (Chartered Institute of Management Accountants) and **IBE** (Institute of Business Ethics) who issued a **report in 2008** that emphasised the role that ethics will increasingly play in Finance Managers' jobs, based on a survey they conducted. The report covers issues such as advice for finance professionals on ethics, how accounting and finance functions can improve a Company's CSR strategy, the opportunities of carbon trading, ethical checks and balances, and the expectations of ethical investors. Richard Ellis of Boots is quoted in the report as saying "**Financial departments need to have an interest in measuring non-financial information**" and i agree with him (**I am sure he will be pleased about THAT**), though we all know that **accounting for long term indirect impacts are a little more complicated than the standard accounting exams** most CFOs have passed with flying colours.

The research report touches on integrated reporting which only a handful of CSR reporting Companies have adopted. Integrated reporting (**see also my post on this a while back**) is an indication of total systems thinking by an organization and serves to elevate the CSR content to the same level of transparency and rigour as the financial content. And as the owners of the Financial Report, the CFO's cannot ignore this new style content invading their traditional territory.

I thought about the CSR reports i read and **review**, and recall little about the way the Finance Function is involved in CSR. The Australian Real Estate **Mirvac Group reported in its 2008 Sustainability Report** that it had "*established the Climate Change Response Group. This group, which is chaired by Mirvac's CFO, and includes representatives from corporate risk, sustainability, and all business unit areas is developing Mirvac's business wide climate change response.*" I also recall that CSR at the Spanish group **Telefonica** is managed by the CFO, though i cannot find this mentioned in their **CSR Report for 2008**.

Like it or not, **Finance Managers need to embrace CSR as a reality of the business.** Like it or not, we will probably find that when they do, we will suddenly have a lot more numbers in our CSR reports. Like it or not, i am now gonna devour my daily tub of Chunky Monkey before its cost feasibility outweighs its contribution to making the world a better place.

elaine cohen is the joint CEO of **BeyondBusiness**, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 12:46AM (+02:00)

## Cisco and New Models of Social Responsibility

Tuesday, November 03, 2009

I am **still** really looking forward to the upcoming **Global Virtual Summit (November 5th and 9th , 2009) entitled New Models of Social Responsibility**, presented by Communitelligence and Cisco. The summit boasts a truly impressive line-up of speakers. As my Company, **BeyondBusiness** , is one of the Media Sponsors for the summit, I was privileged to have the opportunity to interview some of the speakers. You **can read my interview with Cecily Joseph, CR Director of Symantec here.** This post is all about another impressive woman on the sustainability scene - **Kathy Mulvany, Director of Marketing and Sustainable Business Practices for Corporate Affairs at Cisco.** Kathy will be making opening remarks on Day One of the Summit.

Kathy has been with Cisco for 13 years, and has led Sustainable Business Practices for the past 15 months. She wears two connected hats. *"Marketing and Sustainable Business Practices are two separate groups that I manage within Corporate Affairs though they both involve communications. My marketing role is focused on building awareness of and engagement in the work we do in Corporate Affairs, specifically our social investments. My sustainable business practice role is focused on overall CSR reporting for Cisco (environment, society, employees and governance), stakeholder engagement and analysis so that we can better inform the business of emerging CSR issues, helping to prioritize CSR issues for which the business functions then set goals, implement programs and measure performance. "*

As always, this kind of role has **personal relevance** and Kathy says *"I get great satisfaction from helping Cisco have a **positive and lasting impact on the world** through our corporate social responsibility (CSR) initiatives. I also have the opportunity to work with a great team of people who are **passionate and committed** to the CSR work they do. And I enjoy finding new, creative ways to tell our human impact story."*

Cisco is now a seasoned CSR reporter after having produced **4 CSR reports**. It is always interesting to me to see how Companies evolve their CSR reporting as **each reporting cycle brings tremendous learning opportunities.** Kathy explains how it happened so far at Cisco: *"Our report has evolved considerably over the last 5 years in terms of breadth, depth, level of transparency and delivery methods. As with many early reporters, our first CSR report in 2005 was an inventory of responses to the Global Reporting Initiative (GRI) framework. This first report set the outlined our overall approach to CSR, our programs and strategies. As our reporting matured we began to **focus our reporting on issues that are most material to our sustainability as a business** and have continued to **deepen the level of disclosure, diligence and measurement** in each successive annual CSR report. In the past few years we've put particular emphasis on enhancing the **readability and user experience** of the dense CSR content. In examining stakeholder needs for CSR data,*

*we've found new and innovative ways of reporting our progress. We've introduced an interactive overview of our global CSR activities to provide a regional context for our CSR performance. We've incorporated videos that provide 1st person perspectives. We are also exploring ways in which social media (Web 2.0) might help us improve the dialogue between our stakeholders and business owners" .*

One of the commendable things about Cisco's reporting is the focus on **internal CSR processes and engagement of employees** - 31 pages in the 2008 report. Kathy says about internal employee communication and engagement processes *"We use a number of internal channels to drive awareness and engagement amongst our employees including newsletters, articles on our company intranet, executive briefs on our CSR engagements, employee meetings at the company and departmental level, CSR showcases during our virtual strategic leadership summit and global sales meeting, informational fairs, etc. In addition, we use a number of Web 2.0 technologies to bring our CSR story to life including videos, blogs, RSS feeds as well as WebEx and TelePresence sessions."*

My regular readers will know that i am a fan of **localization in reporting** - i.e. the practice of reporting a local level by global companies, in addition to global reports which have less relevance for local stakeholders. Cisco have an interesting approach with regional and country updates on in an interactive **presentation on the Cisco CSR report website**. Kathy says: *"Cisco's CSR report is intended for external and internal parties who want current and historical information about Cisco's performance on CSR issues. Our audience includes financial and industry analysts, investors, customers, NGOs, employees, academia, government, and the media. A topic of very active discussion is how to balance the detail needed by analysts and the readability desired by those wanting a general overview. Because we respond to hundreds of stakeholder CSR inquiries and surveys throughout the year, it is advantageous to publish a complete reference to support such interest and inquiries. Conversely, we also receive feedback to make the reporting shorter and more accessible. As such we introduced the regional interactive overview for those who wanted a high level snapshot of our CSR work around the globe. We continue to research web-based tools that satisfy both audiences in a scalable and cost effective manner."*

**Whither Cisco CSR in the coming years?** *"We continue to develop best practices for our CSR programs through benchmarking, IT sector engagement and dialogue with multiple stakeholder groups. For the longer term, however, we are focusing on enhancements to our governance structure and driving CSR innovation across multiple organizations. We have started this process by engaging in Cisco's new Collaborative Management Model and reporting into Cisco's Connected Business Operations Council. We feel this is the most efficient approach for reporting up into cross functional senior leadership. We also actively engage with our boards and councils as needed. More information on this will be included in our FY09 CSR Report."*

If you want to know more about **network enabled sustainability** and **Cisco's leadership** in this field, take a look at their report and website. If you want to hear more from Kathy Mulvany and other Cisco colleagues, come to the **Global Virtual Summit on New Models of Social Responsibility** . I am sure that we will hear more from Cisco that will inspire us.

Thanks to **Kathy Mulvany** for generously sharing insights, thanks to **John Gerstner, visionary founder and president of Communitelligence**.

And i still haven't worked out - how do they get the Chunky Monkey to you in a Virtual Summit ... hmmm .... I am stockpiling tubs in my office just in case ...

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 11:15AM (+02:00)

## buy it ethically

Monday, November 02, 2009

Back to embedding... this time i will take a look at the **procurement** section of the **Ethical Corporation's** latest research publication on **How to embed Corporate Responsibility across different parts of your Company**. This is a 100 page report published at end September 2009. It provides an analysis and case studies covering 5 organizational functions: Human Resources, Finance and Accounting, Communications, Procurement and Logistics and Operations. Last time i blogged about **embedding in the Human Resources function**. This time, being an ex Supply Chain executive (8 years in Supply Chain function with P&G in Europe, including several years of Purchasing), I will cover **csr in the buying office**.

The Ethical Corporation guide highlights examples of how companies address **CR challenges in supply chain activities and procurement operations**, and how sustainability and ethics are embedded in the supply chain, with reference to codes of conduct and even data sharing and collaboration with competitors (anti-trust regulators permitting!). The section is full of fascinating case studies from **HP** (target setting in the supply chain), **Green and Black's** (engaging NGO's to develop supply chains), **Innocent drinks** (contract terms) , **Sedex** (supply chain goals) and **Pepsico** (cooperating with competitors). The report lists some conclusions - guidelines which all buyers should heed - i cannot list them all (**you know why!**) , but the first one is **be transparent about your suppliers**. That's an interesting point, not something the average buyer thinks about, i suspect. Certainly one which i never considered when i was buying tens of millions of \$ of raw materials for P&G products many moons ago.

Think about it. **You are the buyer for your Company. Everyone knows who your suppliers are. How risky is transparency ?** It's less risky if you manage it. What if your suppliers are exploiting children in their supply chain? What if they are abusing human rights? What if they are releasing tons of contaminants into a local river ? What if they are involved in bribery and corrupt business dealings ? What if they have been involved in discriminatory behaviour? What if they are using illegal raw materials, or operating with unsafe practices in their plant? I could list hundreds of cases in which corporations have been penalised or incurred cost penalties because of the actions of their suppliers - **Mattel and Hasbro due to illegal practices by Chinese toy manufacturers, Nestle's issues in sourcing milk from Grace Mugabe at the expense of local farmers, issues for Primark on child labour in the supply chain** and many more. What is the risk that these issues come back to haunt you, because this is part of your responsibility for your supply chain. How do you safeguard against this risk? It's one thing to have such issues in your supply chain, it's another if you never even talked to your suppliers, made your expectations of ethical business clear, or inspected them in some way.

**As the buyer for your Company, what questions do you ask of your suppliers ?** How do you manage the issues that your suppliers can potentially create for your business? This is part of buying CSR due diligence. **Transparency is decidedly less risky if you have a policy and practice designed to identify and reduce risk.**

This question is not new for the apparel industry, and **Levi Strauss** was the first apparel brand to establish a supply chain sourcing code and publicly disclose all its suppliers.

Since then, many other apparel brands have followed, but other industries such as toys, electronics, computer hardware etc are slow to follow. CSR in the supply chain is a frequent section in CSR reports. Gone are the days when corporations can plead ignorance of what is happening in their supply chains, and gone are the days when stakeholders accept "We didn't know" as a viable response. So if you are a Purchasing Manager, and you aren't aware of the risks in your supply chain, my advice is **do something about them before they do something about you!**

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 11:54AM (+02:00)

## Dying to work at France Telecom ?

Monday, November 02, 2009

Every so often things make you quite angry. **During the past 20 months, 25 France Telecom employees have committed suicide**, and several others attempted to do so. **What is it about the culture in this Company that puts people under so much pressure that they take their own lives?** What is the responsibility of a Company to ensure that the working environment and culture can not allow such an epidemic of suicides to take place ? One suicide is an exception. **25 suicides is a corporatecrime.**

The **France Telecom 2008 Corporate Social Responsibility Report** was published in June 2009. It's a GRI B level report verified by Deloitte who confirm that nothing came to their attention that caused them to question their belief that the report, or the parts of it that they checked, is fairly stated . **(If you have a problem with that sentence, it's the same problem i have with assurance statements - why pay an assurer to write about what DIDN'T come to their attention? Hello ? A spate of suicides didnt come to their attention ? )** Anyway.... it of course interested me to see what France Telecom said about their working environment and employee turnover **(France Telecom appear to have given a whole new meaning to the term employee turnover)**. At page 67, we get to the section entitled: **Acting as a responsible employer**. It is 7 pages long (total report 105 pages). Highlights ? Information on training and development of employees, focus on diversity and equal opportunity, especially advancement of women, 45% of French employees responded to an employee engagement survey (55% who didnt respond are apparently less engaged), and.....this is what France Telecom say about **addressing psycho-social risks in the workplace :**

*" Aware of the increasing seriousness of work-related stress, since 2000, the Group has taken steps to prevent this type of risk. A commission dedicated to preventing stress was formed with staff representatives. Its work has made it possible to offer concrete solutions, and improve the work environment in collaboration with the business units. In 2007, these activities were bolstered by the implementation of "Espaces d'écoute et d'accompagnement" (Listening and Support Spaces), which are teams that try to provide solutions, in consultation, either individually or collectively. In 2008, we implemented stress management training sessions - one "Stress management" module for employees confronted with difficult situations with customers, and one "Management practices and stress situations: guide for action" module designed for managers."*

and whilst the graph of occupational accidents frequency rate shows a nice downward trend between 2004 and 2008, there is **no mention of fatalities or suicides**. I was also

surprised to note that " *France Telecom assisted in developing a guide to good practices for workplace wellbeing, published by CSR Europe.*". Oops.

This is the problem we all have with CSR reports. Plenty of good news and convenient glossing over the bad news. The assurance process should pick this up, but clearly even paid independent-dependent assurers have their limitations. It is clear why Companies are selective about their transparency. However, what France Telecom doesn't realise is that **the issues they have are transparent whether they report them or not**, and that they urgently need to be addressed on a scale which is more significant than stress management workshops. Perhaps France Telecom will bite the bullet in their next report and cover this issue more fully. In the meantime, the fact that this situation appears to be ongoing and increasing in intensity, makes me angry. **Losing your life whilst doing your job should not be an option.**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:02AM (+02:00)

## Comments

- [ChrisKnop](#)

November 16, 2009

---

I am currently researching for a presentation about CSR in the call centre industry.

France Telecom is one of the case studies I am using in the presentation as an example of what not to do.

I too was very surprised that they failed to mention the spate of suicides in their CSR report.

This critical omission obviously only adds to France Telecom's unenviable public image at present. Unfortunately however it also puts CSR in a bad light in that while the report has effectively met various reporting standards, those standards do not dictate that a company's current issues need to be reported on.

Perhaps those global standards organisations need to take this as a case study and review their own requirements on reporting criteria.

According to one particular research agency, France Telecom ranked amongst top scoring CSR reporters. See: <http://www.greenbiz.com/news/2009/05/19/coca-cola-toyota-france-telecom-among-top-scoring-csr-reporters>

Examples such as France Telecom who are not "walking their talk" bring an element of hypocrisy to CSR reporting. It's time global standards organisations review their criteria.

- [elaine](#)

November 16, 2009

---

Chris, thanks so much for reading, and for your response. Reporting, at least in most places, is voluntary and unregulated. The use of the GRI application level to "prove" the quality of the report is misguided. And of course the hardest things for a company to disclose is unfavourable information. However, what companies like France Telecom don't realise is that precisely by NOT reporting, they are reducing their credibility. By reporting, they have the opportunity to present issues in a balanced way. By not reporting, they open themselves up for public criticism anyway.

good luck with your presentation.... let me know if i can help...  
elaine

## Symantec and New Models of Social Responsibility

Friday, October 30, 2009

I am **really** looking forward to the upcoming **Global Virtual Summit** (November 5th and 9th , 2009) entitled **New Models of Social Responsibility**, presented by **Communitelligence** and **Cisco**. The summit boasts a truly impressive line-up of speakers, including one of my heroes **Jeffrey Swartz, CEO of Timberland**. As my Company, **BeyondBusiness** , is one of the Media Sponsors for the summit, I was privileged to have the opportunity to interview some of the speakers. In this first interview-post, i will share some insights from the impressive **Cecily Joseph, Director of Corporate Responsibility at Symantec Corporation**. Cecily will participate in a discussion entitled "**End of the glossy report ? The Future of Social Responsibility communication and reporting**" , which as you may have guessed is a subject i am particularly interested in, fairly knowledgeable and even rather opinionated about. (**opinionated? me ?**) . Earlier this week, Cecily and I both participated in a 90 minute webinar with the International Advisory Group of the joint **UNGC** and **UNIFEM** initiative to develop and assimilate a new set of Women's Empowerment Principles (**go girls!**), so it was nice to interact again on my even more favourite subject, CSR reporting.

**Symantec Corporation** is probably most famous for its suite of products under the Norton brand name, and despite being no newcomer to the world of Internet Security, the company first reported in 2008, with a **Corporate Responsibility Report with the theme "Confidence in a connected world"** covering FY08 (April 07 to March 08), a GRI self-declared B level report, which is also UNGC indexed. If there is anything you dont know about "**decoding the cybercrime landscape**", "**the hidden costs of piracy**", or **Green Data Centers**, this report is a good place to start. Another impressive element of Symantec performance and reporting is the commitment to advancing **women in technology**, with 13 Women's Action Network Groups for personal and professional networking to assist women in advancing their careers, and partnerships with the **Anita Borg Institute** and **Catalyst**, amongst other things (though Symantec's 10-strong **Board** has only one woman, and the 18 strong **Executive Team** counts only 3 women - hopefully Symantec's efforts in this area will break through this infamous glass ceiling). Also, **Symantec's community reporting** indicates an impressive \$16million in donated cash and products and over 20,000 employee volunteer hours. Symantec, a Fortune 500 Company, was founded in 1982, generates annual revenue of over \$6 billion, employs over 17,500 people and declares its unique focus to be eliminating "*risks to information, technology and processes independent of the device, platform, interaction or location.*" So the role of CR Director in a business such as this is clearly relevant and significant.

**Cecily, who has been in her role since July 2005, and has led Symantec's reporting efforts, says:** "*On a personal level, Corporate Responsibility means to me that we think in ways that are creative and innovative. We think differently to solve our problems and improve our businesses. Thinking differently means that we don't just focus internally but look at society as part of the equation.... I gain most satisfaction when we help to bring new ideas to the company that impact the business in a positive way, when we act as an early sensor to shifts and trends which other parts of the business are not as aware of yet, and when Symantec is recognized positively for something that CR has helped it*

accomplish. **"What personal skills do you need to do Cecily's job (and make a success of it) ?** "*Leading through influence; ability to speak to all levels of the organization starting with the Board of Directors and the CEO; sense of humor; patience*" though Cecily says "*I don't always have enough of that*".(which i suspect is probably a good thing!) .

Symantec and Cecily made the decision to become a first-time CR reporter in order to **"engage stakeholders in the process of defining CR more clearly for Symantec"**. Indeed, the Symantec report is one of the few CR reports which describes a robust materiality process, conducted with both internal stakeholders and a 5 member External Advisory Council. The report includes a **materiality matrix**. This yielded **benefits**, Cecily says: "*We saw that engaging employees and external parties in the preparation of the report was critical and really expanded our scope - we will plan to do more of this on our next report.*" Some key challenges in first time reporting were the budget unknowns ("*we got to the end of the process and realized we had not allocated any money for design or printing of our executive summary*") but perhaps more important was to **"determine how we would measure success"**. Symantec defined its **target readership** for the report as "*Employees, other CR professionals and NGO's. Customers have become more engaged in our quarterly reporting-our CR Snapshots*" The CR Snapshot is a great three pager with an key updates in between Symantec's two year reporting cycle. Finally, Cecily describes **Symantec's key CR challenges in the next 3-5 years as:** "*.. defining responsible sourcing practices for the software industry, privacy and freedom of expression, diversity and gender equity as more than a nice to have but as a business imperative, continuing to build on practices of good governance in this current climate where the rules are evolving, helping to deliver education and awareness on digital literacy and the protection of rights online.*" Looks like Cecily has got her work cut out for her for the foreseeable future, but judging by progress made and reported in the 08 CR report, I remain optimistic.

**Thanks to Cecily Joseph** for generously sharing insights, **thanks to JohnGerstner**, **visionary founder and president of Communitelligence**, and **thanks to YOU** for signing up to the **Global Virtual Summit on New Models of Social Responsibility** and showing your support for the practitioners who are making our business and our world a better place.

One thing i didnt quite work out - how do they get the **Chunky Monkey** to you in a Virtual Summit ... hmmm ....

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 11:40AM (+02:00)

## Comments

- [FabianPattberg](#)

November 03, 2009

---

Interesting interview Elaine. Thanks for sharing. See you at the summit in 2 days then I guess. :)  
Fabian

- [elaine](#)

November 03, 2009

---

thanks fabian .. looking forward...

# A special kind of non-profit

Monday, October 26, 2009

I am dedicating this post to **Beit Issie Shapiro**. Beit Issie Shapiro is a non-profit organization based in Israel that develops and provides services for children and adults with developmental disabilities. It has played a leading role in promoting the inclusion of people with special needs in society and advocates for better legal provisions for people with special needs.

The organization was founded in 1980 by **Naomi Stuchiner**, currently **President of Beit Issie Shapiro**, as a way to fulfil the dream of her **late father** to contribute the quality of life for people in Israel. Beit Issie Shapiro is currently managed by the **CEO Jean Judes**, the inspiring and forward-thinking leader of this organization which employes over 300 staff and has a measurable impact on some 24,000 people, annually.

I invite you to read about the wonderful work that is done by **Beit Issie Shapiro**, in caring for those with disabilities, in developing awareness, knowledge and best practices through care programmes, research, training and community outreach. I have a special admiration for the open and responsible culture fostered by Beit Issie Shapiro which i was privileged to experience at first hand though work i have done with the organization on the subject of ethics.

In this post, i wanted to express a **particular sense of awe**, after i participated in a Special Evening last week celebrating the 30th Anniversary of Beit Issie Shapiro. The organization funded a thank-you event for partners, donors, employees, friends and community members - one of the most special evenings I have attended in a long long while. The highlight of the event was the **China Disabled People's Performing Arts Toupe (CDPPAT) and their incredible show "The Dream"**. . All the performers of this unique group are hearing, visually or physically impaired. The precision, talent, energy and style which which they performed are an example to us all. The performance was incredible - moving, so,so professional, and thoroughly inspirational.

More than the performance itself, I wanted to **applaud Beit Issie Shapiro** for staging this evening, for the benefit of the community. It is not often we see non-profits, who are so engaged in fundraising and solliciting donations to promote their cause, assign a portion of their funds and energies in generously providing a different kind of value to the community.

I just wanted to share that with all my readers.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 02:39PM (+02:00)

## Comments

- [LaviniaWeissman](#)

October 26, 2009

---

Elaine, can you or point me to someone that can describe the measurable impact on people?

- [elaine](#)

November 03, 2009

hi lavinia, thanks for reading my blog, regret that i cant give you an exact answer here in terms of CSR reporting of companies. Many companies report their impacts on communities, and some referto specific numbers of individuals, but i am not aware of any comprehensive study with the exception of the unilever measuring economic impact study in south africa which is available on the unielver website, elaine

## How do you picture CSR ?

Monday, October 26, 2009

A client of mine said "Elaine, look at the **Nikon 2009 CSR report!** It it impressive or what ?" And when a client says that, you ain't got not choice but to look, right? I looked at the report. In fact, i scanned the report quickly, in between bites of Chunky Monkey. The report seems to be very comprehensive and packed with lots of detail. Here follows the essence of my 58 second review. I always look for some key things (especially when the company has reported several times):

**GRI Index:** I took a look at Nikon **GRI index** which shows that a number of key indicators are not reported, though the report is very full. It's probably a B level report. As this is their 8th reporting cycle, I wonder why they are not able to report key metrics more fully.

**Assurance:** It is not assured (brief stakeholder commentaries at the end do not count as assurance) so this reduces credibility in my view.

**Materiality:** There is no materiality index showing the most important issues – this is critical for an experienced reporter.

**Stakeholder engagement:** I couldn't see ways in which Nikon engages stakeholders, reports specifically on their issues and responds to them in this report

**The President or CEO statement :** This is quite a good statement highlighting the things that are important to Nikon and providing a strategic perspective.

My bottom line after super-quick review: **strong positive reporting, very high on detail, less high on focus.**

**However, this is not why i wrote this post.** What I really wanted to draw attention to is something else i discovered on the Nikon website: **the CSR Photo Story**. The 10 photos in the CSR story were selected from 47,000 entries in the Nikon Photo Contest International 2006-2007, from Australia, Brazil, Iran, Korea, Japan, Turkey and more. This annual contest has been held since 1969 and draws photography from people of every background and age all over the world.

The narrative accompanying the CSR story starts like this:

***When you were young, what kind of person did you wish to be?***

***Someone people trust? Someone creative? A kind person? A strong person? Someone who pursues their dreams? You picture in your mind that person. So do we at Nikon when we picture the kind of Company we strive to be.***

Nice, huh?

Nikon make imaging products - cameras and things. So what better a way to express their CSR than in the outputs of the way consumers use the products they create? Nikon expresses part of their role in society as **contributing to a photographic culture** by "enhancing and enriching the enjoyment of photographs", and in addition to the annual photo contest, they engage in several activities to contribute to the community and the appreciation of visual art. I think this is a nice example of a company **aligning its CSR activities with its business strategy** and generating positive indirect impacts. The fact that

i am a lousy photographer and whatever i seem to do with a camera ends up looking like i snapped a collection of rainclouds is immaterial. I may not win the Nikon contest (**unless they like rainclouds**) but i do recommend you take a look at the CSR photo story. And perhaps you might be inspired to take your photo of CSR.

I wondered what i would photograph if i were to photo CSR:

- # my Siberian hamster, riding the hamster wheel (round and round, going nowhere)
- # my 7 yr old son, practising basketball shots (one basket in 453 but still trying)
- # my CSR report library (hundreds of unsustainable printed CSR reports)
- # my laundry hanging on the line (sun-dried, but stained with bird-sh\*\*t)
- # my pack of paracetamol (big pharma, generically removing unsustainable headaches)
- # my cellphone (connecting me to an unsustainable world)
- # a lettuce leaf (geez, gotta stick to that diet, fat people are unsustainable)
- # a tub of Chunky Monkey (hah! you knew that was coming, right) ( saving the planet with indulgence)

Your suggestions ?

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:37AM (+02:00)

## Comments

- [DavidKatz](#)

October 26, 2009

---

Though I applaud any organization that makes a formal commitment to CSR, I'd think that public perceptions of the brand suffer when corporations appear to pay only superficial lip service to this pledge. To the average person, the Nikon report is confusing enough to look impressive. But when you dig deeper, you are correct in pointing out that the gaping holes, which for an organization with a near decade long "commitment" to CSR, diminishes the credibility of these initiatives. Subjectively, the narrative accompanying the report also seems to promote the individual as opposed to the impact that person can have on the greater good...does this not go contrary to CSR? I feel like this is a blue print for good CSR programs gone bad.

- [elaine](#)

November 03, 2009

---

hello david and thanks for reading the blog, apologies for taking time to respond to your comment ...i think that the csr journey is quite a long and complex one, and i agree that even some corporations which have been "doing it" for quite some time surprise me with the gaps in their programs and communications. I think csr is both about empowering corporations and individuals to behave responsibly (direct impacts)and to contribute to the sustainability of our society on a broader level (indirect impacts). Most early journeys are focused on the first part, many of the the more csr-mature corporations get to the second stage sooner or later. best regards, elaine

# CSR and your company's reputation

Friday, October 23, 2009

"Your reputation is created at and affected by every touch point of the organization. Reputation management means addressing your organizational reputation as a strategic issue. It requires a whole-of-business approach to genuine corporate social responsibility and sustainability, and a culture of thinking beyond quarterly financial reports."

One of the most amazing things about the blogosphere and the twitterverse is that you meet the most inspiring people. I have been fortunate to meet the author of the above words. She is **Alex Harris** (#ff), a reputation management professional with more than 20 years experience in the media industry. Alex authored the book **Reputation at Risk**, published by Masterstroke Group in June 2009. Alex is the author of the widely acclaimed blog, **Reputation Report**. The quote above is the start of the epilogue to 140 pages of rivetting perspectives about and examples of the way organizations mis-manage reputation, the risks and consequences of such actions, and insights into best practice. Reading **Reputation at Risk** will leave you in no doubt about the clear link between business success and effective reputation management, and the umbellical cord that connects reputation and csr practices and reporting. Alex was born in Papua New Guinea and now lives in Australia, so this book has a healthy helping of Australian stories, and a style which brings the Alex's passionate temperament to life for the reader.

**Reputation at Risk** provides a view of corporate governance and the lack thereof that caused the GFC (Global Financial Crisis), the role of business schools , the risks to reputation from CGM (consumer generated media (**no, i didn't know what that meant either**), crisis management and more. There is a checklist of positive corporate responses to a crisis or a serious issue and some good advice: *"Too often, companies assume the crises will occur in normal working hours when all the key executives and trained operatives will be available. They rarely do"*. Alex promotes CSR as a key element of business, contributing to public image and reputation. She advocates that CSR should be part of the DNA of the business as csr influences a business's ability to attract and retain skilled staff, maintain effective customer relationships and shareholder satisfaction and more. What's more, **Reputation at Risk** speaks in favour of reporting - *"The way companies communicate their CSR activities is just as important as the CSR itself"*.

I tend to think that Alex Harris's voice over the past 20 years has carried some weight, because **in a previous analysis** i conducted, Australia is the number **five** top country in the world for producing CSR and sustainability reports. So, Alex, keep telling it as you see it. My only negative about this book is that it doesn't come with a free tub of Chunky Monkey.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 11:39PM (+02:00)

# #CSR without EMBEDDING is like CHUNKY without MONKEY

Friday, October 23, 2009

One of the popular csr-speak terms you need to be familiar with these days is **EMBED**. **Dictionary.com** says this means "to fix into a surrounding mass: to embed stones in cement". So if your Company is a mass of cement, your CSR program is the stones. Makes sense, right? The concept of **embedding** CSR is not new. I suspect (I am guessing) that one of the first to use this term for CSR was **AccountAbility in their first exposure draft of the AA1000 principles in 1999**. **EMBEDDEDNESS** was one of the principles related to management of the process on an ongoing basis :

*" **Embeddedness** – or systems integration, concerns making the social and ethical accounting, auditing and reporting processes part of the organisation's operations, systems and policy making, and not treated as a one-off exercise to produce a social and ethical report"(they like long sentences at AccountAbility).*

Many Companies who report on their CSR or Sustainability LOVE to use this great word **EMBED**. It expresses the fact that CSR is not just something you add on to your "real" business activities, but something that is part of the fabric of your business and integrated in all processes and practices. Most mature CSR reporters like to express the **embeddedness** of their CSR. Sounds kinda noble and professional, right?

**The Stagecoach Group in their 2009 CSR report** say: *"We have a clear set of values which underpin our business and are firmly **embedded** in our Group's culture."* And thousands of reports offer variations on this theme. And my recent post on **"When CSR reporting is a waste of paper"** provided an example of the problem of **UN-EMBEDDEDNESS** - ie what happens when you really haven't got this **embed** thing covered at all levels of your organization.

So this is why i was interested to read **Ethical Corporation's** latest research publication on **How to embed Corporate Responsibility across different parts of your Company**. This is a 100 page report published at end September 2009. It provides an analysis and case studies covering 5 organizational functions: **Human Resources, Finance and Accounting, Communications, Procurement and Logistics and Operations**. I will blog about each of these functional zoom-ins and the related **embedding** stuff one-by-one in the next few posts. (Disclosure: **Ethical Corp** kindly provided me with a complimentary copy so that i could read, learn and share - but, they didnt tell me what to say! - all views are my own) Ethical Corp's research data is "aggregated, analysed and triangulated".( I am glad its triangulated. Meant I got to learn the meaning of another long word.)The report is in two sections - first, an overall survey of the way CR is embedded, practiced and communicated in large corporations, and second, specific functional guides. And of course, there is a set of recommendations. I guess Ethical Corp wouldn't be too pleased if i revealed all their recommendations free of charge to the world, but i can't resist quoting the one which says: **" Reporting Effectively: Producing a CR report ... remains a highly effective tool."**

I will start my blog series with one of my favourite subjects: **Human Resources**.

CR minus HR = PR. (Wish i knew who said that!)

The Ethical Corp research covers how to **embed** C(S)R via the Human Resources function in order to achieve maximum productivity and staff morale, and refers to :

- recruiting and training staff
- maximising employee performance and competencies

- managing a company's personal employee evaluation and appraisal system
- building an ethical corporate culture and engaging employees.

I always say that CSR is about moving from accounting for "impacts on employees" to enhancing and accounting for the "impacts of employees" ie transforming the business perspective into one which ensures that every single internal and external touchpoint of employees in an organization leverages the CSR approach of the business.

The HR research uses input from CSR Managers at Hewlett Packard, Boots, Novo Nordisk and BT, and case studies from Starbuck's and Campbell Soup regarding their HR-CR practices. Interesting reading, actually. The section ends up with a short checklist for HR Managers with the key learning points from the research.

All the Companies quoted in this section are of course strong CSR reporters.

**HP's 2008 report (GRI B self-declared)** doesn't actually use the word **embed** to describe their CR - perhaps this is because embedding is also associated with technology (**review steps for accessing the HP embedded web server (EWS)**), but their report covers quite a lot of detail of employee engagement in CR activities.

**Alliance Boots 2008-2009 Report (not GRI indexed)** say that **embedding** comes naturally: *"As a pharmacy-led health and beauty group, our corporate social responsibility principles are naturally **embedded** in the working practices of our people."*

**Novo Nordisk's 2008 (GRI A+ self-declared) integrated report** describes how strategies are revised after the management of CR issues has been fully **embedded** in the organisation so that they are fully integrated into business processes, as part of the way they determine materiality.

**BT Group's 2009 (GRI A+) report** talk about the BT Sustainable Marketing Programme as part of their commitment to **embedding** the principles of sustainability into business as usual

**Starbucks 2008 (GRI B+ self declared) Global Responsibility Report** confirms that *"being a responsible business is a commitment that is **embedded** in our culture. "*

**Campbell Soup Company's first 2008 (non-GRI) report** talks about four "*overarching themes*" which are **embedded** in their mission statement.

So there you have it, people are **embedding** CSR, or trying to. At least they have adopted the politically correct csr-speak. **Embedding** is no small task and does require a level of maturity and organizational alignment which are not achieved overnight. And there is no doubt that a strong, professional and skilled Human Resources function can play a significant role. **So if you aspire to have both the Chunky AND the Monkey, think about the way your HR function embeds YOUR csr program .**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 03:46PM (+02:00)

## Comments

- [SuzanneFallender](#)

October 23, 2009

Hi Elaine,

Nice post (and not just because of the ice cream reference). I think this embeddness topic is increasingly important for us as CSR practitioners as it gets to the point of culture change and improved decision-making. But it really is the heavy lifting in the

maturity cycle of CSR within an organization and one that takes years and continued internal influencing and reinforcement. Two things I wanted to share on how we're working to continue to embed CSR at Intel - first is the move to link compensation to sustainability metrics <http://innovation.edf.org/page.cfm?tagID=39379> and second is an example of how one of our business groups is taking steps to embed these concepts specifically within their own biz group. [http://blogs.intel.com/csr/2009/10/what\\_does\\_csr\\_success\\_look\\_like.php](http://blogs.intel.com/csr/2009/10/what_does_csr_success_look_like.php) Suzanne

- Lavinia

October 27, 2009

Elaine,

Excellent post. I have a question, within the embedding process how would you describe external responsibility across sectors influenced by the internal csr change.

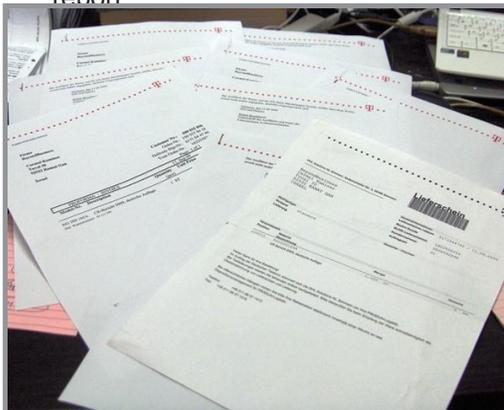
I am struggling to find away to ask this question more effectively so if we need to chat about it, I am happy to engage in talking about what I mean at more length relative to your post.

## When CSR reporting is a waste of paper

Tuesday, October 20, 2009

CSR reports, aka Sustainability Reports, are supposed to be sustainable, right? That means no printed copies, right ? Wrong. Sustainability reports are business documents, and, like any other important business document, it is ok to print them but. Print them but. This means that, as with any aspect of **CSR** and sustainability, we must exercise restraint and consideration of all stakeholders in how we do what we do. So in printing **CSR** reports, I might expect a Company to consider:

- Printing on recycled paper or environmentally friendly paper (**see previous post on paper made from all-sorts-of-animal-excrement**).
- Printing a short summary with the bulk of the report online(**see Nexxar for best CSR online reporting**).
- Printing a small number of copies for those who really want or should read the report



I **confess**. I like to see something in print. Gives me a feel for the Company. Allows me carry reports around and read them when i can. (**Ask my hub about how many reports i take to bed with me!!**) (well, on **second thoughts, don't ask him**). Perhaps this is hypocritical ? A sustainability consultant who likes to read printed reports? Perhaps but.

The but is that what really **REALLY** annoys me is unconsidered **wasteful** ways of sending CSR reports through the mail. I have mentioned this before in a **different previous post**, and now i will mention it again. (**consistency is a virtue**)

The following picture is of **9 one-side-printed separate pieces of paper** that accompanied the delivery of the 2009 CR Report from .. and this time i will name names ... **Deutsche**

**Telekom.** Delivered by DHL which is a **Deutsche Post** Company.

Here's that consistency thing again: **9 separate one-side-printed pieces of paper.** Why would you need 9 pieces of paper to go with the delivery of one slim report?

**Deutsche Telekom's 2009 CSR report** is online and a 68 page PDF download. It is a well written report at GRI-checked A+ reporting level. This is what DT have to say about saving paper:

**(page 41)** *"Thanks to innovations such as "Paper, Pen & Phone," customers can significantly reduce their own paper consumption and the resulting environmental pollution. The special pen developed by T-Systems records all the special characteristics of a signature via an integrated camera, thereby enabling digital identification and processing of documents signed by hand. Compared to the former archiving process, paper consumption is thus **reduced by up to 50 percent**, and costs are reduced by as much as around 70 percent. In order to exploit this savings potential in our own Group as well, we have launched "Paper, Pen & Phone" in around 800 Telekom Shops in Germany since February 2009."*

And more **(page 46)** *"We succeeded in winning over almost one third of T-Home customers for our online billing. This helps us and our customers in contributing to environment protection by **reducing paper consumption by over 1,500 tons**".*

But what about shipping **CSR reports**? What super innovations have been developed to ensure that paper consumption is reduced in this process?

Which brings me to another point: **INDIRECT RESPONSIBILITY** .

It is possible that Deutsche Telekom have no idea that DHL uses **9 separate one-side-printed pieces of paper** for each report they deliver. Maybe this is standard DHL procedure. The kind of standard procedure that no-one ever thinks to question because that's just the way its done. But doesn't Deutsche Telekom have an indirect responsibility for the actions of their suppliers engaged in providing products or services on their behalf?

Actually, in the **DHL (Deutsche Post AG) 2009 self-declared B+ report** I couldn't find anything relating to paper consumption reduction, only references to sustainable paper sourcing. I couldn't find a figure for how many tons of paper consumption DHL or Deutsche Post have reduced in the reporting period. Maybe that's because they havent. However, a target area for Deutsche Post is *" Mobilizing our employees: Raising awareness of climate protection and broader environmental issues, and enabling our employees to minimize our company's environmental impact **through their everyday actions**."* Like shipping CSR reports.

So who should we take issue with here ?

- (1) DHL for using **9 pieces of paper**
- (2) Deutsche Telekom for letting them
- (3) Me, for wanting to read the printed report in the first place ? (hint: dont pick this option)

But the point of this post is that : i would expect that people in a company where CSR is truly embedded at all levels of the organization would pick this up. I believe that employees at all levels should recognize environmental waste in the system, assuming

they had been made aware of its importance to the Company.

These day-to-day almost-unnoticed actions can be very **important**. They can also point to the degree to which each employee in any business takes **personal responsibility** for all aspects of the Company's CSR behaviour.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:12AM (+02:00)

## Comments

- [DavidCoethica](#)

October 20, 2009

---

Great post Elaine. I too have noticed the lack of thought in many CR reports I receive.

Most I never ask for, or want!

- [Matthew](#)

October 20, 2009

---

Brava Elaine,  
It appears that either DHL or international customs authorities (as I think some of those documents are for them) have not embedded sustainability thinking at all levels within the organization. That was one of the things we did in my manufacturing company and I espouse today in my consulting - train the employees to call our attention to issues of waste and offer alternative solutions. I wonder how many people's hands these nine pages passed through.

Great job calling our attention to these things.

Matthew Rochte, LEED AP  
CSR/Sustainability Consultant  
[OpportunitySustainability.com](http://OpportunitySustainability.com)

- [ChrisMacDonald](#)

October 20, 2009

---

Good point, but I have a terminological quibble with your first line.

You say "CSR reports, aka Sustainability Reports..."

I don't see any principled reason to equate those two.

True, the companies that put them out may mean the same thing by those 2 terms -- but if so it's only because they haven't thought through very carefully what either term means!

Regards,  
Chris.

- [FabianPattberg](#)

October 20, 2009

---

Interesting post. Thanks for this Elaine. I think a lot of people believe that CSR Reporting is all in all a waste of paper unfortunately. But picking up on your issue with Deutsche

Telekom (DT). I think there are too many parties involved with the delivery of CSR Reports (including posting) and most of them do not really care how much paper they are using unfortunately. I believe the CSR people at DT are taking every care to limit their paper usage but it is hard to control what others are doing I guess.

Fabian

- elaine

October 20, 2009

---

Thank you David, Matthew, Fabian and Chris for your encouraging and insightful comments.

Fabian: I too am sure that DT and DHL have every intention of reducing waste. My point I guess is that in large companies, every employee needs to be alert.

Chris: I agree that Sustainability and CR/CSR are at different points on the continuum .. though they tend to be used interchangeably in the reporting world.. perhaps because CSR is an evolutionary stage towards the development of sustainability? Or perhaps because sustainability sounds sexier.... In any event, I accept your quibble. Thanks!

best wishes to all, elaine

## Greater CSR leadership needed in Israel

Saturday, October 17, 2009

At the annual CSR conference in Israel this week, organised by **Maala**, the **BSR** affiliate in Israel, **for the first time**, an award was presented to Companies who had issued (or almost issued) **more about the almost thing later**.. CSR reports during the years 2007 to 2009. Actually, it's not surprising that this was the first set of awards, because the Israeli market has been decidedly slow in uptake on the reporting front (**see my previous post**). It was back in 2005 when my partner, **Liad Ortar**, took the initiative to translate the GRI guidelines into Hebrew, making them accessible to the local market and starting a momentum for reporting in line with the global best practice. The awards were presented in order of **GRI** transparency levels. So, just for the record, I will run through them in that order here.

**Bank Leumi published a GRI checked A+ report in 2009**, covering years 2007-2008. Unfortunately, this is only in Hebrew so non-speaker-of-the-lingo people won't get much from this, apart from the fantastic design using creations from an exhibition that Leumi sponsored for unknown artists. (**Disclosure:** My Company was the consultant on this report). Leumi is the largest banking group in Israel and was the first to report in 2006 with a GRI B level report (which we also worked on).

**Bank Hapoalim published a GRI checked A+ report in 2008**, covering 2007. Again, this is only available in Hebrew. It is the first report of this, the second largest banking group in Israel.

**comme il faut published a GRI checked A level report in 2008**, covering 2007. comme il faut is a privately owned SME with a strong CSR record and a strong reputation for responsible business practices. This was the first report for a fashion company, first for a private company, and a first A level report in Israel . The report was published in Hebrew and in English (above link to English report). (**Disclosure:** We wrote this report). Aside

from the high transparency for this small business, the design, as you might expect from a fashion company, is quite creative.

**Strauss Group published a GRI checked A level report in 2009**, covering 2008. Strauss is an Israeli based globally active food and beverages Company. This is their second report, published both in Hebrew and English.

**Partner Communications published a GRI checked level B report in 2008**, covering 2007. Partner is a leading telecommunications player in Israel, and the owner of the Orange brand. As you might expect, this report is a little ... orange. Published in Hebrew and English.

**DeltaGalil Industries published a GRI checked level B report in 2009**, covering 2008. This first report was published in English only. Delta is a leading apparel manufacturer, specializing in underwear and casualwear, headquartered in Israel and supplying world markets.

**Nesher Israel Cement Enterprises published a self declared GRI B level report in 2009**, covering 2008. Nesher also reported in 2006 on environmental issues. The report is in Hebrew and not available for download (yet).

**The Egged Bus Company published a self declared GRI C report in 2009**, covering 2008. This is their third report, the last one being published in 2005. It is in Hebrew and not available for download (yet).

**The Hannan Mor Group published a self declared GRI C level report in 2009**, covering 2008-2009. This is a small traded construction company. This first report is in Hebrew and not available for download (yet).

**Intel published a local report in the spirit of GRI in 2009** covering 2008. This is a summary report, one document in Hebrew with some English and Arabic translated parts. The Intel local report falls within a local reporting framework adopted by Intel around the world, and using the annual global report as a base. Intel is one of the two global Companies publishing local reports in our market, and this is their third such report.

**Motorola Israel published a local report with a GRI index in 2008**, covering 2007. This is a comprehensive report covering all CSR subjects, and the third by this local branch of the global Motorola. It was published in Hebrew and English. (**Disclosure:** I assured this report)

**Baran Group published a report in the spirit of the GRI in 2009**, covering 2007. The report is in Hebrew and not indexed. It is a first report for this engineering Company.

Other Companies - **Cellcom**, the largest telecomms provider, **Carmel Olefins**, a polymer manufacturer and **Rafael**, a government-owned air defense Company, and **Discount Bank**, one of the four leading banks in Israel - all received awards on account of the fact that they have committed to publish before end October. Let's hope they do.

That makes 16. I think that's it. Hope i didnt forget anyone !Overall, 12 reports in 2 years .. maybe 16. **Clear leadership shown by the banking sector, fashion, technology and telecomms** in the wings. Some food, industrial, transportation and construction sector presence. Strong adoption of GRI as the reporting standard, but early days for a

widespread approach to assurance. However, this is still a **drop in the ocean** in terms of the size of the Israeli market, the level of global activity of Israeli Companies and the advanced approach to business in this country. **We must continue to push for stronger CSR leadership, accountability and transparency.** If you do business with Israeli companies, demand to know what they are doing on CSR .....

**What will 2010 bring ? More ? Less ? Same ?**

There is no doubt that a certain momentum is in the air, and that those reporting feel the benefits in terms of internal processes and external recognition, but before you can report, you need to ensure your Company is behaving with a CSR mindset, and much of our work in the Israeli market is still about creating awareness and appreciation for CSR practices and supporting Companies in getting on board. There are, we know, more en route, so we can be hopeful (**better not say optimistic**) that 2011 awards for reports published in 2010 and 2011 may show a modest increase. I wonder if a free supply of **Chunky Monkey** to all potential reporting Companies would help ?

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 08:51PM (+02:00)

## Opportunities for CSR reporting professionals

Thursday, October 15, 2009

Yesterday, in Israel, at the annual CSR conference organized by **Maala – Business for Social Responsibility** (the **BSR** affiliate in Israel), awards were made to Companies that have produced CSR reports during 2007-2009 (including those who have committed to publish reports by end October 2009). The purpose of the award was to create awareness for reporting in a country where reporting has been slow off the mark and relatively slow in uptake.

**17 awards were made.** I will blog about these reports in my next post. In the meantime, I thought I would check out how Israel is doing in the league table of reporting.

The **CorporateRegister.com** reports database allows a good review of numbers of reporting countries. It may not be 100% comprehensive, but I believe it hosts over 90% of all reports issued, so I am happy to use this data to review reporting output. In total, during this period, **8,663** reports were published – an average of around 2,900 reports per year.

I analyzed reports published in 175 countries (**some of which I didn't even know were countries**) during the period 2007-2009:

- 42% had NO businesses which reported on the Corporate Responsibility
- 36% of countries published between 1 and 25 reports
- 20% of countries published between 26 and 500 reports
- 2% (4 countries) published over 500 reports each.

Of the 36% of countries who published between 1 and 25 reports, over 80% published between 1 and 5 reports during this 3 year period.

**The league table of reports published during 2007-2009 is as follows:**

USA - 1042

UK - 1034

Japan - 817

Spain - 517

Australia - 484

Germany - 452

Italy - 418  
Canada - 367  
France - 364  
Brazil - 276  
The Netherlands - 264  
South Africa - 229  
Switzerland - 211  
Sweden - 205  
Finland - 174

Israel is number **53** in this list of 175 countries. (This is based on 8 reports shown on CorporateRegister.com during this period).

**I cross-checked the level reporting to size of the economy.** I used the GDP per country based on **GDP 2006 published by the Economist.**

**This shows a very different league table.** The countries publishing the most reports per US\$ Billion of GDP are: South Africa, Finland, Portugal, Chile, Australia and Switzerland, each of whom have published a report for every US\$ 5 billion GDP or less in each of the three years between 2007 and 2009.

**Here is the league table showing the rate of publication of reports relative to US\$ Billion of GDP per year 2007-2009** (eg. South Africa published one report per US\$ 3 billion GDP per year):

South Africa - 3  
Finland - 4  
Portugal-4  
Chile-4  
Australia-5  
Switzerland-5  
Sweden-6  
HongKong-7  
Austria-7  
UK-7  
Spain-7  
The Netherlands-8  
Denmark-8  
Norway-9  
Canada-10

Only **Australia** is in the top 5 in both tables, showing a strong reporting ethos which correlates to the relative size of their economy. **Well done Australian reporters!** Saudi Arabia is the 23rd largest economy and has published no reports at all and Iran is the 31st largest economy and published only 1 report. Israel is the 42nd largest economy in the world based on the Economist figures, and number 35 in this league table of reports by \$US billion GDP (one report for US\$53 billion GDP. )

**So why is all this important? (It's not so important, really, but once I started thinking about it, I just had to check it out).** Perhaps it shows that reporting leadership, as most other things, is relative and can be benchmarked. **The world's leading economies – US, Japan, Germany, China and Britain - produce large numbers of reports in absolute terms but not in relative terms to size of economy.** Perhaps it shows that most of the world leading economies are on the reporting train, and that there is some awareness of responsible business practice in these countries, which should continue to develop. Perhaps it shows that the 74 countries who do not report at all are fertile ground for CSR consultants, assurers, report designers and printers. **So if you are a CSR professional in Afghanistan,**

Bangladesh, Macedonia, Malawi, Togo, Uzbekistan or Yemen.... seems like there is an opportunity for you out there!

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 02:45PM (+02:00)

## The Wild West of CSR report assurance

Saturday, October 03, 2009

Sustainability reporting assurance. It's called assurance because its purpose is to assure you that the report is (1) accurate and (2) relevant. **Accurate** meaning you told no lies and made no mistakes in your data (**that extra zero on the end of your annual cash donations number, or that missing digit in your carbon footprint calculation**). **Relevant** meaning you reported on the most important things (materiality) and you didn't leave out things that might influence the way stakeholders make decisions (**our product was contaminated due to poor machine cleaning processes and 183 people were food-poisoned**) .

For any of you who have ever written a CR report, you will know that deciding what to include and what to leave out is probably the toughest part of the process. The assurer of a report looks for what's in there, and what's not, and how accurate what's in there is. (**An excellent assurer would look for how accurate what's not in there is, but he would probably charge more for this**). The theory goes that if your report is assured, it has a better chance of being credible, and enhancing the trust of your stakeholders in your reporting and in your company.

**CorporateRegister.com** statistics show that around 25% of all reports are externally assured. And if you really want to know the nitty gritty, you can view the report by CorporateRegister.com issued in July 2008 called **Assure View** .You can read all about AccountAbility standards which set the framework for assurance at **their website** , and you can see **what the GRI says about the criteria for good assurance**.

**Now that the formalities are over with**, I guess the key point I would like to make in this post is that **not many of the assurance statements I read actually assure me**. Aside from all the fancy theory, what do I look for?

- the **DETAILED EVIDENCE** that sufficient practical work has been done to delve into the guts of the reporting process and content in order to assess accuracy and relevance.
- the **NAME** of the assurer or assuring team (not just a Company) who sign off on the statement
- the **CREDIBILITY** of the assuring team – their prior experience or qualifications in assuring CSR reports
- disclosure regarding the **INDEPENDENCE** of the assurer and the nature of the assurers relationship with the reporting company
- the **GOOD NEWS and the BAD NEWS** (recommendations for improvement) relating to the reporting process and content
- a **CLEAR STATEMENT** that the report has what I call integrity (a fair and balanced representation, in csr-speak).

I recently reviewed the **State Street Bank report** for CorporateRegister.com and highlighted the assurance statement as outstanding. It addresses all my points above comprehensively, succinctly and left me feeling that a thorough job had been done.

**I took a look at some 2009 reports** to see how their assurance statements shape up. ( I do not name assurance providers – you can check out the reports if you want to see who

they are – my intention is to focus on the work and not the workers) :

**Barrick Gold Corporation, 2008 report** : reporting level A+

An interesting statement, assuring two things: this mining company's adherence to the Sustainability Principles of International Council on Mining & Metals (ICMM) and adherence to the GRI framework. There is a very detailed list of activities the assurers performed and a longer list of points for improvement. The conclusion says that Barrick has aligned its sustainability policies to ICMM's 10 Sustainable Development Principles and in all material respects, reported in accordance with the GRI Sustainability Reporting Guidelines (2006) - level A requirements and the associated GRI Mining and Metals Sector Supplement Pilot Version 1.0 (2005) as presented in the GRI Content Index. That's clear enough for me. **Credibility added value: dix points.**

**Wartsila Annual Report 2008.** reporting level A+

Wartsila is a power company operating power plants and providing power solutions. The assurance statement in this report is a turn-off. One page short, it barely describes the assurance process activities, though the two (yes, just two) interviews conducted with senior managers and 2 site visits are mentioned (Wartsila operates in 160 locations). This is one of those assurance statements that ends up with "Based on our work described above, nothing has come to our attention that causes us to believe that the Sustainability Information, based on the abovementioned criteria, is not fairly stated in all material respects." That really oozes decisiveness and builds credibility, right? I wouldn't pay someone to make a statement like that. **Credibility added value: zero points.**

**Trelleborg AB, Sweden, 2008 CSR report:** reporting level B+

Trelleborg is an engineering group which develops products based on polymer technology. The Assurance statement in this report is based on a limited review of about 6 performance indicators. Activities for this limited review are included. Two site visits were made, and the rest was discussions and reviews. The conclusion is the multiple negative one – "nothing has come to our attention that ...".

**Credibility added value: zero points**

**Athens International Airport, 2008 report** :reporting level B+

Published in the form of an eBook (what a **painful** way to read a report) (I downloaded it – 31 MB). This is a short but nice statement. It lists a fairly long number of assurance activities. It contains both a positive statement and a multi-negative statement. Positive: "the range of topics reported provide a fair and balanced representation...." and negative , relating to KPI's "nothing has come to our attention that causes us to believe. ...".

**Credibility added value: sept points**

**OHL Group.2008 report** : reporting level A+

This is a Spanish holding group with a range of interests mainly around construction and real estate. The assurance statement is a scanned copy of a one-page letter, designed to be almost illegible. The activities are listed, but they are super-general – review of .. checking that ... analysis of ...testing on a sample basis ... It's hard to get a real feel for what was actually done. I was encouraged to know that the "review procedures did not disclose any matter that would lead us to believe that the information furnished on the degree of progress on the Corporate Responsibility targets for 2008 is materially misstated". To put it another way, we didn't find any major blunders in reporting against targets.

**Credibility added value: deux points**

**Telefonica 2008 report:** reporting level A+

This report has a great assurance statement – the detail included in the activity list includes **ONE HUNDRED** interviews with Telefonica people and states the purpose of these interviews - and much more. This gives me confidence that the assurance assignment was undertaken with seriousness and professionalism. It ends up with that

double-negative again – "no significant matters that would lead us to believe that it wasn't etc. ... but there is a crispness and comprehensiveness about this statement that gives you confidence.

**Credibility added value: neuf points.**

So, you know what?

**I think assurance needs to get its act together.** If the assurers aren't prepared to put their neck out and say "we believe this report is credible" then why pay them? If they aren't prepared to do the leg work and list it in detail, why bother? If their credibility added value is below dix points, when why let them loose in your organization?

**There is no accepted template for an assurance statement.** There are general guidelines but no checklist that all assurers adhere to. And no qualitative assessment of assurance statements. And the **GRI** barely pays attention to this, checking only the existence of an assurance statement, and not its quality, in order to assign the coveted + to any reporting level. **I think the time has come to establish a framework for the verification of CSR reports** that includes prescriptive format and content, much like the GRI framework. The GRI should consider adding performance criteria relating to the quality of the assurance statement. And allocation of the coveted + should be a little more rigorous.

If assurance is to move up from its current 25%, it has to add more value.  
The Wild West of assurance needs to stop.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 08:45AM (+02:00)

## Comments

- [FabianPattberg](#)

October 06, 2009

---

Great post Elaine. I also like the "Wild West" term in relation to assurance. Fits very well. :)

Fabian

## When is a CSR report not a CSR report?

Friday, October 02, 2009

**Barrick Gold Company** is a large gold mining Company operating 26 mines over loads of continents. They report extensively on their **Corporate Responsibility**. What caught my attention about their reporting, though, is that, in addition to their annual GRI A+ corporate reporting since 2002, they also produce **SITE reports**. I don't know of many companies who produce CR reports by SITE. **There are PDF download reports for each of 25 sites.**

Their sites have some great names - Bulyanhulu, Tulawaka, Turquoise Ridge, Gold Mountain and more. **(They sound more like Club Med locations than gold mines.)** I downloaded **Granny Smith site report**(reminded me of eating green apples as a kid). It's a

5 pager about Granny's mine located 950 km north of Perth, Australia, staffed by Perth-dwellers who fly to and from the mine to get to their work. This brief report covers environmental responsibility, health and safety, and community involvement. Whilst the title - Responsibility Report - sounds promising, it is really a profile of the mine with some policy and management approach statements about csr issues. Hard to describe this as a report. So i tried my luck with **Plutonic** , also an Australian mine, and what a **surprise**, same 5 pager with a couple of changes for local references. Well, i thought, let switch continents - so i looked at **North Mara mine** in South Africa, in the Tanzania region and, well, you tell me .. how many pages ? Five. What headlines ? Ask Granny Smith. Any numbers? No. Looks to me that they have a full-time copy-paster at Barrick. I gave up on the remaining sites.

Whilst i applaud Barrick for their intention of injecting high local relevance into their CR reporting, and they obviously did make some efforts to reflect local issues such as local community programs around each site, and biodiversity issues etc, i do believe we have to be careful when calling something a report when it is not a report. A little more effort and they could elevate this local reporting to include the carbon footprint of each mine, employee demographics in each mine, and community contribution and involvement in some more detail. Would this add value? Is it worth the effort? Hard to say, but the mining is a high risk business in terms of sustainability, and support of local communities and regulators is important. Perhaps this extra effort could pay off over the long term.

I thought (**did you hear that clunking sound?**) about the implications of site level reporting on a wider scale. **Actually, this is the essence of sustainability. Relevance and engagement with local stakeholders.** I have blogged in the past about global versus local (country) reporting (**localization**) , finding global reports to be such high level that locals who are most impacted by global corporations are unable to connect. Also, as any global report must be built bottom up at some point- with data and stories from each operating location - i wonder if this is not a more efficient and effective approach to reporting?

Resources, resources, i hear you cry. Who has all the resources to develop a hundreds of local reports? If you leave out all the pyrotechnical design features and cut to the chase with a simple aesthetically written but not graphically mindblowing report, a local site report doesn't have to be such a major exaggeration in use of resources. It could probably even add value in terms of local accountability. And my bet is that site managers are producing oodles of operating reports anyway. As i write, i get this sense that my suggestion won't be all that popular.. but i kind of think that one day, this will be the future of reporting. In the meantime, I send a virtual tub of Chunky Monkey to Barrick site reporters.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**  
Posted by elaine at 04:56PM (+02:00)

## Comments

- [DavidSanBenito](#)

October 07, 2009

---

Interesting posting. My two favourite companies regarding local reporting are Telefónica and Vodafone. Both companies have a clear local communication strategy. for instance, all CSR local reports in Telefónica are A+, and in Vodafone B+...

# PUMA outruns the pack in carbon footprinting

Saturday, September 26, 2009

Going for a run ? Quick jog in the park? Got a new pair of PUMA sports shoes? Know anyone who has ? Then you might be interested in the **PUMA Sustainability Report** covering 2007/2008. Even if you wear a rival brand of sports footwear, you may still be interested in above-mentioned report. Why all the fuss ? I will let them tell it:

## QUOTE from report:

*In 2008 PUMA commissioned a diploma thesis to investigate the carbon footprint of the PUMA shoe Van Slobbe Logo Lux. Taking into consideration that no universally accepted standard on carbon footprint mapping was existent, we followed the methodology of the Carbon Trust and used the software Umberto as well as the data bases Ecoinvent and Probas. Product carbon footprinting is a relatively new method. Therefore, we had to make certain assumptions for our calculations. Although inaccuracies have to be taken into consideration, **the results are quite surprising. For example, 57% of the 41 kg CO2 emitted per pair of shoes originate from cattle farming and another 37% from pig farming**. This means that the overwhelming carbon emissions of our shoe can be traced back to leather production, while transport emissions are rather low in comparison. Taking into account the erroneous or missing data, the result is a carbon footprint of 41.08 kg for the PUMA "Van Slobbe Logo Lux" shoe.***UNQUOTE**

So, now you can blame cows and pigs for the fact that your running gear is causing global warming. **Oink!**

Another interesting thing about this analysis is that several countries are involved in the supply chain of this Van Slobbe Logo Lux shoe (**couldn't they have chosen a shorter brand name ?**) This involved shipping from Cameroon, transport between Romania and Italy, shipping from China, resources in Germany and shipping from Argentina. Looks like these shoes started running long before you did!

Removing the livestock data for the leather processing elements, the key impacts are :

- \* 24.39 % derived from all transportation processes
- \* 34.69 % derived from incineration (**not sure exactly what they incinerate**)
- \* 21.33 % derived from manufacturing processes
- \* 19.42 % derived from producing electricity

OK. Stop. Pause. Chunky Monkey. Think.

**Why is all this so exciting?**

**First:** PUMA is one of the only reporters i know to have gone to such lengths to calculate the carbon footprint of their product and report it transparently. **Thumbs UP!**

**Second:** The insights from this exercise provide the basis for taking action to reduce carbon footprints and climate change effects. Indeed, they provide the basis for an industry-wide methodology and set a standard for others to follow. **Thumbs UP!**

**Third:** It provides material for a really fascinating blog post (**Modesty is a strong point with me**). **Fingers and thumbs UP!**

The next time you go running in your snazzy PUMA Van Slobbe thing shoes, remember this: cows and pigs are the reason you feel so hot and sweaty.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 07:14PM (+03:00)

## An Ode to #CSR reporting

Friday, September 25, 2009

Some people accuse us CSR Reporting pros of lacking creativity, fun, humour and wit. I **guess that's because of the really really boring CSR reports that we write year after year.** I am all in favour of dispelling this myth, and to prove it, i offer you the following Ode to CSR Reporting:

CSR is not simply a game  
Or a way to stop critics and blame  
For stakeholder support  
Just write a report  
It's your route to success and to fame

A report is a way to explain  
The csr work you maintain  
If you've nothing to say  
Report it anyway  
Don't expect anyone to complain

A CR report's a foundation  
For building trust in your corporation  
If it doesn't quite work  
And you feel like a jerk  
You can always go on vacation

Three thousand reports every year  
Show reporting is quite a sincere  
Attempt to expose  
The cons and the pros  
Of the ethics to which you adhere

You can choose to report GRI  
Indicators on which we rely  
Don't forget the index  
Of all the subjects  
No data? We'll turn a blind eye

Carbon footprint is key to disclose  
GHG's averages highs and lows  
If emissions increased  
And offsets decreased

The numbers you can just transpose

On diversity you shouldn't fall short  
Women managers you must support  
There are none on the Board  
By the CEO they're ignored  
But on that you don't have to report

If you want your report to attract  
And encourage stakeholders to react  
Make it very very long  
This can never be wrong  
Length does from the content distract

Your report of course you must assure  
Credibility so as to ensure  
But if this costs too much  
A very nice touch  
Is to make all the language obscure

Your report you should publish online  
With a swishy interactive design  
They'll think you are cool  
Over your report they'll drool  
This year, you won't need to resign

To sum up, reporting is attainable  
CSR is totally explainable  
Do not be deterred  
Follow the herd  
It's your passport to being sustainable!

**(PS: I deliberately left Chunky Monkey out of this Ode, just in case you think i am a little obsessed. Well, actually, you try finding something to rhyme with chunky monkey....)**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:11PM (+03:00)

## Comments

- [DavidCoethica](#)

September 25, 2009

---

The best CSR ode ever!

# Sustainability flies! Lufthansa reports.

Thursday, September 24, 2009

Lufthansa and sustainability in the skies. I returned today from Germany where i was presenting to a large business on Corporate Responsibility Reporting. I flew Lufthansa between Tel Aviv and Frankfurt. Lufthansa crew do not usually speak Hebrew , so imagine our surprise when this flight attendant gets on the loudspeaker and proceeds to give us the landing blurb in Hebrew. He explains that he has been learning the language for three weeks, and he rounds off with "**Maccabi Tel Aviv are the champions!**" Passengers on the flight smiled and clapped enthusiastically! (**Myself, I prefer Manchester United** ) Kinda reminded me of what i hear about Southwest Airlines. Southwest Lufthansa. This guy generated such a positive reaction, passengers loved it and will remember this small but thoughtful gesture of friendship towards Hebrew-speakers on the flight . And several will tell their friends. This is how **positive reputation** is built, not only via press-releases. Well done to this Lufthansa guy!

Pleasing to note, the tales-of-Lufthansa broadcast on the in-flight screens includes a mention that passengers can read about the airline's social and environmental initiatives in the airline's Sustainability Report. Nice touch, though i suspect that a one sentence plug flew (**bad pun!**) over the heads of most of the aircraft passengers. **But, aha!** It didnt escape me. Let's read it ....

It's called **Balance**. It's a heavyish 124 pages short and selectively covers the year 2008. It's not GRI and its not assured (**humph**) . In scanning the **ATR** section (About This Report, **for the non-pros amongst us**) , which i always do to know what's included and what's not, I noticed a rather anachronistic statement referring to the scope of the report which excludes "*third-party services, as Lufthansa has no influence either on their performance or on the aircraft operated*". Aren't those days over, when we refused to be accountable for the actions of our suppliers? Isn't it generally accepted that companies **DO** have a degree of responsibility **AND** an influence over service providers? Does Lufthansa **REALLY** mean they have **NO** influence ? And does this mean that there is **NO** attention paid to the kind of third party services are employed in the name of the German aviation giant, with 108,000 employees, 515 aircraft and a \$3 billion balance sheet? Perhaps they hadn't read their Chairman's intro which says : "*As always, we strive to convince through quality and performance. This applies to all companies within the Group, and we also bring our influence to bear on partners, suppliers and the framework of conditions in which we operate*". Nothing much else is written about the thousands of suppliers i expect supply Lufthansa with meals, equipment, spare parts, overflow flight services, paper, services and whatever else it needs to transport millions of passengers and freight all over the world. (**humph again**). But, there is **GOOD NEWS**. Lufthansa has been running the **HelpAlliance** for the past 10 years, which has supported over 60 projects supporting underprivileged children in the world's poorest countries. Passengers are encouraged to donate cash or airmiles. **Perhaps i could donate Chunky Monkey?**

elaine cohen is the joint CEO of **BeyondBusiness**, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 10:25PM (+03:00)

## Comments

- Anonymous

January 28, 2010

---

Thank you Elaine for your writing about Lufthansa Sustainability. I need this file for my paper work.

Tika  
Indonesia

- elaine

January 28, 2010

---

Hello Tika, thank you for reading and for commenting, I am pleased my post was of assistance. Don't hesitate to be in touch if I can help further in any way!  
best regards, elaine

## The catch 22 of CSR reporting and the paradox of trust

Sunday, September 20, 2009

The purpose of a CSR report is to build **trust**. By operating transparently and responding openly to stakeholder concerns and aspirations, through a "fair and balanced" presentation of the material issues relating to your organization's sustainability and corporate responsibility efforts, you build **trust**. **Trust**, so that stakeholders can hold your Company's integrity in high regard and make educated decisions about whether they want to invest in you, work for you, buy your products or services, supply to you, collaborate with you, complain about you to the regulators, approve your license to operate in their neighborhood or simply recommend you to their friends. But quite often, reports are met with **cynicism and mistrust**. Why should we believe what is written in CSR reports. And more importantly, why shouldn't we believe what's reported?

**MANY PEOPLE SAY:**

**CSR Reports are just a form of marcom or PR - self-gratifying do-gooding self-promotion.**

i.e. you can't **trust** CSR reports and you can't **trust** reporting companies. People may be right. CSR reports look like PR. They are full of superlatives and positives and superlatives (like that ? **It's a hybrid. Using one word instead of two is sustainable best practice... or practice. Less typing energy, less server power, less carbissions**).

Which is why I find it interesting that so very few PR professionals are actually involved in managing CSR communications in their businesses, or in leading the writing of CSR reports. See some examples from reports published in September 2009:

**Corporate Express Australia's 2008 report** : CSR is led by a CSR manager reporting to the CEO. There is a CSR Steering Committee with representation from all functions including the New Zealand person who reports to the Head of Marketing. But there seems to be no dominant PR or comms-related presence.

**WestLB AG 2009 report** : The Sustainability Department, which is responsible for planning, steering and controlling all sustainability activities, is a part of the Group Development business unit and reports to the Chairman of the Managing Board. Do you detect a mention of Marketing or PR in this structure ? Nope. Me neither.

**Teck 2009 Report** :The Safety and Sustainability Committee of the Board of Directors provides policy direction and monitors environmental, social and safety performance. The Corporate Environment and Risk Management Committee is a senior management committee that sets priorities and direction for EHS programs, tracks performance and measures results. No PR stuff here.

**MTR Corporation 2008 Report** : The Corporate Responsibility Steering Committee is chaired by the Legal Secretary and members from different parts of the business are on the team. Sounds pretty PR-less.

Now, in **an outstanding piece of research by Sherie Winston of Georgetown University**, in which she charts the positioning of CSR in a business, 125 CSR jobs were studied and only half had some form of CSR communications content. When hiring CSR people, companies don't look for communications specialists. *"Few are pure communications jobs, and most fall under administrative, managerial or business development categories."*

Logic might dictate that if companies were intending their CSR reports to be PR brochures, they would have PR people leading their CSR report publication. Does that make sense? I mean, in any business i have ever worked in, the Finance guy counted the profits and the IT person decided when to upgrade my laptop. So why would a PR-motivated CSR report not be led by the PR person, arguably the most competent person to produce PR content ?

Do you have kids ? What happens when someone asks you about your kids? You don't start off by listing all their bad points (**well, unless your kid is Dennis the Menace**). You don't spend all your time saying what they don't do well. You start off by saying how wonderful they are. Perhaps you might throw in the odd comment about the fact they total-logged your car again last week, but on the whole, you stay with the good stuff. They are not bottom of the class, they are 28th from the top. They are not hyperactive, they have lots of energy. Most mom's are natural PR agents for their own kids. Mom's tell the REAL truth about their kids (**my son is two rungs short of a ladder**) **only when they are with their closest family members or friends. The people who they trust the most.**

And it's a bit like that with CSR reports. **Each report is someone's kid.** No CSR reporter wants to scoop up the dirt when writing about the organization in whose success he has a vested interest. So **fair and balanced reporting is actually counter-intuitive**, requires a degree of maturity and confidence that most corporations have not yet achieved.

Actually, it requires **trust**. It requires the organization to **trust** that the stakeholders who read the report will do so with a fair and balanced mindset, and not look for the first opportunity to beat the company about the head for everything that it admits is not perfect.

and here we have it, the **CATCH 22**.

To engender **trust**, you have to **show trust** though balanced reporting. But balanced reporting is risky, as stakeholders might react negatively to anything that is less than perfect. **If you don't trust them, they won't trust you.** If you don't **trust** your stakeholders, your CSR report will always lack authenticity. Because you will always be too scared to present your Company in a balanced way.

Like mommy (above), a corporation will have greater **trust** in those stakeholders that it is closest to. Those the company has invested time in getting to know, in engaging and dialoging with. The corporation will feel safe in providing with a balanced picture to this greater critical mass of stakeholders.

and here is the **PARADOX**

Paradoxically, despite the fact that stakeholder engagement is crucial to building trust and therefore balanced, trustworthy reporting, most Companies do not pay much attention to this. We can see this evidenced in the brief one-pagers in most reports which do no more than pay lip-service to stakeholder engagement. Not many corporations realize how core this is to their entire CSR program, and to building **trust** through CSR reporting.

At this point, you are wondering how Chunky Monkey fits with reporting, catch 22's and paradoxes (**gotcha!**) . Here's the thing: I did a Free Astrology Destiny Reading on Astrology.com for Chunky Monkey , and this is part of what what is says: ..... *chunky monkey, if you are a business person, you may feel that your employees and customers (especially the loyal, long time ones) are your family and try to take care of them as such. You care about their personal lives and feel for their troubles, and can like a good mother you see them through tough times.* Get that ? Chunky Monkey is all about values and stakeholder engagement. Phew. That's a relief!

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 10:58AM (+03:00)

## 27 ways to make your CR report BUZZ

Saturday, September 12, 2009

So you wrote a CR report! Big deal! What next? Make it **BUZZ**.

The thing about writing CSR reports is that they take a helluvalotta energy. The reporting process takes months, involves many internal and external stakeholders, and creates a **reporting frenzy** in the organization which bypasses none but the most unengaged employees. In theory, that is. Sometimes reporting is an intensive process for a just small group of individuals in the organization. Whatever the format, it's intense. There's a build-up. A deadline. Many hurdles to defuse. (**is that as mixed metaphore?**) Then. It happens. You send the report to print (or upload it to your fancy new html flash mini-site for viewing by the general public) and that's it. **B-I-G sigh of relief**. Mop your brow. Stare into space and feel the release. Off to the bar for a celebratory drink. Sit back and wait for the compliments to start flowing in.

I suspect this is how it happens in most organizations. The report is a certain end in itself, an achievement to be recognized, a tangible result of months of effort, challenge and hard, hard work. Once it's done, a nicely deserved pat-on-the-back can be justified.

**Or not.**

Because the report is just a milestone . It's not an end in itself and should not enjoy splendid isolation from csr processes in the business, or from the reporting continuum. **For the day you finish work on one report, is the day you start work on the next.** So what do you do when you have published your report? Here are 27 things (**disclosure: I didn't count them. But as list journalism is so popular, 27 seemed like a good number – actually**

**I wish it was my age):**

**Public Relations:** This should start before your report is published. Prior to the report publication date, certain facts, figures and stories that are worthy of highlight can be discerned. You could plan a PR build-up to a report publication using focused teasers, so that your PR mileage starts early, publish a headline referring to some worthy achievement soon-to-be revealed in the CSR report, or respond to a current issue in the press by referring to your upcoming report. Once your report is published, you could:

- Hold a press conference
- Issue a press release to **ReportAlert.info**
- Get your report hosted on **CorporateRegister.com**
- Tweet it, Retweet it, Retweet Retweets, #FollowFriday it, #EcoMonday it, #SustainabilitySaturday it, Twitpic the cover, you get it. right ?
- Announce it on **Justmeans.com**, **DevelopmentCrossing** , **CSRwire**, LinkedIn, Facebook and anywhere else
- Get it added to the **GRI Reports list** (if it's a GRI report)
- Use the **GRI's new report announcement service** (if it's a GRI report)
- Send posts to all the available social media
- Make a short video about the report and post it to YouTube
- Put up a slideshare presentation
- Blog about your report
- Tell your friends and family
- Add a thumbnail of your report cover to all Company business cards

**Engage Internal stakeholders:** As soon as the report is published (and ideally some time prior to publication) you need to brief your employees. They need to know (a) the report exists and (b) details of the content, so that they can be effective reporting champions in their interface with all external stakeholders including customer and suppliers. There are many ways to do this:

- post a CEO letter on the corporate intranet
- hold communications meetings to present and discuss the report
- send an Executive Summary to all employees
- supply a Q&A brief for assistance in how to respond to feedback received
- share a video presentation for employees by the reporting team to be screened on company plasmas
- hold a report quiz in your intranet and offer a prize for winners.

Whatever the form of internal communication, **a key advantage can be gained by seeking employee feedback and generating dialogue, rather than just creating awareness.** Seek responses, insights, suggestions for improvement, address issues that arise, and log all interactions for your next report. Make sure your employees know what you expect of them in promoting the report.

Oh, and don't forget to **THANK the employees** who contributed to the report. Hold a report party. Order in a few tons of Chunky Monkey. A beer or two. Say thank you.

**Engage External stakeholders:** As with employees, the more external stakeholders you engage after your report is published, the more trust you will create, the more useful insights you will receive. Group your external stakeholders into meaningful categories (perhaps the ones you engaged in your materiality assessment, if you did this) and select the best way to approach them – personal letters, surveys, on-line polls, panel meetings, one-on-one discussions, initiated discussions on social media sites. Several reporters

issue a hard copy to wide groups of stakeholders (**sorry environmentalists!**) and include a feedback questionnaire. Encourage responses, offer an incentive to provide feedback, a small prize, a daily supply of Chunky Monkey until the next report, for example. Engage your business partners in promoting the report – especially those, such as customers or suppliers, who you may have profiled in the report. They can also be ambassadors for your reporting efforts which support their own PR efforts.

Whatever the form of external activity, a key advantage can be gained by seeking feedback and generating dialogue, rather than just creating awareness. Seek responses, insights, suggestions for improvement, address issues that arise, and log all interactions for your next report. **(You may have noticed I repeated that paragraph. Intentionally. Why? I thought it was important and you might have skipped it.... haha ..you cant fool ME!)**

**On-line presentation:** Your online report presentation is critical to creating awareness and generating engagement. One Company who specializes in getting your report effectively on-lined is **Nexxar.com**. See their recent **analysis of on-line visibility, accessibility and interactivity of CR reports**. This of course has to be planned and established in advance, but the benefits are gained after the report is published. Make sure you have someone in your team responsible for gathering, collating and analyzing the stats and relevant input from this process. Some reporters include an on-line survey on their HTML site, some have a forum for responses.

**Conferences and seminars:** Take the opportunity to present your report at the many many international and local conference, workshop and venues where people talk and learn about CR. Talk about the challenges in the reporting process, not just about the report itself. If you are Cadbury, and you give out slabs of Dairy Milk together with your report, you are sure to get strong interest. **(it worked with me!)**

#### **Reporting awards:**

- Enter the **CRRA Awards** if you are anywhere in the world **(it helps to be SOMEwhere)**.
- Enter the **CERES awards** if you are in the US, Mexico or Canada.
- Enter the **ACCA Awards** in the UK and many different countries around the world
- **Even if you don't win, your report gains exposure.**

#### **Ensure your report creates positive impact**

Finally, if you really want your report to be a **BIG HIT** and create true positive impact, you need to do something really creative and engaging. Here are some off-the-wall ideas:

- Ask **Madonna** to do a benefit concert called **Like a Virgin - our CR Report**
- Give a lottery ticket to each person who sends feedback and see who becomes a **millionaire**
- Get Disney to produce a movie entitled : **Mickey Mouse and the CR report**
- Ask Coca Cola to do a special edition **CR Report Coke** just for your company
- Photoshop **Barack Obama** engrossed in page 48 of your report and publish to Flickr
- Ask **Oprah Winfrey** to do a prime-time show called: **My husband betrayed me because of a CR report**
- Ask **Al Gore** to do a CR report roadshow for you called **The Convenient Truth**
- Have **Twitter** put up your CR report banner on that page which comes up 24 times a day "there are too many tweets, please try again soon"
- Wrap your **corporate Christmas gifts** to clients in pages of your report

- Create a **CR report meditation room** in your head office, and have the Dalai Lama come meditate
- Have McDonalds create a **CR Report Happy Meal**
- Create an **iphone app** for your report which places calls to stakeholders reminding them to read it
- Hide a bunch of CR reports in non-obvious places and run a **viral cause-marketing campaign** promising a modest contribution to **Oxfam** for each one found
- And **you guessed it...** Have B&J produce a special edition **CR Report Chunky Monkey** flavor with extra chunks and fewer monkeys.

And now that you know, I hope to see lots of CR reports **BUZZING** from here on in....

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:www.b-yond.biz/en**

Posted by elaine at 09:05AM (+03:00)

## Comments

- BenRichards

September 14, 2009

But Elaine - surely the report will only create buzz if it hits the spot with an intended audience in the first place...? And, as we all know, what works for one audience won't work for another... Tricky one to pull off, unless the migration from 'a report' to 'reporting' is successfully negotiated...

- elaine

September 15, 2009

hi Ben, thank you for reading and for commenting. I think the thing is that, before it can hit the spot, people need to be aware of the report. csr reports are not "news" for the media, so companies have to find ways of making sure people know its out there. Whether people find the report interesting, relevant, worth discussion ... well that's all about the content and the way it addresses things people want to hear about...

- BenRichards

September 15, 2009

Admittedly, it's a bit 'chicken or egg' - but I suppose my point is that a CSR report is rarely an effective piece of communication by virtue of the fact that they're often designed for multiple stakeholder groups (breaking the cardinal rule of communication - "know your audience"). That's the rub, I guess: do you design your report for the CSR geeks, and if you do, what do you produce for the other audiences that you want to get engaged with your CSR agenda? And what are the communication 'stepping stones' for the non-technical audiences that may have an interest in some of the heavy-duty reporting content. It's a really interesting one...

- Anonymous

January 27, 2010

The Center for Media Research has released a study by Vertical Response that shows just where many of these 'Main Street' players are going with their online dollars. The big winners: e-mail and social media. With only 3.8% of small business folks NOT planning on using e-mail marketing and with social media carrying the perception of being free (which they so rudely discover it is far from free) this should make some in the banner and search crowd a little wary.

## 8 reasons non-profits should write sustainability reports

Friday, September 04, 2009

**BSR** – Business for Social Responsibility – a leading light in the field of professional non-profits (they might prefer to be called an NGO) produced their second public report earlier this year, which you can download [here](#). I won't take up your valuable time by analyzing this report, excellent though it is. I will however express **my respect** for an NGO who adopts a policy of public disclosure and reporting.

**Far too often in the non-profit world we see a reluctance to adopt professional practices of social and environmental responsibility and transparency.** NGO's, who are often so critical of business, and who campaign businesses to improve their impacts, often feel that this doesn't apply to them. "We are promoting a social cause, why should we be transparent?" is the cry. "How better than this can you get?" is the implication. **I fail to see the logic here, of course.** All organizations, for profit, not-for-profit, for a better world or for a better environment, for better or for worse (**or for chunky monkey**) should behave sustainably. One could argue that non-profits should be **evengreatermodels of transparency** than we might expect of business. In the case of an organization whose mission is to promote sustainable business practices, such as BSR, this an absolute necessity. Similarly, one cannot fault the **Global Reporting Initiative** for not behaving with integrity. Their **Sustainability Report for 2007/2008** is proudly presented and follows GRI methodology to the letter. **The Global Compact** produces an annual report which can be found [here](#) for 2008.

**Why is it important for non-profits to report?** Is this not a duty (and a privilege?) reserved for corporations? Corporations report because they have a responsibility to account for their impacts on stakeholders, and in doing so hope to enhance trust, relationships, engagement and improve business processes to yield greater overall sustainable impact. Are these objectives equally valid for non-profits ? **Of course.** So why is reporting branded corporations only?

**I looked for non-profits who produce a sustainability report** (i excluded academic institutions, professional associations and governmental bodies from this analysis in order to focus on social and environmental cause-based non-profits only).

The UK based **World Wildlife Fund** published its latest an **Annual Review in 2008**. This is a great overview of their environmental impacts covering issues such as Earth Hour, climate change, sustainable investment and the way we all live as earth people. But it says nothing about internal procedures such as governance, budget allocations, people management, people diversity, community involvement, purchasing policy. **Governance** is covered on the website, in headline terms, and their 2008 **annual financial report** covers management , strategy, performance against targets and financial statements. All in all, a pretty good disclosure. There are gaps, mainly relating to their internal policies and decision making processes, support for human rights, human resources management and policies etc, and the fact that you have to read two reports to understand the totality of the organization's non-financial impacts is a minor inconvenience.

**Oxfam International** , another UK based non-profit which brings together 13 country Oxfam organizations, has its **2007 Annual Report** available on their website ,an

**accountability** section with some further detail and a **125 page report** assessing Oxfam's social impacts. But all this falls far short of a sustainability report. Very little on governance, ethics assimilation, the way they employ people or the way they impact on the environment. I couldnt find a number of how many people are employed by this organization. And what about their purchasing budget ? Any ethical purchasing? How do they manage suppliers ?

**Thumbs up for Save the Children**, also a UK registered charity, you can read their **Annual Report for 2007/8** - this **comes very close to sustainability** reporting with a strong section relating to internal governance and processes, people management, equal opportunity employment, disclosures related to ethical investing, risk management and more. They also have a Global Children's Panel, a kind of stakeholder dialogue process made up of a panel of 14 young people between the ages of 12 and 17 from 9 countries. 46% of the leadership team are women (**go girls!**). **A great report !!**

Enough with the UK, **I say to myself** , let's look at the USA , **I answer myself**. Fast forward to **Feeding America**. Nothing more than financial statements on this website. Yet this is a massive organisation which oversees an enormous network of foodbanks, logistics, trucks, people and more. Environmental impacts here are significant. And also environmental benefits with the amounts of food waste they avoid or reclaim . Another neat non-profit came across my radar in the form of **StrongWomen , Strong Girls**. Surely a **feminist** organization would be more transparent, right ? Wrong. Nothing, not even financial reports. Come on, girls, lets show 'em how its done. **Global Giving** is a great organization improving our society. We are treated to detailed biographies of the 22-strong executive team, and an **annual report for 2007**, which covers the projects GlobalGiving supports, but no additional details. How many staff are employed at this non-profit? How do they manage their carbon footprint ? How do they select, hire and fire people ?

**So far, i find my search for reporting non-profits to be rather disappointing**. Then i had a brainwave. **I waved back**. I zoomed off to the **GRI reporting website and downloaded their Reports List**. Of the 454 GRI reports listed as published in 2009, 9 are non-profit (one of these is the GRI itself, mentioned above.). **2 %** of the total . I had a look at one of them: **The Ruah 2008 Community Services Accountability and Sustainability Report**. , whose mission is to

*"To redress disadvantage and enhance the human spirit. Based in Australia, Ruch provides community mental health services, housing and homelessness services, and works with issues of domestic violence, addiction, employment, and family support."* **What a delightful report!!!** It is a self-declared C level report and meets the requirements for the UNGC Communication on Progress. They have 160 staff, use **Bokashi bins** for composting waste in their office locations, they have assessed their human rights compliance and developed an improvement plan, they spent 1.4% of salary budget on training, and employees receive annual performance reviews. This is an organization which is focused on their overall impact and not just the social mission which is their core "business".

The GRI has produced a **NGO sector supplement**, now in final draft form for public comment. The rationale for NGO sustainability reports is stated as : **" The public benefit nature of the NGO sector creates an additional responsibility to demonstrate that operations are consistent with the values represented."** One additional indicator for NGO's for example is the issue of ethical fundraising policies and practice.

Anyway, to sum up what has become a rather long post (**NB: Now is the time for**

**ChunkyMonkey, helps keep you focused)the 8 reasons for non-profits to engage in sustainability reporting** are similar to for-profit organizations:

1. build trust with stakeholders and manage reputation proactively
2. create a tool for structuring the process of stakeholder dialogue and engagement, and defining materiality
3. understand, manage and improve their economic, social and environmental impacts as an organization (in addition to the effectiveness of their social/environmental programs which is their "core" mission and which they currently address to some degree)
4. drive internal employee engagement
5. support recruitment of employees and volunteers
6. operate transparently - they have a responsibility to do so
7. gain competitive advantage in the fundraising war
8. ensure their own sustainability through robust internal governance, ethics and risk management practices

**All these are relevant whether the operational profits are directed to the pockets of investors, or back into the community for the benefit of all. But this sector is largely unaware and unengaged in the true meaning of sustainability and the need for transparency beyond compliance and marketing.**

This is why we decided, as CSR consultants with a mission to drive awareness and transparency, to offer one non-profit in Israel a **FREEBIE sustainability report** which we hope will start a **REVOLUTION** in this sector. **(you can't fault us on optimism!).**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:40AM (+03:00)

## Comments

- [futuremantra](#)

September 05, 2009

Nice post. It is always good to see people doing new and innovative things. I would like to suggest you a similarly innovative magazine - PEOPLE MATTERS started by an Indian School of Business (ISB)Hyderabad Alumni, which was suggested to me by a friend.

It deals with various important aspects of management, especially those related to Leadership & People Management, which the mainstream business publications often ignore.

It's also relatively cheap. I guess its annual subscription is about Rs. 400 which is even less than the cost of a standard Pizza.

Their last issue had a really educative article by Robert Kaplan (the father of Balanced Scorecard method) where he talks about how organisations can create opportunities out of current economic downturn.

I got its subscription online through their website: <http://www.peoplematters.in>

If you like the magazine, kindly refer it to others like I am doing.

Thanks

- [userj8](#)

September 05, 2009

---

For everyone interested in this specific theme I would like to suggest to look at the compilation of web resources (work in progress since 2005) located at [http://www.nfrcsr.org/international/public-social\\_economy-ngos\\_sectors/index.htm](http://www.nfrcsr.org/international/public-social_economy-ngos_sectors/index.htm)

under title: Reporting / accountability and related themes for: Social economy, co-operative / participative / social enterprises; Civil society / non-governmental / non-profit organisations

Jernej,  
publisher of nfrcsr

Elaine, congratulations for a great post, again

- [james](#)

September 07, 2009

---

Hey, landed on your blog, nice stuff. I found a cool new tool for our blogs... [www.itsolusenz.com](http://www.itsolusenz.com) It helps get latest news for our keywords directly on to our blog. I added it on mine. Worked like a charm.

- [LucieEvers](#)

July 05, 2010

---

Elaine,  
The list of GRI reports is incomplete. I wrote a 2008 GRI report (self declared C level) for a Flemish ngo called Trias, and it's no longer in het GRI list of reports. More and more ngo's are reporting or wanting to report but fall under the radar of both GRI and the rest of the CSR industry. Indeed, a long way to go still, but only financing mechanisms are put in place, so I can support those (smaller, local, not so international) ngo's who do report or want to report according to GRI guidelines.

- [elaine](#)

July 05, 2010

---

Lucie, thanks for your comment ... there are other ways to gain awareness for your report... first, your report can be looged for free on [CorporateRegister.com](http://CorporateRegister.com) .. there is a place on the site to upload the report ... second, NGOs or SME's on a low budget can make use of social media - twitter - facebook - blogs etc to generate awareness... other sites offer free publication of press releases such as [CSRWire.com](http://CSRWire.com).. we also offer a VideoReportAlert service, for a low cost we can produce a short video about your report and distribute it to thousands of online channels. And, whilst I support the GRI, not every report needs to be in line with GRI guidelines. The important thing is the desire for transparency.

thanks for reading and commenting, elaine

## How to READ a CSR report

Saturday, August 22, 2009

I regularly review CSR reports for [CorporateRegister.com](http://CorporateRegister.com). The review format is compact, ie not very long and detailed, and focuses on **Content** (what they disclose), **Communication** (how they disclose) and **Credibility** (can you believe it). It takes around 3

hours to read, understand, analyse and review a report. Even the lightest weight reports. So far, I have completed around 37 reviews, across all types of Company and in most sectors. After a while, you begin to get the hang of what to look for in a report. So, for **the 1,212,507 people who read reports**, I would like to offer some guidance as to how to make your reading experience enjoyable and worthwhile (**ok, just a touch of sarcasm there**). And for the very few people who do not read reports, this may help you get started J . At this point, regular readers will expect me to say: **"First, equip yourself with a Chunky Monkey and a really interesting report."** Ha! Ok. We'll assume you did that already. I find CSR reports fascinating – and I strongly believe in their importance and relevance in driving the transparency of businesses around the globe. So let's get dug in. **Here are some introductory insights to report reading:**

### **Start with an open mind**

It is so easy to have bad vibes about report from a Company you have bad vibes about. You know they are not really into CSR and you expect to find a whole load of irrelevance in the report. Your mind is made up, and you look to prove your point as you read the report. Well, don't. Remember that CSR is evolving in every corporation and that each Company is facing different challenges and progressing at its own pace. We can learn from each Company. Whatever the motivation or the quality, any report so better than none. Go with an open mind, evaluate on the basis of what you read, by all means do a little cross-checking , but take the report on its merits. Try to understand the context in which the report was written. **BAT**, for example. Many would claim that a Company who makes cigarettes cannot be responsible. So when their CSR report lands in your lap, your automatic reaction is WTF?!?! i.e. a teeny weeny bit negative. **@MBernhart(Michelle Bernhart of True Blue Communications) reviewed BAT's latest report** which tackles the question head on of whether a tobacco company can be sustainable. They may not be your model of sustainability, but they operate a legal business and report on some measure of positive impact.

### **People write reports, not companies**

Remember that the Company name may be on the cover, but it is people, real people who are doing their best to do a good job, who are charged with writing and producing the report. These people are doing the best they can with what they have. Sometimes, they are people who work for a totally great company with lots to report and a disposition for transparency. This makes life for the reporters much easier. Sometimes the hardest thing about writing a report is managing the internal politics. Just how much to disclose and more importantly, what NOT to disclose. Whether to tell the whole truth or just a little less than the whole truth. What to do with colleagues who do not provide data. How to present bad data in a good light and more. CSR reporters are always torn between reflecting the Company's position in a fair and balanced way, adhering to management demands and working conscientiously within reporting frameworks. By remembering that people write reports, you will be more balanced in your criticism, if you have criticism. An example is the 2008 report from **Seiko**. Sorry, but it's everything a CSR report should not be. But somewhere in Seiko there is a CSR person trying to do his or her best with the limited scope the Company allows. In reading this report, we should try to understand some of the limitations of a Company CSR reporter who has a desire to present good corporate citizenship but has not been able to make the sort of progress that supports good reporting. We should try to understand the complexities for a reporter, suspend negative judgement for a while, see what works, and try to encourage a better effort next time around.

### **Read the opening remarks by the Big Chief**

The opening remarks by the Chairman, CEO or President, or all three, are quite telling. Often regarded as mumbo-jumbo empty phrases to skip over, they actually set the tone for the report, and give you a heads-up on what you may or may not find. Often there is no substance to these remarks ("this is our CSR report for the year 2008, it describes our CSR activities blurb blurb we welcome your feedback blurb etc.") and this should alert you what you will find in the report. More blurb. If the opening remarks have substance, the report probably has too. Compare these two examples: **Delhaize Report for 2008** – the opening remarks by the Chairman and President/CEO add nothing to the report and contain the standard blurb about how great Delhaize is and how doing CSR contributes to making them wonderful. **Vodafone 2008** – here the CEO gives us a flavor of what is material to stakeholders and to Vodafone in a concise and well thought-out summary which precedes the most transparent and comprehensive reporting effort ever.

### **Choose how you read**

After the opening remarks, there are a number of ways you can go. You can keep on reading. You can look for something specific. You can go to a section of interest. **You can go for a pizza.** If the Big Chief has said something meaningful, you might want to pick a thread and follow it in the report. If you have a particular issue or prejudgement about the Company, you can dive in to see what they report about that. If something is currently topical, such as climate change, you might want to go there first. This is where an index comes in very useful. A **GRI** index is the best. Tells you exactly where to find exactly what you are looking for. (Though beware, not all that is indexed is present). But the point is, don't try to read the report as if it were a best seller. They are not written by Alexander McCall Smith (**as far as I know**) and do not make for great bedtime stories. Read the report as a report in a discerning way – its purpose is to provide a lot of information to a broad range of stakeholders. By definition, not everybody will be interested in everything to the same degree. Decide what you want to read about and go there.

### **Seek materiality**

Whilst good corporate citizenship is made up of different actions in many parts of the business, the true impacts of a corporation are the ones that address material issues, which are often related to indirect impacts. A corporation who reports on direct impacts alone has not matured to the most significant level of CSR. **Gap Inc 2005-2006** report always sticks in my memory as an outstanding report that addresses indirect impacts well. The report is called "What is a company's role in society?" How more indirect than that can you get? The report contains a good materiality assessment summary.

### **Be copy-paste and delete aware**

For all but first reports, I always check back to the prior report, sometimes several prior reports. It is hard to believe just how much copy-pasting goes on in reporting. Sometimes you can read the same paragraph year after year. Surely the point of a report is to report new stuff. Not to regurgitate. If nothing new has happened in the reporting period, leave it out. Or say why not. Often a glance at prior reports can give you a better sense of context and evolution of the company's approach, and also what they are not reporting. The **Aviva CR report for 2009** neatly omitted to report on social-benefit insurance products offerings that were proudly announced in the previous report. Clearly Aviva had not been able to meet the challenges of changing consumer perceptions and behaviours. Look at promises made in previous reports and how they are addressed in the current report. You sometimes need to assess the report credibility based on what was copy-pasted or deleted from prior reports.

### **Look for consistency (and inconsistency) in data**

If Companies have been reporting for years, they should present data in charts showing at least 3 prior years. This provides context and understanding of the measure of performance over time. Where contextual data is lacking, there is always a reason. A closer look often leads you to the answers. **Marks and Spencer, in their last Plan A report, which I reviewed here**, made no mention of high numbers redundancies despite this being plastered all over the UK press. 1,000 people- that's a lot of livelihoods and was glossed over in the CR report. Compare data, look for inconsistencies in carbon footprint calculations, see how companies spend pages talking about energy consumption reduction and carbon reduction per product, per person or per location when overall they have increased, not reduced their footprint. Look for big declarations (**we support equal opportunity**) and results (**5% women in management**). Look for the data that isn't reported. And think about why.

#### **Give feedback, ask questions, make comments, get engaged**

There is nothing worst for a CSR reporter than no reaction. All reporters want feedback on their report, even if it's negative. I regularly make contact with the reporting companies whose reports I review, if something is not clear to me, and I regularly provide feedback directly to Companies. In almost all cases, I get a positive and comprehensive response from someone who is committed to the process. The best recent example is **W.M. Morrison, the UK Supermarket chain**. After writing about issues related to product packaging, I received a long response with explanations from the Company. Similarly Aviva, mentioned above, responded to me frankly and constructively about issues I raised in their report. I could cite numerous more examples. So all of you who sit there beefing about how CSR reports are bad, worthless and even misleading – I urge you to do something about it and **WRITE** to the reporting companies. Ask, tell, demand .. and listen to the response.

#### **Give some leeway to first-timers**

The first CSR report is a real challenge. It is often written at a stage where the Company has started on the journey of CSR, but is still developing its approach. Not all data may be available. The mammoth exercise of aligning the Company in a way which fits into a reporting process is not to be underestimated. The first report requires the Company to address issues that have probably never before been discussed. Cut these companies some slack. Understand that the only way to gain reporting experience is to report. The best two examples for first timers I came across in the last year are **Jumeirah Hotel Group in Dubai** and **Central Textiles of Hong Kong**.

If you have read to the end of this post, **congratulations!** You are now qualified as an **Advanced CSR Report Reader**. Go read some reports! And don't forget that **Chunky Monkey** makes even the awfulest of reports more palatable.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 09:05AM (+03:00)

## Comments

- ACII

August 29, 2009

Hi Elaine,

I've been wanting to read this all week and finally got the chance today. Good insight, helpful guidance and, as always, I love the humor!

Cara :-)

## 33 Applications of a CSR report

Thursday, August 20, 2009

They say the best way to beat your adversaries is to get to know them. **CSR reports** have many adversaries. In an attempt to get to know them, and understand how to better position the valuable process of CSR reporting, here is a list of **useful applications of CSR reports** which I imagine reporting adversaries could have generated. Of course, you all know that **I am a strong advocate of CSR reports**, and this list absolutely does not represent my personal views. Absolutely not. No way. Not. No. Anyway, here is *their* list:

1. Build trust with stakeholders (**just in case there is a remote possibility that they don't trust you**)
2. Increase trust with stakeholders (**you built it with your first report**)
3. Demonstrate to shareholders that you are doing good things with their money (**you know what's best for them**)
4. Use as basis for recommendation a bonus for the CSR Manager (**you are the CSR manager**)
5. Expand CSR reports numbers so that we can be confident that climate *will* change
6. Use as an audition piece for Shakespeare plays (**if they can make a CSR report sound exciting, Shakespeare is a doddle**)
7. Indirectly generate business for the carbon offset industry through reporting carbon neutral operations
8. Give journalists something else **not** to write about
9. Give analysts something else **not** to analyse
10. Give marcom hotshots something else **not** to marcom about
11. Give CSR critics a raison d'etre (**the French ones**)
12. Teach Human Resources that there is more to the business than office parties
13. Provide justification for sitting around while you eat (**more**) Chunky Monkey
14. Provide case studies for MBA programs (**how to present every aspect in the business in the best possible light**)
15. Support greenwash (**everyone else bashes it , and as Loretta Lyn said: if you can't be first, or best, be different** )
16. Donate spare reports for origami classes (**works best in Tokyo**)
17. Offer as material for translation practice in language schools (**basic level, you only need around 76 core phrases**)
18. Use as an entry point into social media (**Tweet: we produced a CSR report RT : they produced a CSR report**)
19. Use to ensnare willing young graduates who don't know what working at your company is really like
20. Bundle them all together and put them in your backpack for cross country running training (**if you get tired, you can always dump them – far away so no one will know**)
21. Provide occupation for your local community (consultants, assurers, stakeholder

- panel participants) **(strong community, strong business, right?)**
22. Ensure everyone has lots of reports to fill their bookshelves **(full shelves gather less dust)**
  23. Provide material for investor roadshows **(so they won't notice the size of the executive bonuses)**
  24. Provide material for girl scouts camps bonfires **(nothing burns like a good report, except a bad report)**
  25. Help your CEO defend accusations of exploitation in your supply chain **(report that you audit all your outsourcing factories, it works every time)**
  26. Support human rights **(come on, you HAVE heard that humans have rights...)**
  27. Justify the existence of the GRI **(conferences alone don't cut it)**
  28. Demonstrate that your organization is highly creative **(distribute your report with an eco-self-destructing mechanism)**
  29. Provide material for reporting blogs
  30. Provide material for reporting blogs
  31. Provide material for reporting blogs
  32. Provide material for reporting blogs **(ok, carried away again)**
  33. Provide material for my next post: a tutorial on HOW to READ CSR reports because writing them is one thing, producing them is another, but reading them, well, that's like **eating Chunky Monkey with chopsticks** – you can pick out the chunks quite easily, but you have to work really hard to get to the true flavor.

And now we know many of the adversarial arguments relating to CSR reports, I feel much more confident that we will be able to counter these with calm, cool, clear rational justification for this important CSR process and communications tool. **Convinced ?**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:40PM (+03:00)

## CSR reports. Read or recycle ?

Wednesday, August 12, 2009

A short while ago, @Timberland\_Jeff tweeted: "Does anyone really read Corp CSR reports? Steelcase's 2009 report is very impressive: <http://bit.ly/NRQne>"

Let's leave Steelcase out of this post for the time being and focus on the question: **does anyone read CSR reports?**

Oy! How many times have we all heard this question?

And how many times have we all heard the auto-pilot response: **(altogether now>>.)no-one.**

This is usually followed by a tirade of how irrelevant reports are, not worth the paper they are written on, how they do not fulfil their purpose, and how they are greenwash, whitewash, blackwash and hogwash, end up in the recycle bin **(well, at least they are contributing to improve recycling targets).**

Now why does this frustrate me so?

- Because I am a naturally frustrated person ? **(oops, let's not go there ...)**

- Because I make a living (**kinda**) from writing reports ?
- Because my hobby is reviewing reports for CorporateRegister ?
- Because I am passionate about reporting (**it takes all kinds, right ?**)
- Does it have something to do with Chunky Monkey? (**haha! you saw that coming**)
- Or does it have something to do with the fact that I empirically, emphatically, especially, eternally, everlastingly, enthusiastically everso-ever-so believe that this (a) is untrue and (b) the wrong question. (**sorry if I have understated this a little**).

#### Who reads CSR reports?

(Clarification: Read includes reading part of the report not necessarily cover to cover – we aren't talking about Kathy Reichs, remember)

- **The people who write them** – in 2008, according to **Corporate Register stats page**, 3,336 reports were published worldwide in 2008. This follows a year on year double digit increase almost every single year since 1992. If we assume that for each report, there are at least 50 people in the Company who participate in the reporting process and read the report prior to publication, then in 2008, around 170,000 people read reports
- **The people who assure them** – in 2008, same stats source, around 28% of published reports were assured – and assuming only around 5 people on the assurance team for each report, another 5,000 people read reports
- **The report checker** at the **Global Reporting Initiative** who checks the 40% or so of reports which are GRI based – lets count this as 1,500 reads.
- **The people who evaluate reports** – there are many different services and raters of CSR reports. This includes **The Roberts Environmental Center**, excellent work done by Radley Yeldar **here** and **here**, the **CSR report analysis by Sustainability Services** in South Africa, sites such as **Zumer.com** and my fellow report reviewers at **CorporateRegister.com** ... lets assume that there are at least 5,000 people involved in this work in one form or another around the world in any given year
- **The people who vote for reports** in the several reporting competitions, the most significant being the **CRRA Awards** which are included in the 26,000 registered report readers of **CorporateRegister.com**
- **The people who tweet and retweet about reports** .... I see a quite a few each week ... let's assume they and their followers amount to 100 per week = 5,000 or so per year
- **The stakeholders** – this is an unknown quantity of course, but we can safely assume that there is a certain percentage of directors, managers, employees, customers, suppliers, community partners, social and environmental activists, journalists, analysts, investors, students, csr consultants, family members of employees, mom's of the report writers etc read at least some of the content. I will assume a conservative 300 people per report – that makes an additional 1 million or so readers in 2008. In my experience, at least this number of people read reports, based on reports I have been involved in writing or assuring.
- **Me and my team** – well, that's another half a dozen or so, depending on the month.
- **My husband** – he reads everything I write. He has no choice. He wants dinner.
- **Me.**

So all in all, I **conservatively** estimate that, in 2008, **1,212,507 people read CSR reports**. Is this a high number? Or is it a drop in the ocean. Consider it this way, 1.2+ million consumers, employees, activists, investors, analysts, journalists, managers, CSR professionals and members of the general public had an opportunity to gain new CSR insights. And maybe something good came out of some of those insights. Therefore to say **no-one reads CSR reports is W-R-O-N-G**.

Or to put it another way. G-R-W-O-N.

Now here is the right question.

**Even if we assumed that no-one reads CSR report, do they have value?**

**ONE:** In order to write a report, even the most miserable of reports, with very little in the way of transparent, clear and progressive content, the organization needs to ask itself questions. In doing so, people need to get engaged with the context of corporate social responsibility and start thinking about organizational performance in a different way. These conversations and new thoughts lead to new possibilities for CSR actions by the business. They create a CSR momentum which builds up in the organization. The process of creating the report drives changes in strategy and performance. CSR reporting is a catalyst. This really really really does happen, from my personal experience, with every single Company I have worked with on CSR reporting. So whether or not people read the finished product, most of the benefit is gained by producing it.

**TWO:** The report forces a structure around csr performance review which does not take place in any other way in standard business, financial or organizational reporting frameworks. The report ensures a core body of data about the Company which supports target setting and tracking of data year on year. Often, the fact that the report requires some form of future promise is enough to drive the organization to commit to improvement targets. The fact that csr targets are stated in the report is a commitment for all external stakeholders to hook up to, and which the organization feels obliged, once having publicly declared its intention, to uphold.

**THREE:** The report is a management tool for monitoring and evaluating performance in a consistent way. It forces data flow processes in the organization. Some reports even include the names of managers responsible for actioning certain projects as a way of reinforcing engagement and commitment by those Managers.

**THREE and a HALF:** You will note I don't list all the other reasons reports have value – transparency as a goal in itself, reputation building, employee engagement, encouraging trust with stakeholders, setting standards for other companies etc. All these are valid. But there is little data to prove their efficacy.

A word about **other ways of disclosing csr information** – a report is one tool in a corporation's total spectrum of csr communications and should not be the only one – there are many fine examples of corporate transparency via websites, stakeholder dialogue calls **a la Timberland**, meetings, investor briefings, participation in csr conferences, interviews in newspapers, journals, magazines and participation in social media such as **JustMeans** and **Development Crossing**, Facebook, Twitter and more. A report is a snapshot of performance and we should avoid seeing it as the sole mouthpiece for CSR disclosures.

To sum up, if you didn't get it, people read csr reports and csr reports have value. That's it. People read csr reports and csr reports have value. I am not paranoid. People read csr reports and csr reports have value. Not convinced? Repeat after me. People read csr reports and csr reports have value. I'm just stating facts. Grit your teeth, take a walk in the sunshine, grab a Chunky Monkey and, if you are not one of the enlightened 1,212,507, reach out for the nearest report and take a look. You might just get addicted  
.....

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:46AM (+03:00)

## Comments

- Anonymous

August 13, 2009

Hey Elaine, thanks for the shout out!

Ben at Radley Yeldar

- elaine

August 13, 2009

hi ben, my pleasure, your analyses are outstanding... look forward to more :) elaine

- Anonymous

August 24, 2010

Recycle. CSR reports are NOT read--nobody in the real world cares (ask yourself, when did you last see anybody outside the company with their nose in one? Ever?). Investors don't get beyond the cover. They are a stupefying waste of manpower, time, and, yes, resources--CSR reports are bad for the environment. If you must produce one, it should be five pages long max and consist mainly of tables with the names of the nasty chemicals your company spews out. Anything else is PR dressed up as social concern.

## Why go paperless when you can have crap?

Tuesday, August 04, 2009

**Warning: This post is not for the offensive-languagely sensitive**

**What do wombats, kangaroos and sheep have in common?**

1. they have all survived the global financial crisis (so far)
2. they all sleep standing on their heads
3. they all produce **shit** from which specialty paper is made
4. they all devour Chunky Monkey when given the chance

**And the answer is:errrrrrrrrr. yes. it .....is.....(3). and (4)**

Sustainability in the paper industry has now reached an all time high. Or should I say low. The most environmentally friendly version of paper to hit our Shaeffer nibs is made from the excrement of our friends in the animal kingdom. **Roo Poo Paper** made from Kangaroo dung is a major innovative leap (**pun intended!**), **Wombat paper** made from the droppings of this furry Australian marsupial is contributing to the health of the Australian economy, and **Sheep Poo Paper** is made from super-fresh sheep feces, collected with care from the rural Welsh mountainside. You can even pre-order your **Reindeer Poo Paper** as Christmas gifts for all your loved ones! (**Darling, here is a gift to remind you of me. A piece of shit . But it comes in handy if your copmputer is broken**)

So what is this fixation of paper makers with.. err ... crap ? And more often than not, **CSR reports are accused of containing crap rather than being printed on it.** I thought I would just check what CSR reports are actually printed on, to see if this innovative crap technology has reached the most advanced of reporters.

**Novo Nordisk's annual report for 2008** is printed on paper from recycled fiber, from well managed forests and controlled sources.

**General Electric 2008** report is made from 100% post-consumer waste recycled FSC-certified paper. The emissions from the electricity used to manufacture this paper are offset with credits from windpower projects.

**Coca Cola 2008** is printed on FSC certified recycled paper from mixed sources from well managed forests, recycled wood or fiber

**ArcelorMittal's 2008** report is printed on ECF (Elemental Chlorine Free) and FSC certified pulp from well-managed forests and printed using vegetable based inks.

**State Street Corporation's 2008 report** is not printed or paper-type not disclosed (**could it be crap?!**) **BAT's 2008 report** is FSC certified and CarbonNeutral®. The paper used Revive 50:50 Silk, comprising 25% post-consumer and 25% pre-consumer waste, and 50% virgin wood fibre sourced from well managed forests independently certified according to the rules of the Forest Stewardship Council. And its recyclable.

**Vodafone's 2008 398 page mammoth report** is not printed but the very very very short **25 page summary report** is printed on FSC Certified Revive 75 Silk, manufactured in the EU at mills with ISO 14001 accreditation and comprising 50% de-inked post-consumer waste, 25% pre-consumer waste and 25% virgin fibre. Printed in accordance with the ISO 14001 environmental management system using vegetable-based inks.

Well, as you can see, I scored a duck. **Leading CSR reports are not (yet) printed on crap-based paper.** What can we do to encourage report producers to adopt this new sustainable shit technology? Perhaps we could make a real-time video of kangaroos, wombats and sheep producing their raw material ? Perhaps we could parcel up a load of wombat nuggets (**that's what they call original wombat droppings**) and send them to leading csr managers with a letter on crappy paper entitled: **Please print a crap report.** hmmm. Maybe some of them already got that letter....

But seriously, **how do reporters select the paper for printed reports?** And more importantly, I wonder if this super duper FSC-certified-post-pre-recycled-consumer-waste-carbon-offsetted-de-inked-non-virgin-wood-fibre-everything-sustainable paper that is used for reports is used for any other printed materials in their business? It seems to me that the **height of csr hypocrisy** would be to print the csr report on this special paper and everything else on regular un-FSC un-everything un-sustainable paper. Just a thought.

Anyway, I am now going to write tomorrow's to-do list. Let me go get a sheet of that crap-type paper. Or to put it another way, I 'm going for a cr\*\*p.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 10:10PM (+03:00)

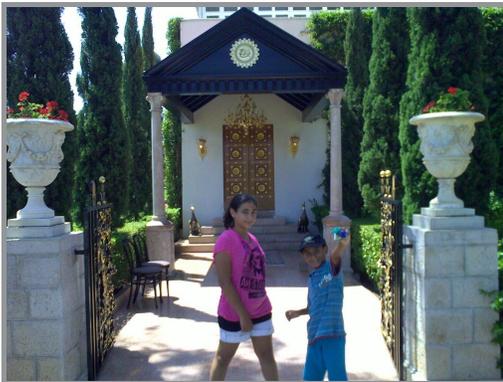
## Bahai CSR activism

Sunday, August 02, 2009

Did you know the Bahai faith are CSR activists? During our short vacation last week, we visited the Shrine of Bahá'u'lláh, the founder of the **Bahai faith**. This Shrine is just a short ride away from the ancient city of Acre, and is a breathtaking pocket of peace and tranquility in the midst of bustling urban surroundings. We enjoyed the picturesque gardens and a shoe-less silent visit inside the shrine. We learnt about the religion and its 6 million followers.



The Gardens



**The Shrine(oops, my kids got in the way, sorry about that!)**

Bahá'ís believe the crucial need facing humanity is to find a unifying vision of the nature and purpose of life and of the future of society. The key teachings are that all humanity is one people, that **men and women are equal**, and that all racial, national economic or religious prejudice should be overcome, and that economic problems are linked to spiritual problems. Actually, it was the **gender thing** that caught my eye (**go girls!**) . The Bahai make equality a core tenet of their faith and act to promote the advancement of women for social and economic reasons. I noticed that the Bahai, through their non-profit organization, are very active in advancing a range of social and environmental causes. And then I saw the **Bahai European Business Forum** whose mission, under the banner of "people inspiring responsible business", is **To promote ethical values, personal virtues, and moral leadership in business as well as in organizations of social change**. Sounds like CSR to me! **Here** is a publication on CSR by the European Bahai Business forum produced as early as 1997. And Bahai bloggers do a great job **here**. So I got to thinking

that the Bahai ought to be producing a CSR report. And lo and behold, I find they have produced an annual report, available on line since 2001. **Here is the 2008 report.** Whilst it is not **GRI**, or designed in the familiar structured way of CR reports, it is certainly an account of the impacts of the Bahai business forum in a kind of triple bottom line sense and a transparent view of the activities of the Bahai business activists in researching, discussing, participating and partnering the responsible business initiatives, gender equality and human rights causes.

And the Bahai recipe of csr with tranquility, humanity, equality, inclusivity and ice-cream (ok, the ice-cream bit is my contribution), it seems to me that religion and business can actually have a positive impact.

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:www.b-yond.biz/en**

Posted by elaine at 07:45AM (+03:00)

## chunky #csr monkey and more!

Saturday, July 25, 2009

I am positively trembling with excitement. I **just** noticed that Ben and Jerry's have published a **preview of their 20th SEAR report** for us Chunky Monkey guzzlers and other stakeholders (to keep us busy while we consume more pints). They maintain that their Social and Environmental Assessment Report is not quite ready, and that the full Monkey will be available by mid-summer. Hmm. Today is 25th July. Wonder which hemisphere they are referring to because in mine, at 34 deg and 65% humidity, either mid-summer is here already or my hot flushes are due to menopause. A quick look at the preview tells us that the **B&J team held a first ever Social Mission Summit** in 2008 and agreed on three goals:

1. Use our Company to further the cause of Peace and Justice
2. Harmonize Our Global Supply Chain and Ensure its Alignment with Our Values
3. Take the Lead Promoting Global Sustainable Dairy Practices

What's new? I hear you ask (**always did have ears like an African elephant**). Well, new Fair Trade **Chocolate Macademia flavor** for a start. Wow. Sounds positively ultimate. Will it beat Chunky Monkey in the B&J league? But B&J are not the only ice-creamers to go for FT ice cream – **M&S, Tesco, Sainsbury** and more all do it, and there is even a novel kind of Fair Trade in ice cream in the UK – **a pint of ice cream in return for a pint of blood**. That's a great incentive.. wonder if they limit the number of pints you can trade in a day? (**I would just hook myself up to the machine and have both directions working simultaneously– blood out, ice cream in**) Additional entries in the B&J soon-to-be-born SEAR report will include certified humane cage-free eggs, greener cleaner freezers based on non HFC technology, support for sustainable dairy farming and a campaign against cloned animals. But hey, why sit around and wait for the B&J report. I had a look for other Ice-cream reporters.

This is what I came up with:

**Velvet Ice Creams** – they don't report but they do support the fight against breast cancer

**Mackies Ice Cream** – they don't report either, but 70 people and 500 cows do what they can to save the planet

**Cotswold Ice Cream** - another non reporter but sure looks tasty! Fair trade ice cream from

kindly Friesian cows

**Haagen-Dazs** – runs a **program to save honey bees** - buy a carton, do the bee disco-dance, save a bee. Bzzzzzzzzz. But Hagen Dazs is now owned by General Mills , and their **CR report for 2009** includes a mention of the Haagen-Dasz plant which uses wastewater derived methane to power the plant. Hope that doesn't put you off your most sweetly romantic and richly satisfying Dulche de Leche flavored moment of indulgence.

**Baskin Robbins** – have community plastered all over their "about" page and clearly delight in Educational Outreach Programs and ice-cream social fundraisers for a range of good causes. No CR report tho.

Unilever (who own Ben and Jerry's) and Nestle are leading ice cream makers and they are regular reporters, and even socially conscious **Starbucks is into the ice cream business** with a range of coffee-flavored offerings.

No doubt there are more, but all the above just goes to prove **what a socially oriented business ice cream seems to be**. So the next time I devour my Chunky Monkey(s), I will take great comfort in the fact that **I am doing the world so much good**.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 02:29PM (+03:00)

## Can you speak CSR report?

Thursday, July 23, 2009

Inspired by post on Twitter : RT @MBernhart via @BSDConsultingCL funny consultant-speak : <http://tinyurl.com/knwrzy>

The author of the tweeted article highlights jargon such as "sandboxing" ideas, "iterations", "bus theory" for what happens if you get hit by a bus, and "socializing" ideas as a term for discussing them with clients. I have now gleefully added all these to my repertoire (**I mean, when in consultantland... right ?**)

**I decided to see who speaks CSR report.**

- **Creating value:** This means making profit. Making profit means someone bought your product. In this way you created value for them.
- **Eco-friendly workplace:** All the windows are locked so as to conserve air-conditioning efficiency
- **A challenging period:** The most significant financial crisis since the Wall Street crash
- **Sustainable product responsibility is a complex task:** No data reported
- **We maintain dialog with a wide range of stakeholders:** We conduct employee and customer surveys once a year
- **We are committed to a diverse workforce:** Some of our managers are women
- **We are committed to employing more women in senior positions:** Very few, if any, of our senior managers are women
- **All our operations are carbon neutral:** We have purchased loads and loads of carbon offsets
- **We work closely with our suppliers to help them manage their own impacts:** We ask

them if they obey the law or pollute the environment (but we do not necessarily listen to the answer)

- **Investing in communities is an integral part of our strategy:** We donate money to charitable causes to inflate end-year budgets
- **We are committed to managing our business transparently:** This applies to information already in the public domain
- **As part of our efforts to save the planet, this report is only available on- line:** We ran out of budget for printing

and let's not forget the all time classic: **our employees are our most important asset ....** (I won't even comment on that one!)

There are many platitudes and standard report jargon in sustainability reporting. Sometimes it's frustrating and erodes trust. Sometimes it's hard to avoid as it represents a genuine management approach which is difficult to express any other way. Reporters must take care to ensure that the jargon serves to reinforce substantiated advancement in an aspect of csr practice, and is followed thru with performance data and relevant examples.

Now that I have iterated all of that, and socialized this idea with you all, I would just like to offer a **quick method for creating standard report-speak** (cannot recall where I got this from years ago)

0  
balanced  
Management  
contingency  
1  
total  
Organization  
Hardware (or software)  
2  
integrated  
reciprocal  
projection  
3  
compatible .  
monitored  
time-frame  
4  
synchronized... .  
digital  
concept  
5  
optimal  
modular  
programming  
6  
responsive .  
transitional  
mobility  
7  
functional

Incremental  
capability  
8  
parallel  
third-generation  
flexibility  
9  
systemized  
policy  
options

Just select any three-digit number; then use the corresponding words from the above grid, e.g: no. **664** and **506** : We adopt a **responsive transitional concept** with **optimal management mobility** for embedding gender mainstreaming in our business  
**This will guarantee that your report will be so full of meaningless phrases words that stakeholders will believe everything you write.** A little like talking consultant, right?

(Regular consumption of Chunky Monkey is a helpful antidote to uncontrolled use of jargon. Not gonna sandbox that!)

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 07:06PM (+03:00)

## Comments

- [MichelleBernhart](#)

July 23, 2009

---

Oh, Elaine, this had me really laughing. And the funniest part is, I don't think report readers are fooled by any of these standard phrases. You and I may write these things for a living, but we're not the only ones wise to them. Thanks for a brilliant post.  
~Michelle

- [Matthew](#)

July 23, 2009

---

Love the post. Would love even more a follow up post as to what each of these "SHOULD" mean.

Great consultant decoder ring - I'll have to remember that one.

Matthew Rochte, LEED AP  
CSR/Sustainability Consultant  
<http://www.OpportunitySustainability.com>

- [elaine](#)

July 24, 2009

---

hiya michelle and matthew .. glad i made u laugh ... on a report i recently worked on with a banking client, we spent hours scouring our texts to eliminate all the report-speak sentences (happy phrases!) and leave only those with meaning. That was a tough exercise! elaine

Great list - I think I'm going to have to forward to all my clients. I'm very impressed that you work with a bank that was open to having all the report-speak - how very progressive of them!

You're clearly a kindred spirit, so you might enjoy my post on 30 words that should be banned

<http://www.daccreative.co.uk/goodcopybadcopy/2009/07/24/thirty-words-you-need-to-stop-using-today/>

## First class travel for CSR reports

Sunday, July 19, 2009

CSR is reflected not only in the multimillion \$\$\$ investments in climate change, employee work-life balance programs, cause marketing creativity, community empowerment and all the other wonderful things I take note of in the masses of CSR reports I read and review. CSR is also reflected in the **little** things that happen in the business. It's the measure of thought which goes into every action that employees take.

CSR evangelists might call this **embeddedness** .

CEO's might call it **alignment**.

Human Resources Managers might call it **culture**.

In this particular case, I call it **common sense**.

I am referring to **first class travel conditions for a CSR report**. Below are photos of the packaging used to transport **one CSR summary report** of 22 pages to my office from a European location.



Enough said?



elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at:[www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 05:43PM (+03:00)

## Comments

- [AleksandraDobkowski-Joy](#)

July 22, 2009

---

Hi Elaine,

I noticed that you did not name the report sender in your post...

Eliminating excess packaging seems like such a no-brainer to me, but when you speak with companies about specific instances, too often the response is "we weren't aware of that"(really?) or an excuse that there are some arcane shipping or branding requirements in place that prevent rational transport.

I think photos are a brilliant means to bring attention to the issue!

- Aleksandra

- [elaine](#)

July 24, 2009

---

hi aleksandra, thank you for commenting. yep.. i agree with you that most often, people just aren't aware .. which reflects the difference between an organization that has truly embedded a csr culture and ones where the main efforts are in the hands of a few.  
elaine

## Lower carbon intensity – yeah, right

Saturday, July 11, 2009

I am no environmental expert, but I shudder every time I read CR reports by businesses that they are bending over backwards to reduce carbon emissions and extolling the praises of every single carbon-emission-reducing project, and in the next breath we read

that their absolute carbon emissions have increased. **Am I just naïve or is there something wrong with this system?** Do all these businesses who are growing and increasing their carbon footprint year on year think they are positively contributing to climate change just because their emission levels per store, per truck, per refrigerator, per hamburger, per trip, per cup of coffee, per banana, per printed CR report or per pair of underpants is less than it was a year ago ? I mean, who do they think I am? Dumbo? **(ok, they're not sooo far off). Who are we kidding here?**

Take a quick look at **Tesco** in the UK. 2009 CR report. This sentence: *Over the past year our net sales area grew by 16.4% while our carbon footprint increased by 3.7%. This means we cut our carbon intensity by 10.9% year-on-year.* I did a little research. In the last two years their sales area has grown by 16.2% % and carbon emissions increased by 14.7% . This is almost **no carbon intensity** reduction. **Who cares about carbon intensity anyway?** We should care about **absolute emission levels.**

OK, so who else?

**IKEA** provide a comprehensive breakdown of total carbon emissions in their latest CR report for 2008 and show that carbon emissions have **INCREASED YEAR ON YEAR EVERY YEAR** for the past 4 years. But here is how **IKEA** present this: *"The total amount of carbon dioxide emissions directly related to **IKEA** operations increased in FY08. However, in relative terms, the development is positive. When one examines carbon dioxide emissions per total products sold, we see an overall positive improvement compared to FY05. "* Positive ? Is "relative" going to save the planet?

One more:

**DANSKE BANK.** Carbon emissions increased from 54.1 to 65.2 ktons 2008 vs 2007. An **increase of 20%** and from 2.9 to 3.5 tonnes per FTE. In a section entitled "Continuing to improve our impact" and full of green jargon such as "towards a low-carbon future" , "carbon neutrality" and "1 tonne less" campaign" , the actual results of all these words and efforts is exactly opposite.

CR reports are very valuable for assessing carbon management performance. I applaud all the above and thousands others who report, and who are making efforts to support climate change. But the focus has to shift from words to **clear decisive actions** which result in **absolute lower carbon emission levels.** Sadly, we are still caught up in the intensity of it all and cowering behind the relativity of ghg statements. **Maybe we should be relatively more intense and focus on relatively more results?**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 11:45AM (+03:00)

## Comments

- Lucia

July 11, 2009

---

This is a very good point. I've often thought about this discrepancy as well. The main explanation is there is no way you can have economic growth (=increase in output, jobs,

etc.) without increased use of resources. I do wish we figure a way. And soon.

- Lucia

July 11, 2009

Here is another blog post about the same dilemma with an example from Wall-Mart. The comments are interesting. <http://www.marcgunther.com/2009/06/23/wal-marts-big-problem-climate-change/>

- Marlys

July 11, 2009

I understand what your saying and the IKEA example is really annoying, but this situation reflects the fact that we are in a transition and some companies are doing better than others in actually reducing absolute levels. The intensity measure is a valid one and to the extent it can be reduced that is good, but those very reductions can then be overwhelmed by regular growth. Given we are not in a major recession, it is unusual to think that market growth is enough to neutralize the reduction in carbon intensity measures.

A company must articulate a coherent strategy for reduction over time and show that they are seriously integrating this strategy into their operations. IKEA is not that kind of company apparently. A recent NPR article was not complimentary of this company. The carbon intensity measures help to rank on a relative basis how companies are doing, which is helpful for investors to look at, since it is impossible to avoid companies who have emissions. A good db to look at emissions as well as strategy is the CDP (Carbon Disclosure Data) where companies need to articulate their strategy, not just quantify year over year emissions changes.

I appreciate the examples you put together.

- elaine

July 11, 2009

thank you Lucia and Marlys for reading and for your good comments. i find it hard to accept that one cannot grow business without increasing absolute emissions. The baseline is so high that it should be possible to reduce the baseline whilst expanding operations so that overall totals are at least maintained if not reduced. There are some leaders - take this quote from the Intel 2008 report, for example:

Since 2006, Intel has been a member of the EPA's Climate Leaders program, an industry-government partnership working to develop strategies to reduce overall climate change. In conjunction with the program, Intel set a goal to reduce our total worldwide greenhouse gas emissions by 30% per unit of production from 2004 through 2010. As of the end of 2008, we were on track to meet this goal, having reduced emissions 40% below 2004 levels on a per chip basis. In 2008, we set an additional goal to reduce the absolute carbon dioxide (CO2) impact of our operations 20% below 2007 levels by 2012; we are currently on track to meet this goal as well.

I am sure there are many other examples like this. Let's hope there will be more.

Thanks again for commenting.

- Galit-LynnStiklaro

July 13, 2009

יימדוק ומכ בותכאו ביגא אל ינא, בוט  
ןיינעמ דואמ טסופ תבתכש רמוא טושפ  
(: אורקל יתחמש)

- elaine

July 13, 2009

תילג ייה  
הבוגתה לע הדות

תארקש יתחמש  
תירבעב יל הביגמש הנושאר תא  
םיירוקמו םיפי דואמ ךלש םיבוציעהו רתאה  
ייליא

- GalitLynnStiklaro

July 20, 2009

הנושאר תויהל החמש  
תואמחמ לע הבר הדות

## Localization - the Next Big Thing

Thursday, July 09, 2009

The Next Big Thing in reporting is **Localization**.

Led by the **global giants** of #CSR (# signifies i have become a twitterer, and am now compelled to #tag #everything as i #write) , the concept that producing one annual, all-embracing, total coverage, general, global CSR report by MNE's (Multinational Enterprises) is inadequate to reach the hearts and minds of local stakeholders, is gaining momentum. Spurred on by the desire to reach out to those closest to the local hubs of activity, the **Localization Leaders** are illuminating the way for other MNE's to follow. **Who are the Localization Leaders?**

**Intel:** Intel now produce a variety of local reports to serve local stakeholders. You can even read how Suzanne Fallender describes Intel's approach "**Many people continue to criticize CSR reports for being too long, detailed and boring for most stakeholders to read. When you combine that sentiment with the challenges of explaining your corporate responsibility performance in multiple languages and cultures and your impact at the local level, it is clear that one size does not fit all.**"

Take a trip to **Israel, Russia, Ireland, Europe or Middle East Region**.

**Vodafone:** You just cant top Vodafone. Check out their **download page** - 13 superb looking local CR reports in addition to the global report. From **Portugal to Italy**, and **Malta to New Zealand**, Volafone are **master localizers**.

**Telefonica SA** are **excellent localizers** too. **They published 17 CR reports in 2008**. A wide range of Latin American Telefonica subsidiaries published only in Spanish, but i guess thats ok, verdad?

**General Electric** are **partial localizers**. They translate their global report into **several languages**. If they used their (eco)imagination a little more, they might realize that adding a little local content would make for a more relevant report.

**Motorola Inc** is a **local localizer**. They publish an **excellent report in Israel** (disclosure: I assured it!) but I believe this is their only **localization** effort.

Then there are several **pseudo localizers** - those who add it little tidbits of local color into their global report. There are many companies who do this. This just gives us fragmented impressions of local impacts, and usually only the nice, bright colors.

So what about all the rest ? I can hear the big sigh of relief when a global report is published - phew! that's that for another year! - but surely the core aim of reporting is to

**engage stakeholders?** And to do this by telling them stories about the work life balance of employees in another hemisphere is not all that engaging. Further, how do you write a global report? Bottom up or top down? There has to be local input into a global report - so formalizing this and creating a localized disclosure requirement - however minimal - is actually good basic practise for ensuring a balanced and representative global effort.

If you are a local stakeholder of an MNE operating in your country, demand to see their local report. Chances are they aint got one yet, but just in case they do, remember the words of that wonderful woman, **Maya Angelou**, who said: **Ask for what you want, and be prepared to get it.** Or something like that. I think she was referring to Chunky Monkey. But it could also apply to CR reports.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 05:55PM (+03:00)

## Comments

- [FabianPattberg](#)

July 10, 2009

---

Thanks for this excellent post Elaine. I really enjoyed reading it. Very useful localization information. I absolutely believe that this is one trends in the CSR reporting area at the moment.

- [elaine](#)

July 10, 2009

---

Thankyou Fabian, always appreciate your comments. Glad you connect with this thought. Just this last week i talked to a local operation of a global company here and the reaction was: if i publish a report, what will i get out of it? They just have no idea of why it could add value..... we have a lot of work ahead ... elaine

## Report, Review, Retweet

### Tuesday, July 07, 2009

**Report Reviews:** here is a selection of the recent CSR report reviews that have been penned (**keyboarded ?**) by yours truly and appear on **CorporateRegister.com**. In reverse order (last published first).

**Wal-Mart 2009:** Did you know that Wal-Mart saves the average American household the sum of \$3,100 per year, whether they shop at Wal-Mart or not! This, and more interesting insights in the review, or if you have the energy, **the report itself**. Careful, though, if you are looking for anything other than good news, best go to **Wal-Mart Watch !**

**Marks and Spencer plc 2009 :** Plan A, 100 commitments, 49 pages. You all know that Plan A is the Ultimate Plan. "because there is no Plan B". Notwithstanding (**dont you love that word ?**) , this review suggests that Plan B could come in quite useful to address those aspects of M&S activities which fell thru the Plan A cracks. The report can be viewed **here**.

**Jumeirah Group 2008 :** A first report by this hotel and resorts group in Dubai which

succeeded in producing a charming report albeit a basic self-declared GRI C level. **(that's CRspeak for CRfreaks)** . A key area of materiality for this company is Emiratisation, given the 162 locals employed in a total of over 10,000 personnel in Dubai. **View the report here.**

**Barclays plc 2008** : Bit of a disappointment this time around from Barclays whose Chief Exec describes the most significant financial crisis since forever as "distracting". However, the report contains positive content though there are some reporting GAPS. What are they? You can work them out for yourself or read the review. Want the whole report ? **Here.**

**Aviva plc 2009** : How does an insurance company incentivize consumers to behave sustainably? Tough question. Another tough question is what happened to 3,000 missing employees? Read my review or try to locate the answers yourself in full the report **here.**

**Hennes & Mauritz (H&M) 2008:** Seriously successful fashion company with 76% of women in management positions. What can be wrong with that !? But still, I say, H&M needs to come off the fence. How ? Check out the review or read the report **here.**

You can also check out reviews by respected colleagues :

**HSBC 2008** and **Motorola Inc 2008** review by Michelle of **True Blue Communications** and **Total S.A.** by Zoe of **Context.**

Whew! That's a lot of reviews. And a lot of questions. So clear your desk, order in the CM's (**Chunky Monkeys, but you know that by now, right?**) and seek the answers.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 04:04PM (+03:00)

## Are you a health-risk ? \$100 to find out.

Monday, July 06, 2009

I visited **Chloregy.org** and went straight to the **Reports and Awards** page. This headline caught my eye: **Texas Health Resources Recognized by National Business Group on Health as Leading Employer Promoting Healthy Lifestyles for Employees** .63 employers were awarded prizes for encouraging employees to adopt a more healthy lifestyle. Texas pays them to. They have a wellness program, called Be Healthy, which promotes awareness, healthy lifestyle choices, and disease prevention. ***Each year, employees are invited to complete a health risk assessment and are given a \$100 award for doing so. Additional awards are given for getting a physical, lab panel, various health screenings, or for taking a stress assessment.*** With 18,000 employees, if all opt in, thats an investment of \$1.8 million and more, depending on how many choose to do a full physical or feel particularly stressed. **(I have to say, i wouldnt mind someone giving me \$100 every time i went to the see the family doc).**

I **wonder** what happens once employees take the risk assessment and what ethical questions this poses for the organization. Do employees waiver right to secrecy and disclose the results of their risk assessment to Texas? Is this a precondition for getting

the prize money ? And if so, what consequences could this have on their continued employment? No doubt that by any standards, its better to face up to the risks than ignore them, but **do i really want my employer knowing the exact location of all my warts and the BMI effect of lask weeks 4 Chunkey Monkeys?**

**I also wonder** what happens if the assessment shows that there is a real risk ? Does the employer have some obligation to support the employee in his or her plans to address these health risks? And what form does that support take?

And finally, **as i am doing so much wondering**, I will add the point about effects of the risk assessment on the employee's performance, motivation or future potential in the workplace. And the implications for her/his next salary review.

Now, **Texas Health** dont produce a **Corporate Reponsibility Report** and there is nothing on their website about this.(**Mantra no 6: Transparency is a Virtue**) So i to continue to **wonder**. (**fortunately, being a woman, i am a great multitasker, so i can wonder and do 14 other things at the same time**) .

This is an interesting issue, and one which **i wonder** about as i review responsible employment practices for clients, especially those inthe pharma or healthcare industry. Healthcare is their core business proposition, so one would expect that the employees of such an organization would gain some benefit through the internal application of CR material issues. And this is beyond the **responsibility of employers to provide a healthy working environment** and even the **"enlightened self-interest" of employers through investing in healthy a workforce**. I wonder if \$1.8 million in annual health risk assessments exceeds the potential costs of employees living unhealthy lifestyles ?

Finally, well done to **Texas Health**, despite my trademark flippancy, i do applaud the intent to encourage employee wellbeing, and see this as a good example for others. As i am self-employed, **i wonder** how much i can afford to pay myself to do a health risk assessment. And if i should reveal the results to myself or not.... hmmm... tough question

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel . Visit our website at:www.b-yond.biz/en**  
Posted by elaine at 08:10PM (+03:00)

## You dont have to be BIG to do CR

Saturday, July 04, 2009

**I often hear questions about whether CR is relevant to SME's.**

**I often hear criticism that UNGC participation is not a powerful driver of action** as it has no enforcement clout. My position of course is that **CR is absolutely relevant to SME's** and the **UNGC is a very significant framework which is changing corporate behaviour**. And i found a **perfect example** with a Communication on Progress (they actually call it a Social Responsibility Report) issued in the Republic of **Moldova** .

This Moldova COP is from the SME **PTCBIOPROTECT** . Read it **here**. It is a 12 pager Communication on Progress reporting on activities in alignment with the **UN Global Compact Principles** and a charming and wonderful example of **leadership** in a small country known as the poorest in Europe, independent since 1992, with 4 million inhabitants and a GDP of around \$1200 per capita, average wage \$250 per month, and 25% of the polulation living on below \$2 a day . Landlocked and devoid of any significant natural assets, this country depends largely on agriculture for its economic prosperity, so

perhaps it is no coincidence that CR should show up in the agricultural sector.

**PTC Bioprotect** is an importer-exporter of agricultural products founded in 1993 and employing 28 people. They joined the Global Compact in 2006 and have embraced the 10 principles wholeheartedly. Their report is about **small-scale impact** in their local business environment - worlds away from MNE scale and leverage - but **equally important**. The kind of impacts reported are :

- support for **130 orphans** in the town of Falesti with Easter gifts such as " sweets, sports equipment, towels, A4 format paper, bags and ribbons."
- support for **15 students** to attend an International Conference on Chemistry, Chemical Technology and Environmental Protection
- sponsoring a **prize for entrants** in National Contest of Business Plans for Young People, 2008
- participation in the International Program on the Elimination of Child Labor (IPECL) of the (ILO) to combat child labor in the agricultural sector of the Republic of Moldova by financing the purchase of **two digital cameras** and two Micro SD cards that were sent to the Labor Inspection to be used in the documentation of child labor cases.
- collaboration with other 12 Moldovan UNGC participating companies to expand the green sites to the leisure areas in the city – THE GREEN DAY – BECAUSE WE CARE - in the public garden from Botanica sector of Chisinau. In addition to personal volunteering, the Company provided **26 shovels, 42 rakes and 108 pairs of gloves** for the execution of works of cleaning and digging around the trees.
- focus on **agricultural product** offerings which are more environmentally friendly
- support for the national **campaign „You can stop corruption”** organized by the Government of the Republic of Moldova

These impacts might seem **small** against a global backdrop, but they are **BIG** at a local level. I applaud **PTC Bioprotect** as an exemplary model of responsible behaviour which supports the fact that **CR is for SME's** and UNGC is a route to developing a more comprehensive CR approach.

And if you haven't tasted Moldovan wine lately..... try a glass while you read their report ..... it goes well with Chunky Monkey ....

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel, and an active supporter of the UNGC (though having less than 10 fulltime employees, regrettably, we cannot be signatories) . Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 07:36AM (+03:00)

## The model GRI GRI report

Sunday, June 28, 2009

The mother of all reports - the **GRI's very own second 2007-2008 sustainability report** compiled in accordance with the GRI guidelines (**now isn't that a surprise!**) . **How does the GRI GRI report stack up against its own guidelines ?** Practice what they preach ? Leadership in reporting expertise ? Creative and innovative reporting ? A role model of reports ? A superb piece of communication? A win for transparency ? Judge for yourself. But whilst you are judging, here are my thoughts.

The report is written parameter by parameter, indicator by indicator. There is a

methodological flow to the development of this text-book report and on the whole it works well. Uncrowded by design elements and inspiring quotations from stakeholders, this 79 pager is what it sets out to be, a report. A GRI report. Level A. No point in spending time on talking about where this report applies its own guidelines. More interesting to talk about where it does not. Where it departs from GRI recommended reporting practice. I hope you agree. If you do not, skip to next post :) If you do, please read on and then Tweet. Ha Ha

### **Materiality analysis**

Here is what the GRI has to say about this: ***"Following internal discussion, it was decided that the material issues that were identified for the previous reporting period through a consultation process ..... remained material to GRI for this reporting period."***Oops. Do i detect a little corner-cutting here ? The last report covered 3 years to mid 2007. Has nothing materially new happened in the last couple of years ? What about ISO26000 which threatens to move into GRI space ? What about the levels of application and use of the guidelines? What about the Sector Supplements and their application? What about robust application of the assurance processes? What about the criticisms of the GRI framework for use with SME's and non MNE's in general ? What about the impact of reporting on sustainability performance? Is there nothing **at all** that is materially new ? And for the leading advocate of stakeholder engagement, the "internal discussion" around materiality falls short of the textbook model process.

Another thing about the GRI's materiality analysis is that ***it's not an analysis***. It's a list of GRI indicators that are more important than other GRI indicators. These are not material to the GRI, they are material to reporting sustainability issues. The issues which are material to the GRI as an organization should feature here. Maybe someone skipped the fine print.

### **Assurance**

The report is not assured. Why not ? Well, it should be clear from the report. The GRI response to this indicator is: ***This report has not been subject to external assurance***. Duh. The question is, and the correct response to 3.13 is the **REASON** this report was not assured. I assume there was one.

### **Everything else**

Everything else in the GRI report is well, GRI. It follows the guidelines in exemplary fashion. It provides data required by the indicators methodically and systematically, and is a model for GRI reporting. **The most important thing of course is that it IS a report**. By which i mean, that there are so many do-as-we-say-ers in the reporting space that do not issues reports themselves, that the GRI has put our money where their mouth is and are doing-as they-say. **Good move**.

**The interesting other thing is why almost no-one else reports like this ?** It seems to me that this is actually an easier way to report, as it requires little creativity and innovative reporting pyrotechnics, and sticks to the basic facts as required. A kind of compliance approach. Why do almost all the 3,000 + reporters each year decide to do it so differently? **Perhaps this is the harder way?** It means that you cannot make up in creativity for what you lack in data, or fool the readership by stories when EC, EN, LA, HR and SO demand numbers. One answer might lie in the fact that the report is not just about indicators, it's about the soul of the organization, its not just about facts, its about values. And it's hard to reflect the style, tone and feel of an organization in a series of

bullet points. **But what the GRI GRI report lacks in photoshop, it makes up for in professionalism and integrity.**

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel, **and an organizational stakeholder of the GRI and committed to promoting the use of the GRI reporting framework.** Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 10:01PM (+03:00)

## Comments

- UKati

December 08, 2009

Hi, Elaine, its me again, reading some of the older posts as well (I have found your blog today). Your review of GRI GRI report raises the question, if the Guidelines are a tool or a target? If you mechanically go through the indicators one-by-one, than it is a target to fulfil. For me, it should be a tool, that helps you tell your story in a way that it can be compared to others, and have it told in a relatively interesting way. also, if you go through a list, it is more difficult to present the themes in an integrated format. When you talk about structure of the company, you can add equal opportunities within the managers right the way, etc. For me, going through the indicators lacks the need for an integrated approach. But, I think GRI is in a very difficult position, because the HAVE TO produce a report (like I think Ethical corporation should as well...have read your debate with Tobias). we are only a company of two, but we will publish our report next year. It also helps us face the difficulties our clients probably face. Good posts! My blog is on GRI issues (an other one on sewing :-), but only in Hungarian, sorry. It is aimed at Hungarian readers who want to get a better understanding of GRI. But I hope we will have good discussions here!

- elaine

December 09, 2009

Hello Katalin, hey, am so glad you found the blog. You are absolutely right of course. The GRI guidelines are a tool. The GRI used it as a checklist in the most mechanical way possible. Better than nothing, but certainly not reflecting the spirit of sustainability reporting, and not exploiting the opportunities to tell the sustainability stories which precede the numbers. How do you put spirit in the guidelines ? Kudos on intention to publish your report. And i am so intrigued by your work and writings that i am tempted to learn hungarian, but realistically, that wont happen in the near future... so in the meantime, please keep sending in your great insights in English! Perhaps i will see you at the GRI conference in May 2010? elaine

## Connect

Friday, June 26, 2009

**Connect! Marketing in the social media era** is a compilation of essays from 100 marketers and social media experts, each with an allocation of 400 words to write about, yes you guessed it, **marketing and social media**. Assembled by Jim Caswell, all profits go to support **Susan G. Komen for the Cure** (breast cancer). Actually, i recieved the book as a **gift** from my talented blogger friend **Peter Korchnak who blogs on Sustainable Marketing**, and a contributor to **Connect!**. his review of the book can be read **here**. So whilst this post is a slight departure from my established reporting theme, i consider it worthwhile and a

modest contribution to help raise awareness for an inspired project and a worthy cause.

A few **highlights** from the 100 contributions:

A piece I particularly likes is by **Martin Ouellette** and is entitled **Marketing with social norms in mind**. He maintains that social norms and marketing norms are different. He ends up by saying "We can't force market norms in social media. It just doesn't work. To each space, it's rules. So when advertisers communicate and act with empathy, generosity and reciprocity we have social media that accepts brands and products". I thought that was quite neat.

**Jay Berkowitz** ([www.tengoldenrules.com](http://www.tengoldenrules.com)) does a pretty good job too of outlining the ten things that work in media marketing strategies for businesses. These include social networking, micro selling, RSS, video such as Youtube, online communities, blogs, Twitter (**what a surprise!**), revenue earning blogs with AdSense, MySpace, answering questions on LinkedIn, web optimised PR, and getting included in ratings and reviews. Answering questions on LinkedIn? hmmm? Does that sell? Amazing.

My blogosphere friend **Michael Mossoba** also contributed a piece called "**An Essay on Storytelling in Twitter Format**". He says it's all about stories. "Remember that a great story is remembered forever". Once upon a time .....

**Dave Rigotti** tells us that 120,000 new weblogs are created every day.

**Nathan Beck**'s piece called **The Power of Simplicity** is a review of the exponential growth and impact of that T thing again i.e. "harnessing the power of simplicity presented by Twitter". Nathan says: "Are 140 characters enough to make a point? I think so". Funny. I didn't see him giving up any of his 400 words to make *his* point. Ha.Ha.

And the **best page in the book** is a Twitterish entry in large font which goes like this:  
**@Sanitra Social media makes the world a little bit smaller & marketing's world larger**

Anyway, a **great** book, an **inspired** idea, a **wealth** of insights, a **century** of experts and **worthy** venture. **I recommend you get your copy**. And what's more, you can gorge on your daily Chunky Monkey while reading it.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 09:31PM (+03:00)

## The L'Oréal paradox..for better and for worse....

Friday, June 26, 2009

The **paradox of corporate responsibility** is that there are companies that can be both soooo positive and soooo negative at the same time. What does it take to say a company is corporately responsible? That the critical mass of good things outweighs the bad things? Or that there are only good things? Or that there is just an absence of bad things? Should we accept that all corporations are basically irresponsible and not accountable for all their impacts. But that some have embarked on a route to address and account for some of them. The case in point featured in this post is the cosmetics giant **L'Oréal**. You've heard of **L'Oréal**, right? Two news items about **L'Oréal**. First, the

good news:

### L'Oréal Sets Green Goals and Promotes an Eco-Responsible Business Model

L'Oréal has renewed three long-term environmental targets for the period 2005-2015, applicable to its factories and warehouses:

- Halve its greenhouse gas emissions: In 2005, the total CO2 emissions were 230.3 thousands of tonnes.
- Halve its water use per unit of finished product: In 2005, the water consumption was of 0.72-litre per finished product.
- Halve its waste generated per unit of finished product. In 2005, the waste generated per unit of finished product was of 32.2 grams.

What i like about the GHG target is that it is a firm commitment measured in absolute terms against the Company's own performance. Not per employee, not per site, not per unit. The total GHG's unrelated to business growth. Water and waste targets are per unit... which i find frustrating as L'oreal produces so many units of so many product types and sizes that this target doesnt say much about the Company's total impact. I looked at **L'óreals 2008 CR report** to see where they were 2 years after the original targets - **20% of time gone** (2 years out of 10):

- **GHG emissions** : 2005 - 229.7 ktons, 2007 - 218.2 ktons - **5% reduction**
- **Water consumption per finsihed product**: 2005 - 0.72 litre, 2007 - 0.65 litre - **10% reduction**
- **Waste per finished product**: 2005 - 32.1 gram , 2007- 29.9 gram - **7% reduction**

Seems that there is still some way to go. Total GHG and water reduced over this period, total waste remained static. **Interesting thing is that nearly 30 grams of waste is generated for each finished product.** I wonder if that includes the packaging. Probably not. But in any event, for a cosmetics company whose products are mainly low weight, 50, 100, 500 grams .... this seems like a **helluvalotta waste**, no ? but good consistency in reporting regularly against these good aspirational targets. So **good news** for L'óreal.

**And now for the BAD news:**

### French cosmetics giant L'Oréal guilty of racial discrimination

L'Oréal was " found guilty of racial discrimination for considering black, Arab and Asian women unworthy of selling its shampoo" brand named **Garnier** .The court ruled that **Adecco**, the temporary recruitment agency who hired the hostesses, was also guilty of racial discrimination. **The Paris Appeal Court fined both L'Oréal and Adecco €30,000 (£25,500)** and ordered them to pay a further €30,000 each in damages to **SOS Racisme**, the anti-racist campaign group, which brought the case. **The court was told that Garnier's hostesses were ordered from the recruiting agency and told be aged 18 to 22, wear size 38 to 42 clothes (British sizes 8 to 12) and be "BBR".** BBR, for the uninitiated is "bleu, blanc, rouge" or the colors of the French flag.

Now, L'Oreal declare that diversity is a basic value and their commitment is **"To promote the self-fulfilment of its employees within a multicultural, stimulating community, rich in diversity and talent, to which all individuals contribute their creativity and enthusiasm."** Heart-warming, right ? L'Óreals 63,500 staff is made up of **62% women** of and **56% managers are women**. 35% of mamagement committee members are women, quite a high level amongst reporting companies. Additional data on diversity from the CR report

for 2008 is :

- 21% of managers are from minorities
- 34% of the total workforce are from minorities
- 32% of new managers recruited in 2007 were from minorities
- Increased spend with women and minority owned firms.
- Over 3,000 employees have completed diversity training.

**So what went wrong ?** The whim of the **Garnier** brand manager? The lack of judgement of the **Adecco** manager ( a woman!) who determined the specification for the models? Profit before values ? Hard to say... **L'oreals** CR report, and its credibility, does provide some balance for this pretty damning incident, which is reflective of the draconic practices in the beauty industry with the creation of supermodels and idealization of women, causing great negative impacts on the position of women in our society.

So **L'oreal**, pay up and shape up. Not the BBR way, the **ECITR** way. Which for the uninitiated means :**every color in the rainbow.....**

**elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)**

Posted by elaine at 12:32PM (+03:00)

## Comments

- Lavinia

February 15, 2010

---

Elaine,

Did L'Oreal buy Anita Roddick's Body Shop?

If so is that run as a separate company or included in their CSR reporting.

I think your report is thorough and you are really touching on some serious new metrics after your gender post. The notes you make regarding diversity are outstanding.

CSR for years has been primarily focused on metrics of environment and health.

Now I see you pointing out some valuable new thought. I went to the ISO 26K site this morning and discovered they have not defined the CSR metrics yet. I think this new generation of CSR is going to be astounding.

Thanks for writing up your views and what you do. You are adding in a considerable way to what I think about in terms of how to bring empower a new culture of SR and Sustainable Education in local community with a global view in business or any sector.

- elaine

February 15, 2010

---

thanks Lavinia, this was an old post from last year, and Loreal bought Body Shop in 2006. Must have got past your radar, though there was a lot of talk at the time about loss of Body Shop core values, much as there is now with Kraft Cadbury takeover. I believe Body SHop continues to run as a separate entity and reports separatly. Thanks for reading my blog and commenting, and I am please to contribute to the way you are developing your own important initiatives.

warm regards, elaine

- Lavinia

February 17, 2010

Just for the record, Gary Hirshberg, CEO of Stoneyfield Yogurt addressed the issue of sustaining core values in a merger as critical to part of the negotiation. He claims Stonyfield has been able to sustain itself. He talked about this in his book, STIRRING IT UP.

I am indeed beginning to blog about the emerging new Sustainable sector, because I believe at least in the US, companies e.g. Stonyfield and Roddick operated from a set of core values that many of the initial people in social ventures did not understand. Roddick and Hirshberg created jobs and did not operate core groups of decision makers that operated for the success of the owners. This is why so many companies are now under fire re: hiring and creating new jobs. But I will say more at my blog.

Thanks, Elaine.

## Bank secrets... not any more

Thursday, June 25, 2009

An interesting thing popped into my email box from Banktrack newsservice - **Banktrack** is the site that tracks banks (**funny, eh?**) .. which means that it scrutinizes the activities of banks and their effects on people and planet, something us cr reporters would call.. **indirect impacts**. See, the true impact of the banking sector is not the checking accounts or the home loans or even the savings accounts that make up their current business, but the large, significant chunks of money they use to finance major energy or infrastructure projects, the arms industry, the nuclear sector and a whole host of things that negatively (or positively) impact us, the planet and future generations. The owners of these initiatives rely on banks to finance them. The banks that do so should be held **accountable** for these indirect impacts of their financing policies. And this is where Banktrack comes in. Anyway, back to my inbox (**ugh!**), a press release is what popped into it.

It goes something like this, well, exactly like this:

"Campagna per la Riforma della Banca Mondiale (Italy), Friends of the Earth (France), Netwerk Vlaanderen (Belgium), Platform (UK), SETEM (Spain) and Urgewald (Germany) expose **investments in harmful practices** and companies of **thirteen large European banks** in this new website. Despite of the banking crisis, financial institutions continue to do harmful investments in a sphere of secrecy. ....The thirteen banks have financed **11,4 billion euros in loans to the 14 blacklisted companies** as well as arranged and underwritten bond and share issues for a total value of 10,5 billion euros. In addition, the thirteen banks own or manage 17,7 billion euros of shares in the researched companies.  
"

The new website referred to is **BANK SECRETS**. it's an amazing site. **Amazing** design. And the content is pretty impressive too . There are profiles of these 13 banks and the dubious investments they have made ...a click on Barclays shows 11 locations of negative financing, Deutsche Bank also 11, RBS 9, and BNP Paribas tops the chart with

12 locations. Another page focuses on controversial investments by sector such as coal or oils and gas, and another page invites you to **send an ecard to your bank** proposing that they adopt ethical financing principles, and offers you a checklist of points to help you verify just what your bank is doing with your money. Finally, the site offers a selection of ethical banks in 7 European countries which you could choose to bank with if you want your money to be used for good and not the opposite.

**The Equator Principles** were designed to provide voluntary regulation in this area. Over 60 major banks worldwide have joined this initiative, which was launched in 2003. The principles were revised in 2006, making them more stringent, and apply to project financing with capital costs above USD 10 million . Whilst the principles have made a major impact on project financing, there are still many inadequate applications , even amongst the signatories.

I decided to take a quick look at **Citibank's CSR report for 2008**. I was hoping that it would reveal some **secrets**. Such as the ones revealed by BankSecrets, for example, financing of EADS, the second largest european arms producer, involved in nuclear weapons production, or financing Dongfeng which supplies military equipment to Burma, strengthening the repressive Burmese junta. One of **Citibank's** citizenship goals is to **continue to provide Equator principles leadership** . I looked for a mention of Burma, Dongfeng, EADS or nuclear weapons but .. alas.... zilch. Of course, they would not tarnish their positive cr report with vivid description of the indirect impact of financing nuclear weapons or supporting repressive regimes. And they didnt. to be fair, Citi does boast a good record of reponsible home-loaning and community involvement, but nothing about the hotspots of their financial lending activities. In 2008, Citi funded 10 transactions worth over 183 billion \$, out of a possible 39 requested, after environmental and social risk management review. However, it is not clear whether financing was rejected due to ESR issues, or due to the fact that Citi judged they would not make enough money on the the projects. **There is definitely room for more transparency in reporting by the financial sector.**

To round off my foray into (un)ethical banking, i took a quick look at one of the recommended banks - **GLS Bank**. This bank describes itself as: "**the first social and ecological bank in Germany**. GLS stands for "Gemeinschaftsbank für Leihen und Schenken", which translates as "community bank for loans and gifts". The bank was founded in 1974 and it currently finances around 6.500 projects and businesses. The Bank focuses on cultural, social and ecological projects which try to tackle challenges in our society by developing creative solutions". Not only are your savings invested ethically, you can also choose which positive causes to route your money to support. Sounds neat, right ?

Now, as the threshold for project financing is \$10 million, i figure that this could fund around 1.7 **million** Chunky Monkeys. A further calculation is that this supply, if financing is secured, could last me around 3.17 weeks.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 11:44PM (+03:00)

# Get lost, pirates !

Wednesday, June 24, 2009

Had a tough day today (**don't ask!**) so i thought i would take a therapeutical break and look at a report or two before i continue with a project i am working on. And quite by chance, i got to a company i had never heard of before called **Moser Baer**, based in India. And this opened up a whole new lexicon for me which i will now integrate into my daily conversations. For example:

- how are you today? Seen any good **photovoltaics** recently?
- i was wondering who your preferred **OEM is for optical media** ? hmm?
- come on, you must be able to spare a few **IT peripherals**? i am desperate for a few
- say, does your **archival life** exceed 50 years? if not, i would start getting a little worried if i were you

Moser Baer produced their **first CR report entitled Rewriting the Future** It is 53 pages and meets GRI level A application (self declared). 7,500 employees.

Chairman and CEO Deepak Puri (**aside from this being poor governance, i always wonder how these guys have time to do TWO jobs?**) opens with the challenges of the current economic situation, as most reports do these days (**though rarely does this merit more than a passing comment in the boss's remarks, despite the major restructuring that is going on in most businesses**), and comments that "GDP in India is increasing by an average of 6-7 percent, unlike the heady 9-10 percent in the preceding years." And then says that this is a "bleak"scenario. Bleak ? 7%? Well, i guess bleak is in the eye of the beholder, right ?

What is bleaker in this beholder's eye is the **position of women** in this business. **One female director** (who judging by the surname is a family member) out of a **Board of 12**, and **zerofemale managers** in an **executive team of 10**. This is despite 32% of their population being female. Hmm, wonder if its the ceiling problem (glass) or floor problem (sticky).

But what caught my eye is the material issue in the consumer electronics industry : the issue of **piracy** which is "eating away into the industry's vitals"! (**That really doesnt sound pleasant!**)

A noteworthy initiative of Moser Baer has been the formation of a body - ICRA (Indian Cinema Rights Association) an association for organizations from the entertainment space that have a stake in curbing **piracy**. The main objective is to conduct **anti-piracy** campaigns and operations at the ground level and lobbying the government primarily on evasion of excise and sales tax, copy right issues etc. The company reports having conducted 50 raids and confiscated 50,000 **pirate** CDs/DVDs.

Another interesting aspect of this report is the **Materiality Matrix** on page 15. The Company has allocated a selection of the GRI Indicators to a section in the nine-box matrix. Never seen that before. **Full marks for creativity, systematicness, symmetry and logic**. 24 indicators are top-right (most material issues) and 36 in the rest of the matrix. That's 60 out of 79 indicators. Problem with this approach though, is that the GRI indicators are performance indicators and really dont correlate to material issues very well. Where does **piracy** fit for instance in the G3? The materiality matrix is a form of prioritization but it does not demonstrate an in-depth understanding of identification and assessment of material issues, IMHO. But, notwithstanding (**love that word**) , impressive attempt for a first report.

I have to finish my break now, but this seems like a very interesting company and a quite a comprehensive report. Outstanding employee practices, community involvement, environmental stewardship and innovative products. It's all there. If you can get past the **almost illegible design** and font, this report contains quite **some gems**.

Anyway, in the hope that Moser Baer can succeed in their attack on electronic **pirates**, it remains only for me to say, "Ahoy there Moser Baer" , well done, and where's that Chunky Monkey ....

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 05:47PM (+03:00)

## WELL DONE NASDAQ

Sunday, June 21, 2009

Nasdaq have caught up with other leading indices and collaborated with **CRD Analytics** to produce a Nasdaq OMX CRD Global Sustainability 50 Index. Quoting from **BusinessGreen.com**

**CRD Analytics president Michael Muyot said the index would help make " sustainability more investable", providing investors with an independent assessment of how firms that have taken a leadership position in environmental reporting are performing against their peer group.**

**Eligibility criteria** to be included in the index are:

- a publicly available corporate sustainability/responsibility report;
- disclosure of compatible sustainability data according to (GRI) G2/G3 guidelines;
- reporting of at least 20% of total core environmental performance indicators;
- reporting of at least 20% of the total core social performance indicators;
- reporting of at least 70% of the total financial performance indicators.

this is **GREAT news**.

**The companies in the Global 50 include :**

Heinz, Cisco, Johnson and Johnson, Vodafone, Baxter, Allianz, Westpac, Nokia, Exxon, Motorola, 3M, P&G, Oracle etc.....

I wonder if this move will give rise to more competition in the CSR arena - more disclosure usually leads to more performance. Also interesting to note that NASDAQ endorses GRI guidelines as a disclosure tool and a factor in the ranking. Well done, Nasdaq.

Guess we all ought to be prepared for a flurry of CSR reports from all Nasdaq Companies who haven't yet boarded the train .....

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 12:10AM (+03:00)

# The best of the day from alltop CSR

Friday, June 19, 2009

Thought i would take a break from the **Istanbul buzz** and check out what's happening on the all-in, all-together, all-inclusive, all-to-all csr page at **alltop**. 33 sites contribute to making alltop one of the most comprehensive combination of corporate content (see that, alliteration, learnt that in second grade) on sustainability, csr and reporting. What headlines caught my eye?

## **The Jantzi-Maclean's Corporate Social Responsibility Report 2009**

Jantzi is an independent ESG research firm in Canada and they rank corporations on ESG performance. **Macleans** is a national weekly current affairs magazine. They produced a list of the top 50 best csr corporations in Canada. Aside from some snippets such as **Rio Tinto making the list because their CEO is a woman**, the interesting thing about this is **Macleans head-to head with Corporate Knights** who have been ranking corporations on csr for years and are fairly well branded in this space. **Neither ranking**, as far as i can tell from the methodology descriptions, includes an evaluation of **transparency** (existence of accessible information on the corporation's website or existence of a CR report). I think **transparency is a core element of responsibility** and whilst these two battle out the ownership of the ranking-market, i continue to wonder if these rankings actually fulfil any useful purpose other than PR for the rankers (**rankers...** careful how you say that ....)

## **Siemens Sustainability Report 2008 published**

An item from **csr-news.net**. Took a quick look at the **report**. A mammoth 182 pages, GRI indexed but no application level, UNGC indexed, in double page format which is most frustrating when reading PDF's on line. Looks like a nice report. Good **materiality matrix** on p35. Nice piece on stakeholder dialogue. Quick eye-catcher: in Nov 2008 (just in time!) Simens appointed a **CDO**. CDO ? Yes. Chief Diversity Officer. She is charged with developing diversity metrics and performance. Looks like she needs to start at the top, because the **managing board structure 's** only contribution to the CDO's upcoming diversity program is one guy born in the USA. 7 other board members were born in Germany, Austria or Switzerland. One of the 8 members is a woman. 13.4% of the company's management is female. Guess new CDO has plenty of opportunity.

## **Orange / France Telecom publishes 2008 CSR Report**

A news item from **csr europe**. Tried to download the report but it crashed my IE three times so i decided to move on and finish up with a headline that i just couldnt ignore

## **Beyond Corporate Responsibility**

By now you will understand my affinity for the **Beyond Buzz**, and no other than Jeffrey Hollender, Mr Seventh Generation, has produced a truly inspired piece about the ongoing evolution of csr and the imperatives that are imperatively imperative. Jeff says it's **not good enough to do less bad**. My favourite line in the 10 things we must do section: **global warming will not be solved with carbon offsets** . how come no-one else figured this out ? At least he didnt recommend giving up ice cream.

and one more thing

## Worst Bit of Corporate Gobbledygook of the Day

**Shel Horowitz is so right** in his take on a Starbucks **press release**. It's true that i havent given too much thought to the life cycle of a plastic cup and Starbucks does deserve a cup of coffee for thinking that one up, and frankly it amazes me to see how they are so excited about engaging in meaningful dialog about recyclabe cups to revolutionize the packaging industry. Just shows you how many tough decisions sustainability issues give rise to: **"Darling, how would you like your coffee? Black or white ? One sugar or two? Post-consumer recycled no-co-mingled zero-carbon-emmission virgin-wood-fiber paper cup or that old cracked mug that i was planning to plant my new cactus in? "**

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 08:23AM (+03:00)

## Buzz No 3: COP this !

Sunday, June 14, 2009

We've gone **Beyond**, we've been through **complicity** ... now it's time for ... coffee... nope, not yet ...it's time for **COP**. Lots of **buzz** about **COP** in Istanbul. Actually, there are two types of **COP**. There is **COP**, or even notable **COP**. And **COP15**. (Don't ask me about **COP 2 – 14**). So let's make a start with plain ole **COP** and then move upstage to 15.

### **COP = Communication On Progress**

This is what participants do once they have confirmed their participation in the **Global Compact of the United Nations**. You all know the Global Compact, right? It's a framework of **10 principles** relating to the responsibilities of business to uphold human rights and labor standards, and to work to improve environmental impacts and anti-corruption. The UNGC has over 5,000 participants from all over the world and is supported by a web of networks who advance active application of the principles. It was in this context that I joined the Human Rights Working Group meetings last week in Istanbul. A **COP** is a mandatory annual communication for participating companies to publish the ways in which they are advancing the UNGC principles. Guidance on how to write a **COP** can be found **here**. A "notable" **COP** is one which the UNGC team finds to be particularly comprehensive and clear, and a model for others, for example **here**. Finally, businesses which do not communicate **get kicked out**. Which is as it should be, right ? **COP** is a kind of voluntary corporate disclosure, i.e. a report, which means that **COPs** fit perfectly into this reporting blog. Might just do a little **COP** analysis over the next few weeks. Once i get past the **buzz**.

### **COP15 = Copenhagen 15**

This is way the climate-connected refer to the meeting which will take place in Copenhagen (**COP**enhagen .. **COP** ... get it ? ), the **United Nations Climate Change Conference on December 7 to December 18, 2009**. It's a kinda climate change annual hot spot (geez, that pun thing again). **The Kyoto Protocol**, which was adopted in 1997, sets binding targets for 37 industrialized countries and the European community for reducing greenhouse gas emissions at the rate of an average 5% against 1990 levels between 2008-2012. At the 13th conference in Bali it was decided to work towards an agreement for the subsequent years. This agreement is to be negotiated in Copenhagen in 2009. Stakes are pretty high, it seems, as the influences on emission reduction

decisions are dominated by economic-geo-political decisions, especially relating to China and India. By now, if you follow my blog, you will realize that I am not terribly competent about things environmental, so I contented myself with a quick look at the conference guide. **Connie Hedegaard**, the Danish Minister for Climate and Energy says : **"We must move the world from an era of talk to an era of change"** In this spirit, it is important to know that attending Heads of State will be offered eco-friendly transportation, and other conference travel will be offset. Towels in hotels will be shared on a one-to-four-rooms basis, and specially constructed conference seating will enable participants to peddle in-situ to generate energy to power their laptops. (so what if I got a little carried away). Follow the conference on **Twitter** , **Facebook** , take the **climate quiz** (I got 7 out of 10, which proves that this quiz was designed with first graders in mind, and it helps if you are Danish). I can't help being impressed with the locations of all these climate change conferences: Berlin, Rio, Kyoto, Bali, Copenhagen, New Delhi, Poznan, Marrakesh, Milan, Nairobi, Montreal etc ... how about next year in Darfur, Mogadishu, Gaza, Karachi, Teheran or Baghdad ? Anyway, you have until Dec 7 to place your bets on **COP15** outcomes. **Cop that?**

What else was **buzzing** in Istanbul ? Stick around to find out. **It was a really buzzful week.**

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 04:07PM (+03:00)

## Buzz No 2: Complicity aka the Ostrich Defense

Saturday, June 13, 2009



**Buzz number 2** from the Global Compact meetings in Istanbul : **Complicity**.

**Websters definition:com-plic-i-ty**

1 : association or participation in or as if in a wrongful act 2 : an instance of **complicity**

So here you will understand that **complicity** always has an association with something negative or wrong. Like, its bad, ok ? And in the context of sustainability, and human rights in particular, **complicity** is an important concept. And one which came up several times in the course of discussions on labor standards and human rights at the **Global Compact** Human Rights Working Group Meetings last week in Istanbul. This reminds me of a fashion show with the theme of sustainability that my client **comme il faut** staged last year. All the models in the fashion show walked the walk with their hands over their ears, eyes and mouth, denouncing corporate and even consumer attitudes. **Hear not, speak not, see not**. As though what we ignore doesn't exist.

This has been pretty much the attitude of corporations over the years in relation to human rights in their operations and their supply chains, and the way the products they produce are used. The assumption was that if you outsourced it, it was no longer your

responsibility. If you sold it, it was the buyer's responsibility. If you passed on the responsibility, then you were left with none. Well, the concept of **complicity** blows this notion right off the validity radar.

Let's take a first look at what is expected of corporations with respect to human rights. The mother document for human rights is of course the **Universal Declaration of Human Rights of the United Nations**. This was approved in 1948. Ever read it? Did you know that you had ALL THOSE rights, just by virtue of being **you**? I would be a little interested, if I were you. (I proposed that the UN add the right to a daily serving of Chunky Monkey, but the High Commissioner has yet to pronounce on that one). I had to smile at the recent **Marks and Spencer plc CR Report 2009** which states on page 38: "**Our employment policies meet the requirements of the United Nations Universal Declaration of Human Rights.**" Sorry, M&S. The UDHR is not an Employee Handbook. For a start, it doesn't contain dates of all the office parties for the next 5 years. Wonder how many of the M&S Human Resources team actually read the UDHR. Still, full **marks** for good intentions, eh? (oops, bad pun, get it?)

What M&S should have referred to is the **ILO Declaration on Fundamental Principles and Rights at Work**. Adopted in 1998, this "is an expression of commitment by governments, employers' and workers' organizations to uphold basic human values - values that are vital to our social and economic lives." The ILO declaration is based on 8 conventions "that should be considered as fundamental because they protect basic workers rights". These are:

- Freedom of association and the effective recognition of the right to collective bargaining
- The elimination of all forms of forced or compulsory labor
- The effective abolition of child labor
- The elimination of discrimination in respect of employment and occupation

The **Labor Principles of the Global Compact (principles 3 – 6)** are the expression of these principles with regard to the responsibility of businesses. But then, you all knew that, right?

So what does this mean for corporations and where does **complicity** come in to the picture?

Well, **this post by Christine Arena**, author of the **High Purpose Company**, one of the best books around and worth a read, makes reference to the **\$15.5million settlement by Royal Dutch Shell** who was accused of **complicity** in the execution of Ken Saro-Wiwa and others in Nigeria. Shell didn't actually order the executions nor is there any evidence to suggest they were directly involved. But there is plenty of evidence, including letters of thanks to those who made ole Ken's life a little difficult, to suggest that Shell not only knew what was going on but privately encouraged the oppression of the Ogoni tribe's opposition to Shell's activities in Ogoniland.

**Another example: Nike's Indonesia Manager, then John Woodman, is quoted as saying back in 1994**, when asked about problems at the company's subcontracted plants. "I don't know that I need to know," he explained. "It's not within our scope to investigate." This was termed "**The Ostrich Defense**". Wonder why?! Nike's tune is a somewhat different now of course. And there are many more examples and many more quotes. But I gotta end this long post sometime before the end of this century, and I think I have made my point.

There are clear frameworks for upholding human and labor rights in all parts of a business's operations. Corporations must make it their business to know, and be responsible for, and account for, what goes on in their supply chains. And I have just skimmed the surface of this complex subject.

But back to **complicity**. This is a **good piece by Amnesty International**. If you are really **keen**. When you think that **there are STILL 12.3 million people in forced labor, and STILL 218 million, yes, 218 million kids, in child labor**, then you kinda get that **complicity** still plays a role in our supply chains around the world.

Next post. Chunky Monkey. Oops, sorry, not. Something else from **Istanbul**. Betcha can't wait to find out, right ?

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 07:00PM (+03:00)

## Comments

- [ChrisJarvis](#)

June 13, 2009

---

Good article Elaine (as always). I think the concept of complicity is the one category big enough to include everyone at some point in everything. We talk a lot these days about connections, and a flat planet. Certainly the economic crises provided a good picture as to how connected we all are, whether we know it or not; whether we want it or not. And although we cannot be omniscient or omnipresent to be aware of all our connections, when wrong is exposed, we do have a responsibility to address it. If we do not, then I think we merit inclusion or even a passive collusion in the act itself (can collusion be passive?).

For me, as a consumer, it comes down to 'if I know or suspect, then I am responsible'. Now, watch me try to hide my head in the sand to avoid giving up brands I like.... Like Chunky Monkey (not a brand I know, but I wanted to work it in somehow)?

## Beyond Global Compact

Friday, June 12, 2009

**Beyond** is the new **buzz**. Yep. It's here to stay. **Beyond** now. **Beyond** today. **Beyond** signifies that infinite space of possibilities that create our **collective sustainable future**. (geez, did I overdose on Cherry Garcia or something? Doesn't that sound pathetic?) Well let me explain...

I just returned from 3 days attending an **ILO** workshop and the Human Rights working Group meetings of the **United Nations Global Compact** in Istanbul. I will be blogging about this in more detail over the next week or so, so stay tuned. But my first of many is about the **Beyondbuzz**. This is the new word to describe everything positive, innovative and sustainable.

### GoBeyond

Allow me introduce you to **Mas Holdings** and the MAS Go **Beyond** program. This is the brainchild of the most charming and accomplished man, **Mr Ravi Fernando**, whom I had

the privilege of meeting this week in Istanbul after our cyber acquaintance. Ravi was until recently the **Director Corporate Branding & Strategic Sustainability** at MAS Holdings Ltd. MAS Holdings is one of Sri Lanka's largest **apparel manufacturers**, employing more than 45,000 people in 28 factories in several countries and annual revenues of US\$700 million. 5 years ago, Ravi started out on a path of empowering the women of MAS to "Go **Beyond**". 80% of MAS employees are women. MAS are leading bra manufacturers. (It turns out that bras are pretty complicated to make. A bra has between 20 and 48 parts, including the cups, lining, bands, straps and hooks. No wonder they are so darn uncomfortable! Perhaps we should have burned them after all....). Anyhow, the MAS program is based on **supporting career advancement, strengthening work-life balance and rewarding excellence**. It has changed the lives of many women and empowered them to go **beyond** to "transcend hardship and adverse social conditions to achieve great heights". The program has been an unrivalled success, the subject of two INSEAD case studies (link here for abstract) . Ravi presented me with **a wonderful book** published by MAS Holdings, containing very moving stories of 95 women who have succeeded with program. The book is sold and proceeds go to the Go **Beyond** program. Here are some quotes from the Go **Beyond** women:

- "Pushpa's mother died from complications at childbirth, and her life has been a struggle almost from day one. Tragically at just 13, she became a child bride, given in marriage so that she would no longer be a burden on her family...." Pushpa has also survived cancer of the throat. She is now a Line Leader at Mas Active.
- "It chills the soul to imagine the despair that could drive a mother to abandon her baby, and it is almost incomprehensible that anyone could have left an infant at the foot of a rubbish dump, where baby Dhamnika was discovered by a passing stranger ...." Dhamnika is now a Line Leader at Mas Slimtex.
- "With her mother away working in the Middle East, it was Suweeja and her brothers who built their house. The children made the bricks themselves, carrying buckets of water from the village well.. " Suweeja is now an operator at Mas Leisureline

It's hard to do justice to this program in a short blog post, but it is breathtakingly awesome. ([Link here to a paper published by IFC](#) )

### **Beyond Monitoring Working Group**

This is a working group led by **BSR** and participating companies in the UNGC network to review **monitoring procedures in the supply chain**.which, by and large, have not created the improvements that heavy investments in monitoring should merit. The group has come up with proposals which are currently being reviewed and finalized so I won't share them here, but watch this space, as there are some **exceptionally sharp insights** and process improvements to drive a more effective way of creating sustainable supply chains.

### **BeyondEssential**

The term used by **BLIHR** in a publication introducing the **Human Rights Matrix** which is a web-based self-assessment tool, to support companies understanding human rights and manage human rights programs and performance. **Beyond essential (see this for the essentials)** is essentially (oops!) **beyond** compliance, a term we're all used to by now, right ?

### **BeyondBusiness**

No surprise that this term was **very popular indeed**. Every time I introduced myself in each of the different sessions, and to a whole host of impressive people I met over the three days, I said Hello, I am elaine from **BeyondBusiness**. **Beyond Business** is the name of my consulting firm. Hah! A plug!

So which **Beyond** came first ? We won't be so presumptuous as to think that **Beyond Business** was the inspiration for all the other **beyonds**, but we are certainly very happy to be up there in the **buzz**.

Any yes, you've guessed it, B&J's next flavor is most definitely going to be.....  
**BeyondChunky Monkey!**

Stick around for more from the **Global Compact** meetings.....

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)

Posted by elaine at 12:59AM (+03:00)

## Women in the supply chain squeeze

Thursday, June 04, 2009

A report launched in February this year - **cashing in-** from [cleanclothes.org](http://cleanclothes.org) (which i recently picked up from **Eldis** ) is quite a sight - or should i say quite a fright.(Ok, so Emily Dickinson i am not!) It's about the way 5 major global retailers such as Walmart, Tesco, Carrefour, Lidl, and Aldi drive prices down by pressuring suppliers ,using their mighty purchasing power. Who pays the price ? The **women** caught up in this supply chain squeeze.

One thing we perhaps don't realise is that these major global retailers are not just about groceries (and ice cream) A large portion of their revenue is from clothes and their contribution to the global apparel industry has transformed availability, pricing, sourcing , quality and supply chain squeezes. In a previous post i talked about the Intel ripple (meaning the indirect impacts of their business activities). Well, these retailer guys have some big ripple. They account for **\$54 billion** clothes and footwear sales - 6% of global market total. **In the UK, 25% of clothing is bought from retailer groceries.**

The report shows that **the higher the share of the retail market a retailer has, the lower the price paid to suppliers.** Is that what's called economy of scale ? It also refers to how these retailer "giants" have confirmed (in their impressive CR reports) commitments to upholding human rights in their supply chains and to ethical business. The report goes on to discuss actual working conditions in **Bangladesh, Sri Lanka, Thailand and India.** In each of these countries, the garment industry represents a significant proportion of their GDP and economic welfare. There is a significant discussion about wages, as you might expect, and the difference between a legal minimum wage and a living wage - disheartening figures are reported relating not only to avoidance of paying legal minimum wage (including adding unpaid or low paid overtime hours,, fake payslips etc) to complete lack of attention to the fact that even the minimum wage is not enough to provide basic needs. Other aspects of worker exploitation such as opposition to freedom of association or employment of contract workers on long term temporary contracts are discussed at length.

Finally we get to the real squeeze: **80% of garment workers are women.**

"Far from lifting women out of poverty, the Giants are cashing in on it. " the report concludes.

The report's recommendations to address these issues are pretty straightforward: enhance, expand and enforce auditing, legislate, take responsibility. But isn't that something we already understood? Will this create change? One area the report fails to address is the power of **consumerism**. As long as we want fast fashion, retailers will continue to compete using fast fashion rules which dictate low prices, fast response times, poor quality, low wages, abuse of human rights.

Is this what consumers want? What made Nike turn its operations around over 10 years ago? Was it an activist response to little 12-year old Tariq who was employed in inhumane conditions appearing on the cover of Life Magazine? Did consumers drive the change? Why don't consumers demand change? Why don't consumers force a retailer to reassess of the relative elements in supply chain costs for greater equitability? Does anyone care if women are in the supply chain squeeze? Do other women care?

We should all care - the plight of women such as these costs the world economy trillions of \$\$\$. Exploitation and depression of women is not a women's issue - it's a citizenship issue affecting men, children and all of us, whatever gender. Because women, responsibly employed, are the world's wealth generators. As you can probably tell, this is a subject I am passionate about, and could write hundreds more blog pages about this. But instead, in order to avoid the risk of boring my avid readership (thank you both!), I took a look at **Tesco's recently issued CR report, published in May 2009**. 6 pages on supply chain and ethical trading (of a total 59). Not surprisingly, there is nothing about repeated concerns expressed to Tesco about supply chain abuses and the Tesco response to these. Overall non-food represents 8.8% of Tesco revenue, worth 12.5 billion sterling and is an area of strategic growth. Of this, clothing is probably a small fraction, so it is probably not material to Tesco, right? Especially when there are over a million women directly involved in subsidizing this growth. And many more on an indirect basis.

Wow, what a long post this turned out to be. If you got this far, you win the CSR-reporting blog stamina award. What's the prize? You guessed it. A week's supply of **Chunky Monkey**.

(But you have to buy it yourself....)

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 07:36PM (+03:00)

## Comments

- Lucia

June 10, 2009

---

Elaine,

I couldn't resist anymore. I went out and got Chunky Monkey :)

Good point on this subject, though!

- elaine

June 12, 2009

---

heya lucia, sorry for corrupting you ... but hope you enjoyed it ....:)) elaine

# What's your financial personality? Ask Barclays Bank

Saturday, May 30, 2009

**Barclays Bank CSR report 2008.** I was looking at this report in preparation of my review for [CorporateRegister.com](#) and came across this : **determining clients' financial personality.** Based on the fact that wealth means different things to different people, they say, Barclay's profile high-wealth clients and use this profile in determining the most appropriate investment package. Some would say this is the ultimate in best practice for ensuring a personalised and relevant customer experience. I thought it could lead to some very interesting transactions. Here are some possible applications of this approach, using the **Myers Briggs personality typology** with the help of the **Personality Page**:

**ESTJ: Practical, traditional, and organized. Likely to be athletic:**

**Recommendation:** invest in Home Depot, Timberland, Patagonia and Nike

**ENFP: Enthusiastic, idealistic, and creative. Able to do almost anything that interests them. Great people skills.**

**Recommendation:** invest in Barack Obama

**ISTJ: Serious and quiet, interested in security and peaceful living**

**Recommendation:** invest in UNICEF, LOHAS and the International Center for Reiki training

**INTJ: Independent, original, analytical, and determined. Have an exceptional ability to turn theories into solid plans of action.**

**Recommendation:** Invest in Madonna, Virgin Airlines, Microsoft and Google

**ESFJ: Warm-hearted, popular, and conscientious. Interested in serving others.**

**Recommendation:** invest in the Queen of England

**ESFP: People-oriented and fun-loving, they make things more fun for others by their enjoyment**

**Recommendation:** invest in Southwest Airlines and yes, you guessed it, ICE CREAM, invest in **Ben and Jerrys**

For a more serious look at financial personality types see this [article](#)

I tried to analyse my own financial personality and it came out somewhere between manic depressive and ADHD, so i guess i will stick to analysing CR reports and let Barclays do their stuff.

Barclays is a serious CR practitioner, supporting all key global initiatives such as **UNGC**, **the Equator Principles**, **the Carbon Disclosure Project**, and the **UN Principles for Responsible Investment** . Serving **48 MILLION** customers, they have a far-reaching impact on local economics around the world. They are a highly transparent reporter, though if you want to read my take on their report, you will have to check back to [CorporateRegister.com](#) in the next couple of weeks.

For now, i think i will adopt an ESFP personality .... who locked the fridge ?

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 09:41AM (+03:00)

## Turtle Soup, anyone ? First report from Jumeirah Group

Friday, May 29, 2009

Every so often, you are reading a CR report and something just makes you stop and sit back and think: **WOW**. Well here in Israel, I think Wow. Maybe in other countries you think something else. Anyway, this happened to me today. I was taking a look at the **Jumeirah Group's first CR report for the year 2008**. Jumeirah, for the uninitiated, is a hotel and leisure resort group in the UAE based in Dubai.

(I once participated in a belly-dancing event somewhere in the desert near Dubai - needless to say it was fortunate that no-one brought a camera).

Jumeirah have produced a **very good first report**, clear, comprehensive and credible. There were many things that stuck me as good practice, but one particular case study generated that **WOW**.

Jumeirah report on their wildlife protection program aimed at saving **turtles**. They have established a "Madinat Jumeirah turtle rehabilitation unit" as a pilot project organised in conjunction with the **National Marine Aquarium** in Plymouth, England. Sick or injured turtles that were brought to veterinarians by members of the public are referred on to the Wildlife Protection Office, and then brought to a large enclosure in the sea-water canals of the **Mina A' Salam hotel**. The time spent there allows for a final period of feeding and monitoring the turtles before releasing them back into UAE territorial waters. In December 2007, **12 turtles were rehabilitated** and more are expected. Some turtles are fixed with tracking devices which monitor their journey, providing valuable behavioural information for scientists.

Wow, i thought. How cool. I recall a corporate program i once ran to clean a river in Israel which was a migration point for soft-back turtles. Maybe that's why i liked this story so much.

Got me wondering if any of the turtles escape to the swimming pool, or worse, the poolside **jaccuzzi**. Oy, what a thought. Just add a little salt and pepper, bring on a few bread rolls, and poolside lunch is served to all Miná Salam's guests. Hope i havent offended any vegetarians, that WAS a joke. Though i am a little peckish .....

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz/en](http://www.b-yond.biz/en)  
Posted by elaine at 04:42PM (+03:00)

# HRM and CSR - a match made in heaven ?

Saturday, May 23, 2009

Marginally off-topic - but relevant to the cause .... So all you reporting buffs, please bear with me.

I am writing a **book** on the role of **Human Resources Management and the way HRM interacts with and supports the CSR strategy and practices of a business**. A kind of guide for the Human Resources Manager. Having served as a Country VP HR in a global company for several years, and assumed responsibility also for promoting the Company's CSR programs, and now through my interactions as a consultant to businesses, this is a mix that i have many insights about that i would like to share. I have opened up the **first chapter** of the book for **public review** prior to completion and publication, and would welcome any form of input.

For those who are interested, you can download the first chapter here: <http://tinyurl.com/ppd4d8>

Second chapter available on request for those who are really keen !!!!

thanks in advance !

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz)  
Posted by elaine at 06:56PM (+03:00)

## Comments

- [TheBestPersonfortheBestJ](#)

May 24, 2009

---

I would love to see the second chapter please!

# What's your ripple ? Intel can help ...

Friday, May 22, 2009

**Intel**, the silicon giant in every pc, has just published their **2008 CR report**. 108 pages of completely hyperlinked and totally-a-pleasure- to-navigate PDF. Haven't read it yet. **AHA!** so what are you doing blogging about it ? i hear you ask. Well, i have quite a backlog of reports to review (see [corporateregister.com/reviews](http://corporateregister.com/reviews) for this year's reviews) (plug!), so i thought i would share one teeny weeny insight from the briefest of peeps into Intel's world of CR. Impacts. That's what CR is all about. Understanding impacts and taking responsibility for them.

Now, my world is **simple**. I divide impacts into two types: **direct impacts** and **indirect impacts**. Most reporting Companies report on direct impacts, a few on indirect impacts. But lo-and-behold, Intel reports on **FOUR** impacts.

- **Direct impacts** -defined as : Intel sells products, provides above-average wages to employees, and pays taxes.

- **Indirect impacts** - defined as: Intel pays suppliers and creates business for resellers, who in turn generate employment.
- **Induced impacts** - defined as : Consumer spending by Intel employees and supplier and partner employees stimulates additional economic activity.
- **Productivity Impacts** - defined as : The use of Intel products and our technology leadership result in productivity gains in the economy.

This is the model Intel uses to calculate the **economic ripple effect** of the production of a product or service. A study commissioned by Intel to review their ripple showed as follows:

"..... between 2001 and 2007, Intel contributed \$758 billion to the U.S. Gross Domestic Product (GDP). Of this total, \$458 billion was stimulated by Intel's operations and \$300 billion was attributable to our productivity-based impact. Intel's presence resulted in more than 823,000 U.S. jobs in 2007, including 45,600 direct jobs, 151,000 workers employed by Intel business partners, and 627,000 indirect jobs resulting from consumer spending by Intel employees and Intel's business partners." Pretty big numbers, eh ? And great reporting. **Thumbs up to Intel.**

I would recommend you to take a little ripple-review of the Intel report, it's out there in a league all of its own, i think. Though i still haven't read the rest of it yet, i did just ripple over to the community section to see if there is a social ripple calculation, but not yet, apparently. Despite some quite advanced SROI (social return on investment) calculation methodologies available, Intel's community reporting is not quite rippling, it's about inputs not outputs and doesn't got for gold with an attempt at reporting outcomes. Still ... there is room for optimism, right ? I am sure Intel will keep on rippling.

Anyway, those of you who follow my blog know that i am very fond of **ripples** - usually they come in the form of a chocolate flavor swirl in the midst of a big blob of ice cream. However, in this case, I will defer to the real **ripple** of the day and congratulate Intel on their new report. OK. Let's do both. Bring on the Chunky Monkey.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz)

Posted by elaine at 11:46PM (+03:00)

## What's in a note ? Note this with aviva plc

Saturday, May 16, 2009

I was just getting settled into a fascinating read of the **Aviva plc 2009 CR report** (yes, i always start out thinking reports are going to facinate me) and preparation for a review to be published on **CorporateRegister.com**. **Aviva plc** is , they claim, the **first** insurance company to be **carbon neutral** across their worldwide operations. But i just couldn't resist pausing to note an innovative feature of their on-line report which i have never seen **ever ever** before. Sorry if i get a little overenthusiastic, but you know, this is my thing. Anyway, take a look at **this** . Yes, it's a notes page. It enables you to make a note on any section of the report you have viewed , and the note is retained for the next time you go to the site and wonder what notes you made. Now, this is a very useful thing for people like me who review reports, for analysts who want to retain info pertinent to performance and growth drivers, and for anyone who just wants to remember anything without having to rely on the hard disk. This is a **very innovative approach** to on-line reporting.

I think i will start a campaign with world-wide regulators for **mandatory inclusion** of this feature in every web-based CR report.

OK, off to make lots of notes .....

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz)  
Posted by elaine at 10:01AM (+03:00)

## The king of denim

Monday, May 11, 2009

Last week, I had the most enlightening conversation with the Director of Sustainability and the initiator of the **Hong Kong Sustainable Fashion Business Consortium**, (SFBC) Mr Pat Nie Woo (Pat to us Westerners).

Pat is the most charming of gentlemen and gave generously of his time and insights to assist me with a new initiative I am planning in the Israeli market. However, what really blew me away was the **scope and depth** of Pat's insights into how to get more people aware and moving towards a sustainable world which includes responsible and sustainable business practices.

Pat is a the Sustainability Director of a family owned **six-sigma** spinning and weaving business called **Central Textiles** in Hong Kong. He is also third generation family engaged in the running of the business. CT is a major player in the Hong Kong **textiles and apparel sector**, and leads a range of sustainability initiatives. I reviewed the first CT Sustainability Report on **CorporateRegister.com** – you can find my review here : <http://tiny.cc/i6RDo> and you can download the report here: <http://tiny.cc/CbqDx> . This is quite leading edge.

Pat described his journey as the founding member of the SFBC whose mission is as follows: "**a group of Hong Kong based companies in the textile and apparel sector committed to promoting and increasing the use of sustainable practices across the fashion supply chain.**" The Consortium comprises around 12 member companies who are engaged and committed to work together to drive processes in the textile supply chain which are impossible for one company to do alone. This total systems thinking and partnership-multi-stakeholder based approach is the most advanced expression of sustainable thinking today.

A few of Pat's quotable insights:

" A year or two ago, everyone presented new products as **eco** when it only related to the raw material , but why wasn't anyone talking about process? You have to work on the whole supply chain"

"The system is the problem – the system is not allowing a sustainable business model – everyone has to play a part to play in changing the system."

"At first we started out with great ideals, but if you don't bring on the business case, the ideals get stuck!"

Well, Pat is certainly a guy who doesn't let ideals get stuck, so next time you buy a pair of denim jeans, take a look and see if they came out of the sort of responsible and sustainable supply chain that Pat Nie Woo and his colleagues at the Sustainable Fashion

Business Consortium are creating.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz)  
Posted by elaine at 07:00AM (+03:00)

## the climate at Harvard - and ice-cream

Sunday, May 10, 2009

Harvard students are showing their commitment to climate change and emissions reduction in **this report** of the **Harvard Climate Collaborative**. Whilst this is not strictly a Sustainability Report, which this blog is all about, it is a report, right ? And i believe it is quite a **UNIQUE** report which shows the engagement of students in sustainability issues and their leadership in taking action. As these young bright Harvardlings move into leadership roles in society, their positive impacts will undoubtedly continue to be felt. Well done **gals** and **guys**!

CSR in academia is now becoming mainstream. This is the crux of CSR in business over the long term. The degree to which the student agenda generates awareness and engagement with CSR as a way of doing business will define the shape and impact of business in the future. I spend a **LOT** of time lecturing to students and young business people - more often than not, my lecture is the first time they get a comprehensive overview of CSR and its P-P-P relevance (as well as the importance of **ice-cream** as a life-sustaining mind-enhancing essential food :) ). My hope is that they take CSR on board as their personal agenda in roles they perform in their future career.

I believe CSR should be mandatory as part of all MBA's and Business degree programs.

In the meantime, well, at least we have ice cream ....

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz)  
Posted by elaine at 09:16AM (+03:00)

## the world is in trouble - i need to go on a diet

Friday, May 08, 2009

I came across this headline from the Sun, **Fatties cause global warming** whilst browsing **Martin Smith's updates on JustMeans.com**. **Overweight people cause over a BILLION tons of Co2**, the article says. And then there is a picture of a polar bear looking all forlorn on a melting block of ice. Talk about emotional blackmail.

**So I guess i am in serious trouble**. Another reason to start that long overdue diet again. The tomorrow diet. Not only am i overweight, i am the cause of global warming. Will my kids ever forgive me ? Will polar bears become extinct because of me ? Will the world ever survive my ice-cream binges and my chocolate cravings ? I take comfort in the fact that the sum of our individual actions can never be enough to resolve our climate issues - it's a **SYSTEMIC** problem which has to be fixed by all of us acting together.

So i took a stroll to the **Weightwatchers International dot com** website, the specialists in

weight loss in groups. "Each week, approximately 1.5 million people attend approximately 50,000 Weight Watchers meetings " Now, if each of these people lose 2lbs a month, thats **36 million lbs in weight loss** and i bet that would offset my few extra layers of puppy fat.(Yes, it's still puppy fat ). Perhaps Weightwatchers could offer a carbon trading program, so that i dont need to actually diet, i can just buy back some weightwatchers carbon credits. How cool. Of course, the problem with weight loss is that it tends to creep back again - but let's not go *THERE*. Not a thing about **Corporate Social Responsibility** on the WW website. They obviously havent picked up on the PR value of marketing WW as a climate change program and not just a weight and health thing. Phew.

A Company who does address obesity as part of its sustainability program is **Unilever**. You can download a report on the 10 major food companies and their approach to obesity from the Unilever website **here**. This is a very interesting report on all the facets of tacking obesity from the way product R&D is driven , marketing, especially to children, and transparency and disclosure. Danone, Unilever, Nestle and Kellogg score well on addressing and reporting on obesity as part of their sustainability strategy.

Ok, so now i have confessed my personal embarrassment at being the cause of global warming, i think i deserve a little low-calorie snack. Where did i put that chunk of triple-layer smooth-fudge whipped-cream-topped high-density chocolate cake ? hmmm ?

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz)  
Posted by elaine at 02:02PM (+03:00)

## How transparent is your Company ?

Friday, May 08, 2009

**This month saw the publication of the first Transparency Index in Israel.**

This is the first ever Index of its kind in Israel (**in the WORLD ?**) and uses a proprietary methodology aligned with the **GRI Reporting Framework** to measure the website transparency of the leading 100 publicly traded Companies of the **Tel Aviv 100 Index**. The research was conducted by **Beyond Business Ltd**, the leading CSR consulting and reporting firm in Israel. (Quite a coincidence, but this is the Company i co-founded and co-manage :)) )

Transparency is a core and critical element of a sustainable Company.

The four dimensions of **TRANSPARENCY** which were reviewed are:

**Presence of a sustainability report** (50% of total score):

The publication, the type and the transparency level of sustainability, CR or CSR report, including partial focused reports, on the Company website

**Transparency** (30% of total score):

The presentation and degree of transparency on the website of a range of reporting topics such as: business profile and strategy, governance, CR management, ethics and human rights, stakeholder dialog, presentation of material issues, workplace, customers, marketing and products, suppliers and supply chain, community involvement and environment.

**Navigation** (10% of total score):

The number of click to CR subjects, search facility, aggregation of CR information on the website, menu availability and site map

**Accessibility** (10% of total score):

Languages, facilities for those with disabilities, contact points, additional (interactive) blog or video materials

**So what did we find ?**

- the level of transparency of Israeli traded companies is **31%**
- the level of transparency of the leading 20 companies with 80% market value is **34%**
- only 5% of Companies had a score of **50%** or more
- **7%** of companies had **ZERO** transparency
- leading transparent sector was banks – **52%** median transparency
- lowest transparent sector as fashion and apparel – **7%** median transparency
- smaller companies have lower transparency – bottom 10 companies demonstrated **9%** transparency – 0.6% of total market value
- navigation has the highest relative score (50%) , then accessibility (34%). Relatively only 24% of content is actual CR related disclosures.

**The most transparent companies:**

1. **Bank Hapoalim**
2. **Strauss Group**
3. **Bank Leumi**
4. **Partner Communications**
5. **Oil Refineries**

**Transparency Awards** were presented to these 5 Companies at the **Third Israeli Reporting Conference on 4th May 2009 in Caesarea, Israel.**

A full summary of the Transparency Index results will be published on the **Beyond Business website** within the next week. For further details, or to commission a transparency index for your Company or market, please contact me at [elainec@b-yond.biz](mailto:elainec@b-yond.biz)

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz)

Posted by elaine at 11:35AM (+03:00)

## Comments

- [DominikZynis](#)

May 08, 2009

---

That's great news, can't wait to see the report!

- [elaine](#)

May 09, 2009

---

Hey Dominik, your wish is my command... here it is : <http://tinyurl.com/quws48>

comments welcome !

elaine

## BIG HIT for 3rd Israel Reporting conference

Friday, May 08, 2009

Technorati Profile

The **Third Israeli Social and Environmental Reporting Conference** was a resounding success!!

Held in the historic city of Caesarea on 4th May, this was the third annual reporting conference hosted by **BeyondBusiness Ltd** and drew close to 200 participants. This is the only professional conference in Israel on CSR reporting and has enjoyed the support of the **Global Reporting Initiative** each year. This year, it was the turn of **Leena Wokeck**, the GRI Network Relations Coordinator to come and address the conference – her presentation on a common language for sustainability can be found **here**. **More papers and presentations here**: And here are some other highlights.

A range of accomplished speakers presented at the conference. First and foremost, **Mr Herman Mulder**, former Director-General of Risk Management at ABN AMRO and the initiator of the **Equator Principles**. Mr Mulder provided insights about the current financial crisis and the changes required of businesses, which includes mandatory self-regulation, which means a requirement to report and be transparent but not highly constricting regulation such as the Sarbanes Oxley framework which became a bureaucratic box ticking exercise rather than a cultural transformation.

Other speakers included **Professor Yedidia Stern**. His fascinating lecture on the purpose of corporations propounded that "management of today's corporate capitalism, which encourages excessively risky economic policy" and that shareholders are the ones who demand excessive risk-taking as they have nothing to lose.

**Dr Ehud Kookia**, CEO of **Maccabi Health Services**, described the way he is driving csr in his 10,000 people organization and creating public awareness with a expired-drug-return program to avoid unwanted drugs getting into our waste systems and causing environmental damage.

**Ahuva Yanai**, the CEO of **Matan- your way to give**, the leading non-profit supporting business and community involvement programs talked about the value of such programs to corporations.

**Dr Oren Peretz and Adv Ayalet BarAm** presented a proposal developed in partnership with BeyondBusiness for a new law to mandate csr reporting for all government-owned companies.

The Reporters Report panel included representatives from **IntellIsrael**, **Bromine Compunds**, **Bank Leumi** and **comme il faut** who described the way reporting has contributed to their overall business success.

Finally, Elaine Cohen, joint CEO of BeyondBusiness presented the first ever Transparency Index of Israeli companies. BeyondBusiness researched the internet transparency of the 100 top Companies traded on the Tel Aviv stock exchange, and, using a proprietary methodology developed around GRI principles, published the

transparency levels of each company. Beyond Business presented certificates to the top 5 companies – **Bank Hapoalim, Strauss, Bank Leumi, Partner Communications** and the **Oil Refineries**, all of whom achieved high relative levels of transparency – more about this in a future post.

**You can view pictures from the conference here**

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz)

Posted by elaine at 12:20AM (+03:00)

## is sex a renewable resource ?

Friday, April 17, 2009

i stumbled upon an interesting aspect of sustainability - an aspect about which i have not yet found a sustainability report that offers a comprehensive transparent disclosure (exposure?) of this sector. Yes, you guessed : sustainable love... sustainable sex ..." a green philosophy of relationships which teaches the importance of valuing the renewable resources of love and family" quoted from [www.goodcleanlove.com](http://www.goodcleanlove.com), Wendy Strgar's company site, marketing sex aids and accessories including personal lubricants, massage and pleasure objects, love flower perfumes, body desserts and more ..

Love and family ... renewable resources, eh ? Wonder how much love and family it would take to operate a power plant. Or fuel a train from New York to Las Vegas . Well, if all it takes to save the planet is lots and lots of sex, using parabens-free lubricants and environmentally packaged vibrators, then why isnt everyone doing it ? (or maybe everybody IS and i just caught on a little late...)(as usual) :((

Taking a deeper look, or to put it another way, penetrating harder, into Wendy's love nest, i discovered that "Good Clean Love is an approved Coop America Green Company" (green sex? has a kinda orgasmic ring to it, doesnt it ?), and that "by helping women to create and sustain strong families, we make the world a more loving place. " Great, Wendy is a feminist as well as a "loveologist". Wendy replaces the use of petrochemical and parabens in intimacy products, turning love-making into a truly sustainable experience (and you all thought that Viagra was the only solution).

I thought i had just better check that there wasnt actually a sustainability report in the sex sector, so i did a quick search for sex on [www.corporateregister.com](http://www.corporateregister.com) and to my dismay all i came up with was Wessex Water plc and West Sussex County Council. Oh well, good to know that there is some element of reporting that comes close to containing sex.

Actually, i came to this sustainability revelation when my daily Google Alert threw up an interesting headling referring me to **Andy Krolls piece on fox news dot com**. He takes us on a tour of eco-friendly biodegradable condoms, solar powered vibrators and organic lubricants. Though he does recommend safety over sustainability when it comes to natural lambskin condoms. He didnt mention if he was talking from experience.

I wonder why GoodCleanLove has not yet produced a sustainability report. Perhaps just a little more renewable love is needed to fuel that process ? The positive impacts of sex

appear to be clear. Wendy writes in **Green Girls Global blog**: "Hundreds of major medical studies have shown that an active sex life leads to a longer life, better heart health, a healthier immune response, reduction in chronic pain symptoms, lower rates of depression and even protection against some cancers. " Plenty of materiality and positive indirect impacts to report on here. And it is heartening to know that all i have to do to stay healthy is never get out of bed.

Now dont be sceptical. I mean, take Good Clean Love's New Cocoa Mint Body Dessert-smooth and creamy, all natural and organic butters and oils blended with organic Egyptian cocoa. Low calorie, too, apparently. I wonder how many kilos of that you can consume during a quickie before the kids get home ?

I couldnt leave the GLC site without a quick look at the number one selling sex-aid - the **v-i-b-r-a-t-o-r**. I discovered an amazing array of ergonomically designed shapes, some of which you can even plug into your ipod for the ultimate ergonomusical erotic experience. I wonder if they run on rechargeable bateries? Or are they powered by OTC lubes because "everything works better when it is well oiled".

So come on, GoodCleanLove... put your money where your passion candles are and lets see that first sustainability report. We are looking for a model of transparency. Or to use the professional jargon, bare all!

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz)  
!Technorati Profile  
Posted by elaine at 12:06AM (+03:00)

## Comments

- KentuckyGal

May 02, 2009

---

I can definitely do the Cocoa Mint thing, but having trouble wrapping my mind around "ergomusical eroticism". \*lol\*

## Cuppa, anyone ?

Wednesday, April 15, 2009

I just returned from a vacation in north Manchester, where i grew up. Aside from my family, and **Coronation Street** (there are some that would say there is a resemblance :)), there are only two things i miss and which are unavailable in Israel. **Bisto** and **Tetley tea**. You just can't get a great cuppa in Israel. So, as i enjoy sipping my round-bag Tetley, the nostalgic taste of my adolescence, i wondered about the reporting practices of this iconic brand. Tetley is number one in the UK and Canada, number two in Australia and three in the US. So i am in good tea-sipping company.

The Tetley.co.uk site is not terribly revealing **BUT** i note that Teltey tea is **ethically traded**. "Growing and producing tea provides a livelihood for millions of people around the world. Assuring their living and working conditions is very important to us, and we manage this through our membership of a growing international organisation called the **Ethical Tea**

**Partnership (ETP).** This is a non commercial alliance of 18 international tea packers who believe in a shared responsibility for the social and ethical conditions involved in the sourcing of tea." Other than this positive revelation, the **2 pager on corporate information** - the media pack - contains a page on ethical, environmental and social impacts. Wonder why they think only the press would be interested in this ? But no CSR report. What a disappointment.

However, another revelation, at the bottom of the website there is a tag: **A TATA Enterprise.**

**Aha!** So, Tetley's belongs to Tata.

So by now you know that i dont like to leave my tea-bags hanging in mid-air, so i take a trip to **CorporateRegister.com** where i find **Tata Tea's 2007-2008 Tata Tea Sustainability Report.** I am impressed with the references to "**holistic**" management and "**social awakening**" - tea is really quite a spiritual thing, apparently. "In an attempt to migrate the Tata Tea brand medium of **physical and emotional rejuvenation** to a platform of intellectual and social awakening", Tata launched an award winning social marketing campaign. I am very gratified. Now i can not only enjoy my ethical cuppa, **but i can be rejuvenated as well.** Though organic instant tea isnt really my cup of tea. (Yes, that was a pun). Tata Tea is a **Global Compact** signatory, which is positive, and 100% of instant tea waste goes to the biofuel gasifier, which produces 200 tons of steam power per day to run the plants. A 54 page report written along GRI guidelines with an index and a UNGC index, this is a nice report and presents a credible picture of the way Tata and Tetley make my cuppa. Tata Group is a massive enterprise, in diverse sectors, turning over around \$62 billion and employing around 350,000 people. So to have a focused report on their tea business is quite a refreshing surprise. Quite rejuvenating.

Makes me wonder about Tata-Tetley's indirect impacts - I mean - **what do people do with tea-bags AFTER use ?** How do Tata-Tetley influence consumer behaviour to manage tea-bag waste ecologically ? **This site has some answers.** Including **soothing your eyes, curing your warts, scenting your drawers, mainating your meat, cleaning your mirrors and removing old polish from wood furniture.** Removing old polish ? Oy, what is it doing to my intestines ?

**Bisto** (aaaaaaaaaaaaah Bisto!. Remember those great TV ads ?), is less transparent but . Owned by **Premier Foods**, the **CSR report** is a 4 pager covering the headlines - Ethical Trading Initiative, WRAP for reduction of packaging weights, governance, employee practices, and adherence to the Five-Fold Environmental Ambition of the Food and Drink Federation. Good stuff on the whole. I am not tempted to think about what you can do with unused gravy, but Bisto makers could go that extra drop to make their sustainability a little more transparent.

Anyway, now that i am back home, awakened and rejuvenated, no warts, clean mirrors, depolished intestines and with full ethical gravy availability, i am glad that my nostalgic shopping spree was highly sustainable. Now, where did i put that used tea bag .....

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz) !  
Posted by elaine at 08:12AM (+03:00)

# how many people does it take to write 19 winning reports ?

Monday, March 30, 2009

**CorporateRegister.com** has just published the results of the **second global on-line reporting competition – CRReportingAwards08**. Vodafone picked up THREE awards – "best overall report", "best credibility through assurance" and "best relevance and materiality". I guess this does prove the point that long reports win awards. 377 pages of CSR. This is the second year for Vodafone as top reporter. They deserve it. As far as I can remember, I voted for them too!

Anyway, I did a quick analysis:

- 9 categories, 3 awards per category = 27 awards
- 27 awards went to 19 reports. Vodafone, BP and Shell each took three awards, Coca Cola and Bayer each took two awards.
- 2,111 pages of reporting is the sum of the 19 winning reports. The top nine first place reports weighed in with 818 pages = 38% of all the reporting pages in the winning reports. Average report length 111 pages.
- 16 of the 19 reports are based on the GRI reporting framework = 84%
- 8 reports are GRI A+, 3 are B or B+, 1 is C and 4 undeclared levels.
- 8 reports were application level checked by the GRI
- 10 reports are assured = 53% of the number of winning reports
- USA wins the race with 6 reports, UK next with 5, Germany 3, Denmark 2, Spain , France and Australia 1 report each.
- With the exception of the winner in the Best First Report category, only one other first place winner was a first report. All the others were third, seventh, ninth or fourteenth reporting cycles.

**Based on the above analysis, I reckon that if you entered your 15th, 112- pages-long, A+ GRI checked report in USA English in every category, you had about the same chance as everybody else of getting an award.** Basically, this indicates credibility in the voting process, given the range of different and varied winning reports, from different types of companies in different sectors, reporting at different levels of transparency and assurance, with different reporting styles and length. All that number-crunching just to confirm what we knew already! I eagerly await the CorporateRegister.com report for an analysis of the voting and trends.

**I wonder how many reporting , consulting, editing, designing, and translating hours went into writing these winning reports.** Let's assume a modest average of 1,500 hours for each report. This is roughly the equivalent of employing 12.8 people for a full year. Or one person for 12.8 years. Around half a million \$ of shareholder money. Doesn't seem all that much for 19 companies, right? Wonder what the **ROI** in business benefit on reputation, employee recruitment and retention, risk management, stakeholder relations would be for these 19 businesses? Guess if I could answer that question, I could claim a commission on the half a million \$, right? (45% would be ok, I am not greedy).

Finally, if all of these Companies decide **not** to report in 2009 as a result of the financial crisis, we can expect :

- global unemployment figures to increase by 12.8 people

- \$500m additional shareholder dividend payout
- plummeting sales of paracetamol, a well known pain-reliever for reporting freaks
- consumer confusion as they don't know who are the most ethical companies to buy from
- car-park sales of CSR office furniture all over the world
- 5,251 other potential reporting companies who now see their chance at winning the 2009 award

So, all you winners, **very well done. Congratulations !**

Please keep reporting. It's the sustainable thing to do.

elaine

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz) !  
Posted by elaine at 11:11PM (+03:00)

## Reporting at the (all) top

Monday, March 30, 2009

**Congratulations to csr-reporting-blog** - and thank you to **Alltop** - as **csr reporting** now appears in the prestigious comprehensive totally cool and collective Alltop page on Corporate Responsibility. You have to scroll right down to bottom right, but it's there. Alltop have done us csr fanatics a great service by gathering everthing that's anything relating to CSR and putting it all one one page. This is a great service to environmental sustainability. Think of how much energy and saved clicks we accrue by not having to search the entire web everytime we want to know what's hot! I am sure my ecological footprint is now much smaller.

I thought i would take this opportunity to examine the unique relevance of the **reporting blog** to the rest of the news that appears on the Alltop CR page.

Well, right at the top of the Alltop we have Google's Corporate Responsibility News. This is a collection of everything that googles its way into our consciousness and the second item as I check the link is the press release about the issue of ConAgra's social responsibility report which you can find here . This is a FIRST report, I LOVE first reports, I will review it SOON on CorporateRegister.com, no doubt.It's a GRI self-seclared B - hmm, can't wait.

Then we have the brilliant Mallen Baker's feed from his brand new website, Business Respect. Mallen himself deserves a lot of respect as he is usually first with insightful news, clever in his analyses and often rather provocative. Yes, even CSR people can be provocative. The first Alltopped item is the French Government's ban on Bank bonuses. Whilst it may be true that high executive salaries may not have been the primary cause of the financial crisis, I often wonder why executives are felt to deserve remuneration at the level of millions of \$\$\$ per year.

CSRwire.com, a leading veteran csr news site comes next, with a first story about awards made to Vermont organic farmers. You can read about rotationally-grazed pasture, a singular river crossover, an impaired watershed, sensory evaluation of milk and new organic Vermont cheddar cheese . If nothing else, you can expand your vocabulary.

Though that cheddar does sound mouthwatering, even if it is organic. Well done to Vermont.

Finally, the best of the rest include blogs from some impressive contributors such as Wayne Visser on CSRInternational, Joel Makower, Fabian Pattberg, the DevelopmentCrossing forum and the World Bank Blog, as well as news feeds from other reputable sites such as CorpWatch, Greenbiz and BITC. I have **purposely** left out the hyperlinks so you can go to Alltop and get there yourself. What, you think i am gonna do ALL the work ?

However, I am gratified to say that my analysis proves without a doubt that the **csr-reporting blog** has **UNIQUE** relevance as it is the only content which is solely devoted to REPORTING, analysis of REPORTS, challenges to REPORTING methods and insights about REPORTERS.

Well, most of it. Except this post, maybe .....

elaine

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz) !  
Posted by elaine at 09:14AM (+03:00)

## the self declared thing - hit and miss ?

Saturday, March 28, 2009

So I decided to check out this self-declared thing.

The GRI has a check facility whereby any report can obtain an official confirmation that the report meets the designated application level. To me, it seems a shame to go to all the trouble of writing a report and then not having it subjected to a formal check. There is nothing more satisfying (except **Chunky Monkey** on a warm day) than getting that mail from the GRI which says "**CONGRATULATIONS** ...With this e-mail I would like to provide you with the final results of GRI's Application Level check of TheTotally Amazing\* Company's report. We have checked this report against the criteria for the **GRI Application Level** ...(+) and GRI has qualified your report as Application Level ...(+) . "

The Global Reporting Initiative keeps a record of sustainability reports which refer to the GRI guidelines. When I last checked sometime in March, 102 reports published in 2009 were logged. Of these, 54 are self declared, which means they didn't go for the formal check. Of these 54:

- 21 at level C
- 3 at Level C+
- 15 at Level B
- 4 at Level B+
- 6 at Level A
- 4 at Level A+

and one hanger on who didn't self declare but forgot to say at what level. The self declarers cut across all sectors and many countries. So it's not a culture thing, right?

As you can see, by doing a quick minor first grade calculation, 44 % of self-declarers

report at the lowest possible level – C. Now, frankly, my view of Level C is that it is potentially barely more than a marketing brochure. So I decided to delve. I am good at delving. I think it's because I was forbidden cookies and candies in my childhood.

#### **First stop: Wachovia 2007 report**

<http://www.corporateregister.com/a10723/wach07-csr-usa.pdf>

What a surprise. It's a first report. Love first reports. Guess it's the last as well, as Wachovia is now part of Wells Fargo. There is a GRI index: interestingly the reporter has selected to respond to a number of Financial Supplement Indicators but only 7 of the core GRI indicators. And no Economic Indicators. The one LA indicator reported is LA 11: *Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings*. This is well reported with the "Employee Driven, Manager Supported, Wachovia Enabled" program (try saying that when you are drunk) which led to 43% of vacancies being filled by an internal candidate. Nice stuff. EN3 is reported: *Direct energy consumption by primary energy source*. Good data over 3 years (never mind that there are significant unexplained increases in all energy consumption and CO2 emissions - it meets the reporting requirement). Wachovia reports on 7 GRI G3 indicators and another 6 from the financial supplement. **But this really shouldn't be a C report. It doesn't meet all the criteria.**

#### **Second stop: Altron 2008 Sustainability report**

<http://www.altron.co.za/annual2008/pdf/sustainabilityComplete.pdf>

75 page report called One group One goal. It's part of an integrated report. Altron say they report on 11 indicators. But I find that taken as a whole, the report is quite comprehensive. **A self-declared C is way below this report's actual level.**

#### **Third stop. Robert Bosch 2007/8 Report**

<http://www.corporateregister.com/a10723/bosch0708-sus-gr.pdf>

Bosch reported on a whole 35 indicators – **way beyond what is needed for Level C**. It could even be a level B. This is actually a well thought-through report focusing on material issues. Why self-declare? Why not go for the GRI check? Or assurance?

**Two out of three self-declared C reports go beyond the reporting requirements. One doesn't meet the reporting requirements. This may not be a representative sample, but it sounds like pretty much hit and miss to me.**

**Don't get me wrong.** I don't have shares in the GRI. But I do believe that a third party confirmation assists in making a correct assessment of the reporting level and adds credibility to the report. If you are going to refer the GRI, then why not do it in a serious way? Why not claim the credit you deserve if your report meets a higher level of transparency? **And more importantly, is the GRI achieving it's objective when reporters quote the framework but ignore (abuse?) the guidelines ?**

**My advice to reporters: get your level checked.** My offer to reporters: I'll be happy to oblige.

(I am allowed to make a mild marketing plug on my very own blog, right ?)

\* The Totally Amazing Company is totally fictitious. I googled it. The nearest I got was an album by Englbert Humperdink. which probably wasn't all that totally amazing.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz) !

Posted by elaine at 04:37PM (+03:00)

## And another song for sustainability...

Saturday, March 21, 2009

After my last post, songs seem to be popping up everywhere .. I was reviewing Marks and Spencer's partnership with Oxfam which has raised one million pounds in a return clothes program, and came across the Godwin School choir's song about eliminating plastic bags.

<http://plana.marksandspencer.com/we-are-doing/waste/stories/39/>

Small actions lead to big changes, and Marks and Spencer feature a song the kids wrote and perform relating to the evils of plastic bags. Nice, creative, fun sustainability and corporate responsibility.

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz) !

Posted by elaine at 10:08AM (+02:00)

## Sing Sustainability .....

Saturday, March 21, 2009

You can't help but smile at this .... I was happily working through my next report review of Henkel's 2008 Sustainability Report and as usual, I toggle back and forth between the PDF and the website .. and i just happen to stumble across the **Henkel Song**.

It's called **We Together**, and the lyrics go like this :

We together all together  
Let our visions and our values lead the way  
We together all together  
That's why the Henkel name will always stay  
From beginning to end A Brand like a Friend

It's downloadable in several languages and mixes on the Henkel site. Now, it's a really great song. Quite catchy, actually. Wonder if they ever thought of entering it in the Eurovision. I am sure even **Elvis Presley** would have been happy to add it to his repertoire.. I mean, Jailhouse Rock it isn't, but it's really not bad. In fact, I was so enthralled with the thought of 55,000 Henkel employees warbling this song at every budget planning session and management training meeting that i just couldn't resist listening to the **Japanese** version (domo arigato yeah yeah), and the **US country** version (eat ya heart out Hank Williams) and well, what the heck, i went though **Turkish, German, Ukranian, Hungarian, Mexican, Arabic and orchestral** ( country: Philharmonia). After all this, i can now sing the entire song in a perfect mixture of multinational lyrics, with a Manchester accent. So what if i am a little out of tune. Wonder when the Hebrew version will top the charts .....

You might be asking yourselves why i am so taken with this. **First**, you should understand that my life motto is: **one who wishes to sing will always find a song**. So you could say that the Henkel song struck a chord with me (cringe). **Second**, it did get me wondering how this song is used at Henkel and if it supports a sense of togetherness and community within the business. It reminds me that during my time as VP for Human

Resources at Unilever in Israel, we often used the song **Proud** by **Heather Small**, which was used by Unilever globally, if i am not mistaken, in a diversity roll-out program. That's a **great** song - recommend you hear it if you dont know it. It was always good way to set the mood for deeper discussions and created a kind of familiarity and sense of common spirit. **I wonder how many other corporations have songs.**

- AIG: Yesterday...
- Citibank: Money Money Money makes the world go around ....
- Wal Mart: We are the world
- Diageo: Message in a bottle
- Mattel: Rag Doll
- Adidas: Run chicken run
- Patagonia: aint no mountain high enough

Enough of that .....Henkel, **thank you** for this sprinkle of melodic inspiration ..... better get back to that report review now ..... la la la doo be doo la la la ...

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz) !

Posted by elaine at 12:45AM (+02:00)

## I have now joined the future

Wednesday, March 18, 2009

Guess what ! I have now officially become a member of the **future**.

I participated yesterday in what was for me a very futuristic experience - yes - you guessed .. a WEBINAR!! I like to think i am a computer-literate techie sort of person, but to date, I have resisted all these millions of webinars and things, mainly because of the hassle factor (getting hooked up), the earphones factor (flat ears) , the poor connection factor (crackles, buzzes and beeps) and the half-sentence factor ( hello, welcome to..... today.....will discuss .....important to note that .....very significant as you can see on slide 3 that.....) . But the temptation of hearing code-guru **Deborah Leipziger** was too great to resist. So, albeit a little late (10 yr old daughter needed mom to buy her **hundreds** of \$\$\$\$ of clothes for her birthday party at the weekend), I accepted the CSR International invitation to join the first in the impressive line-up of webinar events scheduled until the end of 2009 (this is great forward planning - unlike my local culture where planning more than 3 hours ahead causes chronic migraine)

**Deborah Leipziger** is the first lady of corporate, industry and cause-related codes of conduct and ethical standards. Her **Code Book** created order and understanding of the relevance and importance of framing conduct expectations and existing best practices. A sort of Code Bible. Amen.

How is this connected to **Reporting** ?

No CSR report today is complete without reference to a Code of Conduct and in many cases, declaration of a string of external codes that the corporation adopts. My guess is that on average, companies have about 5 or more different codes they try to observe in their businesses.

A quick look at some CSR reports proves me mainly right:

- **ExxonMobil 2007**: corporate code(s) of conduct , global responsible care charter, global compact, voluntary Principles on Security and human Rights, millenium

- development goals, ILO convention on Indigenous peoples
- **Westpac Banking Corp 2008** : UNPRI, principles for doing business, Equator Principles, ASX principles on Good Corporate Governance, sustainable supply chain management code of conduct, GRI, UNEP Finance Initiative, CEO Water Mandate
- **Sony 2008**: Sony Group code of conduct, EICC code of conduct (only 2 ? did i miss a few?)
- **Diageo 2008**: Global compact, Dublin Principles, Business charter for sustainable development, CEO Water Mandate, internal codes of ethics, GRI

The harmonization of codes was one point raised in the discussion - though a key part of the value of the Code is the process by which it was created. So maybe we need lots of processes but less codes ?

Anyway, back to the view from the top - few insights from the **guru**:

- **ISO 26000** is not cutting-edge but it is broad and covers most of the range of CSR issues . It is right to go the guideline route and not the certification route, though certification at a national level in local language could be an opportunity. Some national certification bodies are already starting to consider its use - Portugal and Denmark for instance.
- **Sectorialization** is becoming more popular and useful as a tool for different industries such as the electronics industry, automotives, forestry, financial sector tools such as the Equator Principles.
- **Training** is essential to ensure application and assimilation of codes - this is often underestimated
- **Impact analysis** including gathering of base line data is often overlooked but is an important tool in understanding both the effectiveness of the code and the unintended consequences of implementation.

In response to my question, What about a code of conduct for CSR professionals or are we exempt? there was a knowing smile and an admission that the cobbler forgot to make himself a pair of shoes, or whatever the saying is. There was the question of how do you define a CSR professional . Right now, as long as its polite, I dont mind. :-)

Anyway, i have to end this blog post now as i have to go off and write another **code....**

Thanks to Deborah and to Wayne Wisser, CSRI founder and webinar maestro

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz) !

Posted by elaine at 02:02PM (+02:00)

## Comments

- [FabianPattberg](#)

March 19, 2009

---

Thank you Elaine for this great post. Really enjoyed reading it.

Fabian

- [elaine](#)

March 21, 2009

---

much appreciated, Fabian, thank you. I am always receptive to positive feedback :)) I follow your blog and writings with great interest. warm regards, elaine

# What does transparency have to do with Blushing Apples ?

Friday, March 13, 2009

## Quiz Number 1

What is an Apple Cinnamon scented candle made of ?

1. Apples and Cinnamon
2. Parrafin Wax, Stabilizer, Dye, Fragrance
3. All of the above
4. None of the above

**Answer : here**

Yes, a superb new website from SC Johnson called What's inside discloses the ins and outs (well, mostly ins) of the contents of all of their homecare products, with plain language explanations for the uninitiated (I did a semester of Chemistry at Open University, once, so of course it's all perfectly clear to me).

## Quiz number 2:

What is Benzisothiazolinone?

1. An antibiotic for people suffering from fear of long words
2. An exotic vacation resort in Southern Argentina
3. A preservative that protects a product against microbial growth, to maintain product performance
4. An addictive beverage that enhances immortality

**Answer: here**

## Quiz number 3:

What on earth is this quiz all about?

1. Elaine is bored
2. You are bored
3. Blogging is boring
4. The fact that SC Johnson has created a super website where everyone can take an interest in the ingredients that go into the household products we use every day in our homes, and make considered consumer choices about what to purchase and what not. This represents a major step forward in transparency and I hope that consumers will reward SC Jonson with their purchasing power, and demand that other manufacturers do the same.

**Answer : hint: not 1,2 or 3**

So thumbs up to SCJ. Remains only for them to include more details on this website of their policies for responsible sourcing of all these ingredients and associated packaging components.

And a final quiz:

**The final quiz:**

Was this post of interest ?

1. Absolutely
2. Absolutely
3. Absolutely
4. Absolutely

elaine

**PS: top marks to SCJ for a bold approach. I guess when you can name a candle Creamy Custard and Blushing Apple Candle, anything's possible. At least if it doesn't light up the room you can serve it on a plate with Apple Pie and hope for a new gourmet experience.**

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz) !

Posted by elaine at 01:48PM (+02:00)

## Comments

- [ChrisJarvis](#)

March 13, 2009

---

LOVED THE BLOG!!! Ok, nobody gets bored with blogs like this. Great info, and just well done. Thanks Elaine. About to Retweet!!

## irregulate and unintegrate - i think i am a minority

Tuesday, March 10, 2009

I came across this article in Ethical Corporation which is a commentary on the recent Danish law to require reporting of non-financials by 1,000 Danish Companies. There are two interesting points discussed in the article:

- Integrated reporting or separate reporting
- Regulated reporting or voluntary reporting

One by one. OK?

### Integrate or separate ?

There are many reasons **for integrated reporting**:

- all stakeholders see the whole picture
- demonstrates total strategic adoption of CSR practices
- elevates CSR practices to highly developed level of financial practices
- all reporting processes are aligned and more efficient
- create greater reporting discipline
- results in a more compact and coordinated report (1+1 = <2>(thats>

There are many reasons **against integrated reporting**

- the opposite of all the above (that was easy enough)
- the audiences are different
- CSR gets overshadowed by the financials
- the nature of CSR reporting doesn't fit well with financial reporting - they are

fundamentally different

- the financial reporting cycle is highly sensitive and subject to many different regulatory pressures - aligning CSR with these reduces flexibility for CSR reporting

**And the winner is :.....**

Well, there is no winner, There are just thoughts and preferences. After reviewing the Novo Nordisk integrated report for 2008, i was left with the feeling that integration is a tough task, and that non-financials certainly lose out. NN have been doing the integration thing for quite some time and are acknowledged at the leaders in this approach. I am not interested in the detailed financial data, top and bottom line is enough for me. With a little in between. But i am highly interested in everything that relates to the way they get to the top and bottom line. I wonder how many non-financial-geeks really take interest in the streams of numbers and tables. Bore me silly. **Maybe that's why am not a millionaire :(**. My conclusion: Integrated reporting may have relevance for investors and analysts. I suspect all other stakeholders would regard 90% of the financials as about as useful as an ashtray on a motorbike.

### **Regulate or irregulate**

This is more interesting. The article mentioned above shows the levels of regulation in all of 9 countries - flimsy to say the least.

### **Reasons to regulate:**

- make it happen - still many companies voluntarily do not report
- ensure controls in place
- reporting is a catalyst for action - if you have to report, you have to do something first (in theory)
- level the playing field for the "license to operate"- raise the bar

### **Reasons not to regulate:**

- regulation may create the lowest common denominator of reporting - meet the requirement but no more - kinda remove the competitive punch in today's voluntary reporting
- regulation will require enforcement - could lead to an army of administrators checking for CSR content at best, or at worst, non enforcement
- CSR is so broad that regulation has to be either very detailed or absolutely minimal - so whats the point ?
- forcing CSR into too prescriptive a regulatory mold could dampen the amazing creativity we see in the ways Company's express their CSR approach

**And the winner is .....**

Well, there is no winner. Haha. you guessed that, right ? Here, my view is somewhere in the middle. Sort of upper middle. High upper middle. CSR reporting should be supported by incentives, which are a part of regulation. Some metrics should absolutely be regulated. Businesses showing transparency should get encouragement . I am in favor of a level of regulation, but not to such an extent that the soul of CSR is destroyed.

So, a reasonably irregulated unintegrated approach appears to have a mild advantage over other options. Or am i just being negative? I can live with regulation and integration. As long as we remember that before we can produce regulated, non-regulated, integrated, unintegrated, any-ated type of report, we must see csr progress being made

in the business. Maybe we ought to regulate for **DOING** as well as **REPORTING** ? Oops, now that's a tall order ....

elaine

elaine cohen is the joint CEO of BeyondBusiness, a leading reporting and social-environmental consulting firm based in Israel. Visit our website at: [www.b-yond.biz](http://www.b-yond.biz) !

Posted by elaine at 06:27PM (+02:00)

## Comments

- Lucia

March 12, 2009

This is very interesting. I've meant to ask your view on these debates before and here you write such a straightforward post. The debate is clearly out there. I think the US would be the last country to regulate CSR reporting. As for integrating vs. not integrating, I'm not a fan of numbers/tables either but I think integrated reports are likely to become more popular because of the widespread understanding that purely CSR reports have very limited audiences. Also, given that boards are increasingly interested in non-financial issues, an integrated report might be exactly what they need.

## New study on sustainability reporting

Thursday, March 05, 2009

For those of you who spend their lives reading sustainability reports (ok, dont all shout at once), Ernst and Young have just published a study surveying 100 reports coming out of 15 countries mainly in Europe in 2007 (up to 31.3.08). 35 pages all about reporting, isnt that **neat** ? You can read the report **here**. The report addresses the quality of sustainability reporting and makes recommendations to do it better. The quality is assessed against 5 criteria;

- stakeholder management
- balance (positive / negative reporting)
- comparability (trending)
- readability
- reliability
- disclosure on management approach

**Bottom line:** reports need to be more focused. Less shopping list and more of what matters.

Ok. That's it.

Well, not yet. You know me ... can't help but comment ....so for all you busy people who dont want to read the entire thing, here are some subjectively selected highlights:

- 44% of reports are longer than 75 pages - which plays to a point made by Mallen Baker that longer is apparently better ! Mallen you are vindicated.
- 81% of reporters use the GRI framework - i like this of course - i believe the GRI framework is the best existing framework for reporting, not perfect maybe (!) but the best ... 81% is a higher number than usually quoted

- 76% of reports contain mainly positive data with hardly any negative disclosures - aha! now it's in black and white. Reporting is still seen as a good news exercise. Paradoxically, the more the good news, the less the credibility. Wonder why companies don't get this.
- 47% of reports include descriptions of stakeholder dialogue by stakeholder group. Stakeholder dialogue is a core concept of sustainability. Over half the reporters therefore are not addressing this in a comprehensive way. Interesting, really. I think the issue of dialogue is one of the most significant barriers to achieving true sustainability. Businesses are afraid of dialogue. Dialogue is the route to true accountability. However, 47% is in the right direction.
- On a similar track, only 36% of reports include or discuss stakeholder criticisms. There was even one company who reported that all the stakeholders had absolutely no criticism. Wow. Isn't that neat? Bet their CEO is paid a whopping bonus ...
- 67% of reports include data which is comparable to previous years. This is an important point. One of the core issues I find in reports is that data is often in a vacuum. Lack of context. Dumping a load of figures in a table is not reporting. It's dumping. Guess that's obvious, right? 67% is higher than I would have expected.

there is lots more interesting data in this report, which is a good comprehensive review. Well done to E&Y.

I guess what I miss is the core issue of **materiality**. Surely one of the criteria for assessing a sustainability report is whether there is an analysis of material issues and a discussion of them, particularly sector-relevant materiality issues. One of the first things I look for is a list of material issues or a materiality matrix. Maybe I am just too demanding ...

Anyway, **thanks** to E&Y for providing me with a blog post this week. Wonder if they can do a survey next week too?

Posted by elaine at 02:31PM (+02:00)

## Content, Communications, Credibility

Friday, February 27, 2009

These are the key elements to watch for as you read a Corporate Social and Environmental Responsibility Report, or Sustainability Report, or CSR Report, or CR Report, or .. well, you get the picture.

Without wishing to blow my own trumpet and with due modesty, I am proud to announce the appearance of a number of report **EXPERT REVIEWS** of reports, penned (ok, typed) by myself on CorporateRegister.com, the leading report-hosting and CSR site in the **WORLD**. **Thank you** to CorporateRegister.com for adding this feature, which I find quite fascinating. Wonder why?

The site adds a new Expert Review feature which you can see here, listing all reviews and links back to the reports hosted on the site.

The first reviews to appear are:

- Danske Bank 2008
- Novo Nordisk 2008
- Kellogg 2008
- Westpac Banking Corp 2008

- Cisco 2008
- Deutsche Telekom 2008
- Allianz SE 2008
- LexisNexis 2007
- imc2

Watch this space as we review more reports .... i wont delay in keeping you all posted !!!

Feedback welcome of course !  
 Posted by elaine at 07:08PM (+02:00)

## Comments

- Lucia

March 02, 2009

Elaine,

Congratulations! I think it's a great idea and I'm sure it's going to be a successful initiative. And to spread the word, I made this posting  
<http://www.corporateandresponsible.com/2009/03/elaine-cohen-expert-opinion-on-csr.html>

Cheers,  
 Lucia

## now babies can save the planet

Saturday, February 21, 2009

i know this is a little off topic, because it hasnt appeared in a social report (yet!), but i couldnt resist this article which appeared in the Times which starts like this :

"A scheme to recycle thousands of tonnes of used disposable nappies into everything from tiles to bicycle helmets and, eventually, to extract methane from them to generate energy is about to start. "

**It's that methane thing again.** First it comes out of cows mouths and now it's about babies backsides. Recycling used nappies, including the plastics, superabsorbent polymers, fibres, cellulose and other materials, now **BABIES can save the planet.** Isnt that neat? We create a fast-paced, consumer society that excesses in its consumption of consumer products and then we build multi-million \$ recycling plants to counter the negative impacts of such consumerism and unsustainable lifestyles. I wonder what the methane-footprint of a four massive recycling plants all over England by 2011 will be ?

But, now moms can feel relaxed about Pamper-ing their toddlers (pun intended) whilst giving them lots of Huggies (another pun intended).

Some facts from the Knowaste UK website:

- In the UK around 8 million disposable nappies are used every day and one baby's disposable nappies fill 40 black sacks in a year
- At least four-and-a-half trees are needed to produce the disposable nappies for one baby Disposable nappies may take up to 500 years to decompose, essentially making them present in our landfills forever

- For every tonne of nappy waste recycled, 400kg of wood, 145 cubic metres of natural gas and 8,700 cubic metres of water is saved

So, next time you wear a motor-cycle helmet, just think whose little peach-like soft silky bottom it was hugging before it became your helmet.

Actually, if we combine the methane-inhibiting plans to reduce cows burping, together with the plans for recycling nappy waste, we could have no-waste non-burping babies that are both adorable and a credit to the planet. So moms and farmers, get your heads together and reduce and recycle all that methane - just think what a wonderful sustainable world you are creating. Perhaps farmers could also start using disposable nappies for cows. Just think how much recycling material that could create ! wow. The possibilities are endless. No sh\*\*t!

Posted by elaine at 08:30AM (+02:00)

## can cows save the planet ?

Friday, February 20, 2009

hi blog and blog-readers,

been a while since i last posted .... too busy reporting, i guess. Working on two fascinating reports at present, amongst other things... important and exciting work.

In between times, i am reading a good book called Reporting Non-Financials by Keavan Gazdar.

Keavan takes us through a multitude of csr reports and companies who report on csr. He maintains that nonfinancial reporting is a way to present the company's true value, much of which is not reflected in the company's annual report. "How can today's value drivers be reflected in corporate reporting ? he asks. There are tremendous insights and relevant guidance for reporters and those who read reports in this book which i thoroughly recommend.

A few more quotes from Keavan which i particularly enjoyed:

**"Most companies churn out documentations in the guise of reports; information is given because its available, not because it is important" (page 280)**

**"The real trade-off for ambitious reporters is between trade-off and detail"(page 73)**

As a reporter, i agree that some of the hardest decisions are around what to leave out.

**'Printed reporting has the great advantage of forcing a certain basic structure on report producers" (page 281)**

As a GRI reporter, I agree that structure is necessary for reporting. A report, by definition, contains all the relevant data and information in one place. Reporting solely on a website, simply by cross-linking to all bits of information relating to csr, may count in terms of transparency but doesn't usually make for a coherent and complete report.

**"Reasearch carried out by the HR consultants Watson Wyatt in 16 European countries shows that companies with strong HR management deliver almost twice as much shareholder value as their average competitors"(Page 132)**

As a former VP HR, and as a consultant / reporter specialising in reponsible workplace issues, i have seen time and time again the benefits of good HR practices in moving the

business forward, and in supporting sustainability.

**"Independent verification certainly increases the respectability of the reporting effort"(page 186)**

And as an assurer, I couldn't agree more ...

By the way, i am sure you will notice that my selection of quotations is entirely random, with absolutely no connection to my interests or fields of expertise, right ?

So to compensate for all that self-promotion, I will ask you to contemplate the question:

**can cows save the planet ?**

I read **this article** (courtesy of Corporate Citizenship media briefing) about Cadbury's (the chocolate company and a super reporter) who are working with 65 famers in the UK to find a way to reduce cows from burping (belching, making impolite noises , you know). Apparently all these burping cows are responsible for a big part of our global warming, in the form of methane emissions. "Contrary to common belief, most gas emerges from their front, not rear ends." By changing the cow's diet, the gases they belch can be sustantially reduced, apparently. (Hmmm, I wonder if this will work with my husband ?!)

Well, in any event, this sounds like truly breakthrough creative thinking in sustainability and i for one look forward to a more sustainable future with burpless cows and belchless bulls.

(I guess if we drank less milk and ate less beef, we could make a similar impact, no ?)

So this got me wondering what Cadbury's will be writing in their next csr report. Probably something like this:

**Cadbury's is committed to saving the planet, and reducing global warming. In order to reduce the negative impacts of our supply chain, we have started to provide a diet to our cows which consists of methane-blech-inhibiting-organic-pasture-farmed-grassland food enriched with fumaric acid and vitamin b3. The result of this is a 48.3% reduction in methane gas burped by cows, which means that for every 200g bar of chocolate consumed by our stakeholders, the negative effect on global warming is reduced by 0.0723%. In an interview with cow farmers, who are fully supportive of this move, we asked if the cows are happy now that they are not belching so much. One farmer replied "We believe our cows are totally appreciative of our efforts to save the planet. Now they can do something constructive instead of just waiting around to be slaughtered for Sunday lunch. "**

Perhaps the GRI will develop a reporting indicator for cow-belching reduction?

I hope not.

If i have to assure Cadbury's report, i prefer not to be travelling to UK cow farms counting burps.

Well, if they give me enough Dairy Milk chocolate, i might consider it .....

elaine

Posted by elaine at 01:30PM (+02:00)

## Comments

- ChrisJarvis

February 20, 2009

Ok, that was by far one of the more 'readable' blogs in this field of CSR. Honestly, very fun. Thanks as well for the heads up on Gazdar's book. I'll be on the lookout for it.

- elaine

February 20, 2009

thanks Chris. If it's fun, it gets done. Apparently Cadbury also take that view. Must be great fun observing cows belching. :-) though in all seriousness, i guess we should leave no stones unturned (and no gastro processes unchecked) in the pursuit of sustainability. Well done to Cadbury for making progress..... burp.  
elaine

## Ten Tips for Sustainability Reporting

Friday, January 16, 2009

This is called an indirect impact.

My entry this week is posted not here but on one of my favourite blogs - The Sustainable Marketing Blog - by Peter Korchnak. **Here it is!** Enjoy Ten Tips for Sustainability Reporting.

Peter blogs about all aspects of sustainable marketing (one of my favourite posts is Word of Mouth Marketing - must read that book!)

**Sustainable marketing** is a fascinating field and is of course a very relevant aspect of csr reporting, particularly for companies with consumer brands. This includes the way businesses choose to market, advertise and promote their products, which sectors of the population they target and how they reflect them in their marketing campaigns. Social marketing, or cause-related marketing are key elements of a sustainable marketing strategy. And of course the use of social media today has transformed the way companies consider reaching target audiences.

I was just taking a look at the Kellogg first global csr report, just released. They include a section on **responsible marketing**, and talk about an update to their marketing guidelines which have now prohibits marketing to kids under 12.

A final, and **shocking** view of irresponsible marketing is the way women are exploited for marketing purposes. Yes, feminist stuff again. but look at this . This represents the exact opposite of corporate social responsibility and sustainable marketing practices. Wonder if these ads appear in CSR reports ? So remember, next time you are tempted to indulge in a little cognac after reading a CSR report, DON'T go for Remy Martin.

Anyway, to round off, **thanks** to Peter for allowing me to guest-post on the Sustainable Marketing Blog.

Posted by elaine at 03:51PM (+02:00)

## Comments

- ChrisJarvis

February 03, 2009

---

I thought the Kellogg report was good as well. One of the few to outline a report card analysis on present and future goals. And unlike many CSR reports, connected well with overall business strategies.

## Denmark does it ... Apple doesn't

Friday, January 09, 2009

There's always good news and bad news.... that's what happens when TWO headlines come up on your radar.

### First .. the good news headline:

"European neighbours and multinationals will be watching closely as Danish government passes legislation requiring firms to produce CSR reports " The law doesn't require the 1,000 largest firms to actually DO anything to advance their CSR practices, but it does require them to report. Isn't that interesting ? It means that all those that have nothing to say, but have to report, will show up as less attractive. Which perhaps will prove the point that reporting is a catalyst for action. If you have to report, you first have to do something to report about. The Danish government says that this is likely to enhance Danish business as an an attractive investment proposition. This is based on the assumption that Danish businesses are very csr-worthy, but they just dont tell people about it. Which is absolutely a key part of social responsibility - accountability is responsibility plus transparency. Well done Danes.

I took a quick trip to corporate register (CorporateRegister.com) and found that there is quite a good level of reporting in that country. Denmark is ranked 17th with around 500 reports issued since 1992, after US, UK, Japan, Germany, Australia, Italy and others. Some of reports to come out of Denmark include the best integrated reporters Novo Nordisk , Lego and others, unpronouncable for non-Danes.

### Now for the BAD news:

Apple's launch of new green products at this week's Macworld show has been overshadowed by the company's attempts to quash shareholder requests for more corporate social responsibility (CSR) reporting. The Apple company says that producing another report would produce little added value and require time and expense.

It's a good thing they are not based in Denmark, right ?

Posted by elaine at 05:36PM (+02:00)

## Comments

- [ChrisJarvis](#)

January 12, 2009

---

Great post Elaine. The comparison between Denmark and Apple provides for some provocative reflection. Apple is an interesting company. There may be some merit to their claims of duplication in reporting methods and the need to cut unnecessary costs. But given our present climate of skepticism among savvy consumers - especially the demographic that purchases Apple products, I can't imagine this conversation between the corporation and shareholders is over.

# Pacific sustainability Index - you gotta love it !

Saturday, December 20, 2008

Today i came accross something i love... sustainability report rankings. I guess there can't be too many people for whom report rankings just does it ... but for me, they just jump off of my screen and make me stop and take notice.

So i came accross the Pacific Sustainability Index which is run by the Roberts Environmental Center. The center ranks companies based on their online sustainability reporting information. They have a defined methodology focusing on social, environmental and human rights reporting. And they produce sector reports on a frequent frequency, frequently. Focus on fortune 500 companies. The rankings cover intent, performance and reporting in each section.

The latest batch includes the Electronics, SemiConductor and Peripherals Sectors. 62 pages of really interesting analysis. Panasonic, Toshiba, Sony and Royal Philips Eletronics come in 1,2,3 4 ... yes in that order. Interestingly Panasonic scores very highy on environmental issues but much less so on social issues. But overall is ranked winner.

By now you will have realised that i like to get things first hand - so i took a quick trip to CorporateRegister.com and located the Panasonic 2007 Sustainability report on which most of the PSI analysis was based. On the cover of the report is Panasonic's wearable robotic suit with rubber man-made muscles to help people recover from limb paralysis. What a great thing! Looks quite futuristic. And the eco-friendly washer dryer. They put their "hearts and soul"into developing the heat pump. Soul in a heat pump ? But flippancy aside, this is a really great report. Its packed. The graphics are super with lots of pleasant and informative diagrams. Stakeholders pop up throughout the report, intrude with a question, or criticism, and receive a reply on the same page. Nice touch. And to top it all, assurance by no other than the impressive Johnathon Porritt.

I think i am going to be a PSI fan. Hope it's not addictive.  
Posted by elaine at 11:50PM (+02:00)

## Quotes from the reporting conference

Friday, December 05, 2008

**What they said at the Ethical Corporation Conference Reporting and communications Summit, London, November 25-26 , 2008**

The Ethical Corporation Conference and Reporting Summit (25-26 November 2008, London) was attended by a competent gathering of sustainability professionals, consultants and yes, you've guessed it, me! It's always interesting when people get together to talk about reporting, because the conversation never quite knows whether to focus on the art of reporting or the art of managing and implementing social and environmental responsibility in the business, i.e., the content of the report. When people talk about **reporting driving performance**, and I heard that many times in the conference, are they talking about the delivery of a social report, or are they talking about the responsible ways in which the company performs in order to be able to report? It's a little confusing for the average bystander, I daresay. Though as a seasoned reporter, I

maintain that there is truth to the assertion that **reporting is a catalyst for action**. The very nature of raising the question: "What have you done about reducing your GHG emissions?" creates an insight that some action is required in that area if the answer is an embarrassing silence.

#### **When it all blows over, how will we be positioned ?**

The question was asked of Ernst Ligteringen, the CEO of the Global Reporting Initiative. Ernst maintains that it is more important now than ever before that businesses maintain their social and environmental responsibility efforts. Because when things get back to "normal", (someone will define normal, one day) the underlying issues such as climate change, use of resources, poverty and so on will continue to be high on the agenda. And those businesses who can responsibly deal with those issues will be best positioned.

#### **We haven't written the last chapter on Social Responsibility**

Another quote from Ernst, in response to the question: "Is the GRI a standard or a tool?" Ernst says the **GRI** continues to evolve and represents work in progress. But to all of the rest of us, it looks like a standard, it feels like a standards, it is used like a standard, and it's the nearest thing we have to a comprehensive social and environmental reporting standard. So what's the harm in considering it to be a standard? Well, we wouldn't want to tread on the toes of ISO, who are busy developing their 26,000 standard which should see the light of day sometime this millennium. But that doesn't promise to add much value over the GRI, in my view.

#### **It's just noise**

Speaketh the irreverent Mallen Baker, who has a very specific and rather uncomplimentary view on reporting. In its current form, it's bad, he muses. He compares it to regurgitated messages which are force of habit but have long since lost their meaning and value, like "Stay clear of the doors" when boarding a train. He maintains that the reason and the delivery of the communication have become disconnected. What is the point of reporting, Mallen asketh. What does it tell us about the potential of companies to generate future cash flows? Reports require companies to generate their own context because without context, whatever they write is meaningless. I agree with this point. Mallen ends up saying that the **GRI is a wish-list from a bunch of different stakeholders so that when they sit in a committee**, so that they can decide what they would like to see. This does not, he says, add real value to the engine of driving change in the business. Ernst rebuts with the assertion that the GRI, when used properly, does provide context and is intended to provide balanced reporting. Some do it well, some less well. Slight advantage for Ernst in this argument, I feel. The GRI structure is, on the whole, positive and does assist in focusing the mind about what is important to consider when reporting.

#### **Longer reports win awards**

Pronounceth once again our resident sceptic, Mallen Baker. I disagree. But let's get some data.

#### **Comparability is a myth**

Aha. A voice from the crowd. One of the core objectives of the GRI framework is to provide **comparability** – a way of benchmarking businesses against different indicators. Anyone who has tried to do this, and I have, quickly finds that there is very little that is directly comparable because, although the indicators are mostly specific, the answers are mostly selectively narrow or obtusely broad. For the time being, comparability is only marginally possible.

### **Marketeers are not interested. CSR teams need to build the bridges**

I forgot to note who said this. So apologies for lack of credit. And yes, most marketing teams are conspicuously not involved in CSR efforts, and many are not even consulted in CSR reporting efforts. They may provide data for the report, but they are not a core member of reporting teams. This is an indication of the lack of integration of CSR strategy in business strategy which drives marketing strategy. Who can change this? Not the CSR teams. The leadership teams. Who more often than not contain marketers but not CSR people. Chicken and egg stuff, right?

### **We identified 130 material issues and we reported on 8**

Olaf Brugman, Senior Manager in the CSR Division at Rabobank, describes their approach to materiality. It takes a lot of self-restraint (or in some cases, relief!) to select a small number of most material issues and report in depth only on those. But this is the thing to do. Well done to **Rabobank**.

### **Too much information in a non-structured way is non-information**

Ursula Mather, VP environment and sustainability at Bayer. An impressive approach by **Bayer** to CSR and to reporting, with focus on material issues. A key watch-out when reporting is to ensure you don't engage in telling everything you have in the interests of transparency. You have to tell what's material.

### **Every word was assured**

Hilary Parsons, head of Corporate Affairs, describes the 15 month long assurance process of Bureau Veritas for the Nestle "Creating Shared Value" Report. Every sentence was analysed to ensure there is proof. Hilary believes **Nestle** gained true credibility value from this rigorous assurance process.

### **If you could ask Coca Cola any question, what would it be ?**

Jo Franses of Coca Cola UK talked about the innovative "Let's get together " approach to interactive stakeholder engagement and the new platform for delivering open and honest conversation about the brand. Since May 2008, 4,000 questions were posted, 900 unique answers were supplied and over 100,000 have visited the site. Sounds suspiciously like good practice to me.

### **Mouse-over glossary**

Stiaan Wandrag of Sasol cited this as an innovative approach to on-line reporting. And, it might not sound much, but it's actually quite a good thing. Every time they use an acronym a little window pops up with the full monty. I just checked it out. It works. I mean, who carries in their head GTL, CTL, UNFCCC, CCS, BEE, GEC, OHSAS... I could go on. I mean, do they talk like that at **SASOL** ? But, good for us people who get frustrated having to look things up every five minutes.

### **Our culture is performance driven, values led**

This may not sound original but it is a neat and punchy way to describe the **Cadbury** philosophy which incorporates some **wonderfully refreshing** work on CSR and reporting, led by the impressive Allison Ward. ( I am not repeat NOT saying this because Cadbury handed out thick slabs of dairy chocolate at the conference). The Cadbury report is focused, clear, interesting and geared to different level of stakeholder competence and interest. [dearcadbury.com](http://dearcadbury.com) is well worth a visit – it's quite an inspired approach to reporting. Allison says: Even the glossiest of websites is not relevant without content. So from Eco Eggs to considering the possibility of making biofuels from chocolate waste (I

think that was a joke!), I make a vow of eternal loyalty to Cadbury. Guess I will just have to eat more chocolate ... that's going to be really tough....

### **You can tell about how serious a company is about CSR depending on who has accountability for the CSR function in the business**

I attribute this to Charlotte Grezo, former head of sustainability at Lehman. This is a good point. Someone has to manage sustainability just as someone has to manage everything else that is important in the business. Those companies who just let CSR stroll in and out of the different functions in the business without direct accountability cannot truly hope to leverage csr opportunities in an optimal way. **Investors are not interested in straightforward philanthropy.** Charlotte said this too. Investors want to see some meaningful use of community investment that creates new value. Not just giving charity. I think most businesses understand this these days, no?

### **Integrated reporting helps drive internal alignment**

Another impressive lady of Cr, Susan Blesener of Novo Nordisk, described the **Novo Nordisk** approach to integrated reporting in an clear and enlightening way. I haven't been a fan of integrated reporting but I was impressed by the Novo Nordisk presentation and could see the value of ensuring comprehensive alignment of all business and sustainability messages in one mindset and one report.

### **The truth is ... everything is connected**

Jo Confino of the Guardian profoundly confirms that if the business is not understanding the complexity of all its connections, it is going to go nowhere. He advocates looking at the true purpose of reporting and not just get into the routine of reporting and lose the unique value it can bring. Makes sense, I guess.

### **Reporting is giving way to communication – these are not the same things.**

Mark Weintraub. Shell. Bingo. Well, whoever said they were the same things. Reporting is just one part of a comprehensive communications strategy. Whoever thinks they can produce a report and then shut up has obviously not got it. I am comforted that Shell has. Mark says that there is a search for simpler, clear and cheaper ways for reporting. And here I will agree. There comes a point where reporting becomes over complex and defeats its objective. Back to Cadbury?

### **Lawyers in the other company allowed them to do it already**

Mark Weintraub again, on the question of to what extent they scrutinize other companies in the same sector as part of their report preparation. If other companies have reported, and their lawyers have allowed them to do it !, then it appears that Shell management would also be convinced to make similar disclosures. I suspect the competitiveness in reporting drives many companies to look for reassurance and also the opportunity for a competitive edge amongst peers. This is a good thing.

### **There was a trickle-down effect**

Andrea Smith on the Carbon Disclosure Project on Supply Chain Reporting. Great Project. Questions to suppliers trickled down to their suppliers and so on. The driving of responsibility through the supply chain – a great example of making things happen differently. The change driven by the CDP ( mouse- over please, Sasol) is quite impressive.

### **Now ICT is the sound byte of the month**

Penny Shepherd of UKSIF on the apparently sudden emergence of a host of

sustainability issues in the ICT sector. She's right. It's there. Don't let peer pressure pass you by, if you are an ICT company, better get on the train.

### **Reporting is like a Russian doll**

Andrew Wilson, MD of that great company, Corporate Citizenship. He is referring to a Babushka doll. You know, you keep opening it up and there's another doll inside, smaller. And another and another .... Andrew was expressing his view that reporting has to be global AND local, and that the shape and form should be the same but the content should be made relevant at local level by a country or regional focus or an issues focus relative to local priorities. I wish more globals would get this. A global report may be right for analysts but it misses most of the local stakeholders. Fortunately, there are many companies reporting today at both levels.

### **200 indicators per country**

Sofia Fernandez described how Telefonica manages global reporting and local reporting. Whilst there is scope for each local operation to report in its own way, each is required to contribute to the global picture and the local CFO's are the ones charged with making sure that each local subsidiary delivers data on a number of agreed global indices. Good approach. Babushka.

### **This was a good conference.**

Guess who said that ? Got it. Me again. I enjoyed the conference. On the whole. It did provide an opportunity to hear good practice from around the world, and talk to those responsible for it. I would have welcomed a little more focus on some of the reporting skills and innovations, but broadly, there were lots of opportunity for insight and the quotes about are merely a small selection of the various issues that arose.

Posted by elaine at 08:59AM (+02:00)

## **Comments**

- Milena

December 05, 2008

---

thanks for sharing the information!

- Mallen

December 05, 2008

---

Hi Elaine

Thanks for the write-up - even if my words of wisdom failed to persuade you!

Re. the point on longer reports, do bear in mind it is the opposite of the point I was making to argue that they should win awards - I was just referring to some recent research that suggested they did. My point is that the criteria of the awards are wrong unless they focus on what really drives value for the audiences of the reports.

In any case, you can find more references to that research here:

<http://www.mallenbaker.net/blog/post.php?id=106>

Best wishes- Mallen

- elaine

December 05, 2008

---

hi mallen ... thanks for your response and for the clarification... i checked out the research and note that "Longer reports are positively correlated with winning an environmental or CR award: Statistical analysis shows that for every extra page in a CR

report the likelihood of a company winning an international environmental award goes up by 3% (although the research does not suggest the link is causal)."  
<http://www.spada.co.uk/news/>

So i have learned something new, thanks!!

I guess Vodafones 378 pages makes them a dead cert!

And apologies if i was a little harsh. I do think that, when used well, GRI is good (but not perfect). And i fully agree that reporting should not be an end in itself but a reflection of relevant progress, in context.

thanks again!

---

- [FamousQuotes](#)

December 07, 2008

---

Thanks for these quotes. I just love it.

---

- [Anonymous](#)

December 07, 2008

---

Hi Elaine, It was nice to meet you at the conference and I've also enjoyed reading your write-up. Looking at my notes, though, I think Penny Shepherd was talking about the need for CSR people to hot foot it over to their pensions departments and get them wised-up on sustainability. I don't think ICT came into it - or did I miss that bit? (She did mention ESG...) We need audio pop-ups for all those acronyms.  
Jennifer Waller, Sustainability Communications, Amsterdam.

---

- [FabianPattberg](#)

December 13, 2008

---

Thanks for these quotes Elaine. I wish I would have had the opportunity to be there.  
Regards,  
Fabian

## The Shiseido Way: beautiful, cute and animated

Saturday, November 15, 2008

I was intrigued to read **Shiseido's Social Report**. I came across the fact that they had issued a report, and had a sudden surge of nostalgia caused by several years working in the cosmetic industry, time spent in Japan, and the reverence earned by shiseido as a master cosmetic innovator and developer, using the most expensive raw materials and producing the classiest and most predigious line of products. So how do they do on CSR, i asked myself, after the nostalgia has subsided.

Straight to website, download PDF.

Darn. It's in Japanese. Now why would that surprise me? Well, their CSR website is all in English. Couldnt they have been 無理がきく? (that means willing to go the extra mile). (I hope!). And produce the report in English? Wonder what proportion of Shiseido customers are not Japanese speakers? (I know a little Japanese, domo arigato). A quick trip to corporate data shows that 63% of their business is in Japan.

OK, let's take a quick look at their web. Straight to the gut. Stakeholder dialogue. Shiseido has an interesting model here. Once a year, it seems, they invite experts and

hold a facilitated discussion which is fully transcribed on the website. This is a nice approach, interesting to hear what appears to be the unedited comments of stakeholders. I looked into how Shiseido dialogues with customers, and found quite a range of ways to solicit customer feedback, including "chatterbox", where employees talk to customers in an on-line live chat environment. It's **GREAT** fun. Why? Because it offers "The ability for participants to transform themselves into cute animated characters keeps the interview enjoyable." I think I would be a cute animated CSR consultant.

But the nice, and I think, rather unusual thing about this is that the site also gives examples of where Shiseido has modified products and packaging design as a result of consumer feedback. The value of dialogue proves itself once again.

Their report is a self-declared GRI B. That self-declared thing again. Must do a post on that.

It's sort of assured - by one of the stakeholder panel participants - but there is no indication that this is anything more than an informed opinion rather than a full verification or assurance process.

The thing that strikes me most about the Shiseido web report is that it's a little like going back in time. Inside one of their nano-capsules. Their approach to CSR is really about doing good - making people feel happy because they can be beautiful by spending a lot of money on Shiseido products and receiving expert advice on how to use them. Shiseido has a very benevolent approach, and works to provide products for all types of skin concerns and "irregularities" etc. What I miss is any sense of **materiality**. What's material to Shiseido? What about their role in the beauty industry which creates manipulated and distorted views of women in the name of beauty? To what extent are they perpetuating myths about beautiful people to drive sales, that creates the sort of society where women feel they have to be stereotypically "beautiful" to be valued? What about pricing? What about animal testing? What about manufacturing conditions?

And while we are on a feminist roll, Shiseido employs over 6400 female beauty consultants (and 6 males). 276 of a total of 1798 managers are female. 15%. Amazing really. The Company sells to women. Makes products for women. No way of knowing how many women are on the Board or in the executive suite. But wouldn't you have thought that there would be a few more capable women available to assume some leadership responsibility?

Anyway, all in all, I can't help but feel a little positive towards Shiseido. (Is it that nostalgia again?). Their report seems an earnest attempt to reflect a basically solid CSR position and a genuine attempt to do the right thing. Modern CSR would suggest they ought to be doing a little more soul-searching to review those areas which are more difficultly material, and also expand the scope and depth of their reporting.

For the time being, sayonara. Or, as they say in Japan, bai-bai.

Posted by Elaine at 11:54PM (+02:00)

## Comments

- Yael

June 12, 2009

---

Thanks for great article on Shiseido! Do you know whether the company supports any good causes? Political ones? Within Israel perhaps?

- elaine

June 12, 2009

hello yael, thank you for reading the blog and for commenting. You can read more about shiseido's good causes here :

<http://www.shiseido.co.jp/e/csr/index.htm>

their activities support art, health and social welfare, and environment. Not aware of anything directly political or in Israel.

warm regards, elaine

- aresh

October 20, 2009

Very grateful for your report. Shiseido/Cle de Peau Beaute are approaching us through a publicity firm to:

...To celebrate this collection, Cle de Peau is mounting an exhibit of the photos, which will be offered for sale with the proceeds going to More Gardens! Further, we will be holding a cocktail party in honor of the exhibition which will be attended by some of NYC's top tastemakers, socialites and art industry representatives.....

Your report along PETA were a breath of fresh air amidst a barrage of google links of promotional steps (many in the right direction solar, recycling etc). It seems to me Shiseido has some key inner root changes in women's rights and animal compassion to work through alongside global warming. Thank you, always welcome to visit community gardens if you are in NYC, [moregardens.org](http://moregardens.org). Peas and prosperity.

## Fast food or fast service at McDonalds ?

Saturday, November 01, 2008

So why do you go to McDonalds. For food or fast service ?

McDonalds have released their new interactive digital virtual on-line hyperlinked fourth CSR report. The last was in 2006. Took them 9.5 months, they said, in an article in PR Week.

Now by now, you know that I am not a fan of digital formats. Give me a searchable, off-lineable, unhyperlinked PDF any day. So I was pleased to discover that there is a downloadable minireport which I immediately downloaded.

The first thing I liked about the McDonald's mini is the key performance indicators from 2004 – 2007. This gives **PERSPECTIVE** and shows progress over a 4-year period. That, after all, is what sustainability is all about, right? The long haul. The 24 page minireport is well-written and targeted at the consumer – descriptive, plain language, not much data but exactly the sort of thing I expect people will be interested to read. It does contain interesting insights, the "did you know" section in each chapter offers 4 or 5 core pieces of information ,like the fact that McDonalds have a chef! ("Most people are surprised to find that McDonalds have a chef!), the first green restaurant in Sweden was opened in 2000, Nutrition Information Initiative for informing the consumer of all nutritional data of foods, Rainforest Protection Policy etc. Producing a readable summary in this way I suspect will encourage lay readership. And in so doing, will assist in broadening overall awareness for sustainability issues. But, as a professional, my thirst for data was not quenched by a mini 24 pager.

So I went to the cr report site: I soon began to tire of the long scroll-downs and I don't have time to watch the videos so imagine my joy when I discovered you can download the FULL report – 92 pages.

I like the McDonalds report. Their treatment of the Greenpeace onslaught where McDonalds admit they were "taken by surprise" and entered into dialogue with Greenpeace to develop sustainable solutions shows responsiveness and honesty in reporting. The section on employment experience is comprehensive and shows good progress in development of the employment value proposition, something McDonalds has been criticized heavily for in the past.

The report was produced with guidance from CERES, it's GRI indexed but not assured. There is no declared reporting level, though this looks to me like a high B or an A.

McDonalds also takes care to note where the Company reports around the world which I believe is an important element for global businesses. Global reporting for local stakeholders doesn't work. A global framework is fine, but multinationals must recognize that their impacts are different each national location around the globe, so McDonalds 9 local reporting locations is good news.

Actually, I **am appalled** to find that I haven't found anything terribly critical to say about this report yet. So here is the thing. When I take my kids to McDonalds, it's because it's a FAST option. Fast food, right ? I can't find anything in this report about customer service and the way McDonalds manages to ensure both food quality, variety and the safety of Happy Meals as well as doing it all fast, so that we don't have to wait in line for eons. Nothing about the customer in-restaurant satisfaction. The report is heavily slanted to supply chain issues. But I guess, and probably agree, that these are the most material.

So all in all, **well done** to McDonalds for a great report, well formatted, readable, material, specific on goals and targets and actually, fairly optimistic. Wow, now I am sooo hungry!

Posted by elaine at 09:01AM (+02:00)

## Comments

- [FabianPattberg](#)

November 02, 2008

---

Nice blog post there Elaine. I am the same with McDonalds. I do not like their food, etc but their reporting is pretty solid.

Regards,  
Fabian

## Cradle to market in 6 months

Friday, October 24, 2008

Interesting piece that caught my eye this week in [environmentalleader.com](#) "McDonald's USA recently recognized Smithfield Foods, a pork supplier for the McDonald's system, with the company's first-ever Sustainability Award. The award, which will become an annual honor, recognizes the supplier that best exemplifies the McDonald's vision,

principles and values for sustainable supply. "

Smithfield has been reporting since 2001, starting out as many companies did with environmental reporting and then moving by 2005 to full blown corporate social responsibility.

Smithfield employes 57,000 people in the supply of 50 different types of pork, beef and turkey products, and other gourmet foods. Apologies if this offends vegetarians. I am not much of a pork fan myself, actually. My first taste of a pork pie was a surreptitious bite at an after-ballroom-dancing-class party when i was a kid. Being Jewish, that's a bit like eating two Magnums after a Diet Club weigh-in. I was so consumed with guilt that I swallowed so quickly I didnt even taste it.

Anyhow, **Smithfield has a pretty good sustainability record** and declares a core value to be "advance animal welfare". I took a quick peek at their latest CSR report to see how they are doing on this score. page 44. Fascinating. **Did you know that the life-cycle of a pig is 6.5 months from birth to market!** Except for 243 pigs who didnt make it to market due to transportation accidents along the way . Their life cycle was 6.5 months minus about 2 days, i reckon. But .. from birth to market! A pig's natural life-cycle appears to be from birth to market, not from birth to grave. (I can't help but feel a twinge of sadness here, because in Chinese Astrology i am, yes, you guessed, a PIG!)

Smithfields say "We are the world's largest producer of pork, with 445 hog production farms and approximately 1,700 contract hog growers in the U.S. alone." Growing hogs - the language surprises me a teeny little ... it would soften the blow if they said raising hogs. you know, a little respect.

My favourite sentence is:

***"Ensuring the health of the pigs we produce is one of our top priorities. Our staff geneticists identify animals with superior characteristics to develop breeding programs that minimize deleterious physical characteristics."*** I had to Webster deleterious. It means harmful. Guess breeding harmless pigs does ensure their good health, until it is time to market, right ? However, being a **feminist**, i was pleased to read that Smithfield has moved to group housing of pregnant sows by phasing out individual gestation stalls at an investment of, wait for it, hundreds of millions of dollars over the next 10 years. I guess pig-gender issues are safe with Smithfield. And **feminists everywhere can now enjoy porkburgers at Mcdonalds** knowing that they are in good hands.

Flippancy aside, **Smithfields open and transparent reporting is commendable**. The long descriptions of all the measures taken at each stage of Porky's life-cycle appear to reflect genuine best practice and first class reporting. After all, Miss Piggy is a key stakeholder, right ? Oops, i said flippancy aside.

I find Smithfield to be no less impressive in their approach on other issues. **Their GRI checked B report is clear, comprehensive** and marred only by a lack of assurance. I would have liked to see a clearer analysis of stakeholder dialogue and material issues, but the report does relate to what i would expect to be core for a business such as Smithfield - food safety, animal welfare, food insecurity, use of antibiotics in animal treatment, health etc. I like this report.

So back to McDonalds. And their Supplier sustainability Award. Understandable that Smithfield was selected.

This all caused me to wonder how many multinationals make sustainability awards to their suppliers . And whether reporting is part of the sustainability criteria. I am aware that many globals now rate and rank suppliers in terms of value offered, service etc.. but how many rank them for sustainability ? I think i will check that out - would welcome feedback if anyone knows who does what.

**Oh, and next time you're tucking into a pork sausage triple decker , please remember that if Smithfield grew it, it probably died smiling.**

Posted by elaine at 08:42PM (+02:00)

## REPORTING AWARDS: please vote!

Friday, October 24, 2008



The corporate register reporting awards are open for voting.YEAH !!!!!.

Please go to <http://www.corporateregister.com/crra> to vote.

And a special request:

**Please vote for the comme il faut report in the Best SME category.**

This is a breakthrough report - first in Israel at GRI level A checked, first private company report, first fashion business report, amazing design and comprehensive content. I am NOT objective. I wrote it! But it's a great report. And i would really like to see my client win an award. This is also the only Israeli report in the competition.

The Corporate Register is the best reference point for reporting. It stores over **18,000 reports** and boasts 23,500 users. There are 120 reports in this years competition, and some of them (!) are absolutely exceptional.

This is the second Reporting Awards. Last years competition included 300 reports. To see who won, take a look here: [http://www.corporateregister.com/crra\\_last/](http://www.corporateregister.com/crra_last/)

**Please vote!** Reporting is a critical tool in the development of transparency in business. Any report is better than no report, but the awards is an acknowledgement that reporting requires more than just a desire to be transparent, it requires the existence of true csr processes in the business (otherwise there's nothing to report, right ?) and a professional and methodical approach to describing csr approach and performance. The awards offer recognition for the leaders in this field, and broader awareness for reporting companies and csr issues. **Reporting in itself is a catalyst for action, and regonition for reporters is a catalyst for reporting.**

Well done to the corporate register for this initiative!

Posted by elaine at 02:41AM (+02:00)

## Tuesday, October 21, 2008

Quick update:

See **my comments** on two Ethical Corporation posts:

(1)

Interesting article by Toby Webb entitled: CSR in a recession, what may be in, what may be out

(2)

Review of online reporting formats by Kathee Rebernak entitled: New media – Online reporting's virtues and pitfalls

As usual, i am rather argumentative. I wonder if i was born that way, or if reporting did it to me!

Posted by elaine at 04:07PM (+02:00)

## Report or be reported.

### Tuesday, October 21, 2008

Ok, so i promised a post on self-declaring. Rain check till next post. Please.

Because i had this thought: **report or be reported**.

It is possible to consider sustainability reporting as a form of pre-empt. Because what a corporation doesn't report, someone else apparently will. This thought came as my inbox was bombarded with details of new reports, surveys and studies about the corporate responsibility of businesses.

For example:

Interbrands 2008 Value of Brands report - a great read - with an interesting view of brand value link to sustainability.

The 2009 corporate equality index - about the way businesses address Human Rights. Wal-mart scored a whopping 40%, losing out mainly on gender discrimination practices. Nokia scored 50% - losing out on diversity training, LGBT equality and support and other benefits for same and opposite sex partners.

Nokia's 2007 CR report says " In 2007, 71% of employees participating in our annual employee survey felt that all employees of Nokia are treated as individuals regardless of age, race, gender or physical capabilities - an increase of 2% from 2006. We also conducted a survey in 2007 to find out how our policies on inclusion affect our employees' work lives. We are implementing an action plan on diversity across all business units. " If i were Mrs Nokia, I would challenge the 2009 equality index score.

So many aspects of corporations and their non-financials are under scrutiny today, so many surveys, so many comparisons and benchmarks, so many corporate-watch type websites, so many brand and reputation indices ... that the only way a Corporation can

tell the *comprehensive story* about its performance and balance the spectrum of data is through the **CSR report**. Typically, surveys and benchmarks are focussed on specific aspects of a corporation's activity. Often, these are taken out of context and stacked up against a set of external parameters.

The CSR report is an opportunity to establish context, balance and perspective in reporting data. Clearly, the report should be authentic and tell the truth. It should include the good news and the not-so-good news. (Ok, bad news). But the ability to present all this data in **CONTEXT** and with **PERSEPECTIVE** and in line with the Corporations objectives is valuable.

Take the Nokia example above. With so many Companies achieving 100% in the equality index, many of whom i do not associate with a good human rights record, Nokia's 50% was a shocker. Wal-mart didnt surprise me all that much, but Nokia did. And as i read Nokia's CR report, I see that they are undertaking substantial work on Human Rights, Diversity and Gender. Whichever source I choose to believe, the fact is that Nokia has pre-empted a position in context on this issue which balances external reports about their conduct.

So, report or be reported. Pre-empt or be pre-empted. Proact or be proacted. (Hmm, does that work ?). This post is a pre-empt for all those who maintain that CSR reporting is just about PR.

Posted by elaine at 06:31AM (+02:00)

## Comments

- Milena

October 21, 2008

---

I get a lot of studies, reports in my inbox, too. But I ask myself which are the indicators they take into account as I assume that different methodologies can lead to different results.

## How to almost report: the paradox of level C reporting

Monday, October 20, 2008

The GRI is a great framework but i sometimes wonder if it has set itself up for a few own-goals.

Reporting levels A B and C are designed to give some degree of choice about the level of disclosure when reporting. I typically view "C" level as a vehicle for a first reporter, who is unsure about the risk of reporting or perhaps doesnt actually have all that much to report. "B" level is a good choice for most first timers in my view, as it ensures some degree of substance to the report without demanding the full Monty. "A" level is for seasoned reporters, but by no means out of the reach of businesses with some established csr practices.

So let's take a closer look at "C" level. Some Management Disclosures required (this is usually the easy piece) and only 10 indicators. This really is more of a declaration of policy than a report of performance. A bit like going skiing on an indoor slope with self-

guiding extra-wide skis, automatic braking system and air cushion front and back.

I did a zoom-in on what look to be a really great little report by imc2. Their first self-declared "C" level report can be viewed [here](#).

First, i will restate one of my mantras: Any report is better than no report. Any Company who chooses to report for whatever reason must be commended. So my full commends to imc2. A first report is always difficult, always full of tough choices and new considerations, sometimes politics, so getting to the stage of the press release is **quite an achievement**.

This being said, we cannot ignore quality. Let's take a closer look at the Imc2 report. IMC2 is an online marketing services business, digital tools and the like. Turning over less than \$100 million ("we are a private company so we do not disclose turnover"), with 523 employees based mainly in Dallas USA, it is one of the few companies i have come accross of this profile to actually go the home run with a csr report. The report is called Positive Impact report, and the Company declares its non-financial mission to be about building relationships.

The report is written in chatty style, stragtfoward, no pretense, no sustaino-eco-corporo-jargon, and is a truly refreshing and pleasant read. Anecdotes about the president's boyhood charity activities, how you spend your day in the office and why the world is at environmental risk are quite entertaining and mildly informative. But its not the nitty gritty. And whilst this report is cleanly written, flows well and touches on a number of interesting and even material points (can you really trust advertisers? how can a small business make a big impact? how do you really measure all this ssustainability stuff?), the lack of hard numbers and sustantial evidence of adoptionof csr practices is very very limited. About the only quantifiable numbers in the report at those relating to employee carbon emissions. Even data which appears to be readily available, such as the results of regular employee surveys are not disclosed. Why would a Company who wants to "change the world" go so minimal on data ?

This reminds me of another almost report - the Deloitte *inaugural* report - "we are defined by our responsibilities" - which, whilst not pretending to be any level GRI and has no referenced standards - is a collection of PR blurbs and mildly disguised advertising copy, despite the fact that the company actually appears to do a lot of positive things. I tried to look for numbers in that report too, and the best i could come up with was the page number on each bottom footer.

Has the GRI created an almost-reporting framework by establishing application level C? Is this actually an own goal ? For if the objective of reporting is to build trust with stakeholders, the almost-reports which beg more questions than they answer surely do not advance this aim. In some cases, they positively reduce trust. The imc2 report is so charmingly written that its hard to be critical. But at the same time, reporting should be reporting, not a policy booklet.

Another thing we see with first-time reporters is the choice of report timing. Better to go earlier despite leaving many reporting gaps (if i see "not material" more than 75 times in a GRI Index then i know that someone hasn't understood the meaning of material), or better to implement more and report later ? Hard choice. I tend to favor the former, but i see no reason not to include more data. Both imc2 and deloitte have more data than they chose to disclose, without compromising speed to report market. Why not take

transparency just a little further in the first report, even if application level "C" provides a neat exemption ?

Final point - self declaration is problematic. Why ? haha.... NEXT POST. :-)  
Posted by elaine at 12:49AM (+02:00)

## Small businesses: BT shows them that its good to talk

Tuesday, October 14, 2008

I came across this interesting article in the UK Independent , entitled "Sustainability cannot just be put aside during an economic downturn" . I fully agree that small businesses hold the keys to our future. First, large businesses are dependent on them. Second, they are the major employers in most markets. Third, their collective influence on financial markets is significant and fourth, i am one ! haha.

What is also encouraging is the slow realisation that large businesses must help small businesses in their supply chain to become more sustainable. The GRI led program of sustainability inthe supply chain was impressive and should be a model for other corporations to follow. Not only do MNE's (multinational enterprises) gain benefit from their supply chain becoming more transparent and more efficiently managed, entire markets gain benefits from improved sustainability of a broader based of businesses and business practice. And the GRI gets more GRI reports.

Can't fail, right ? Even in a downturn. So come on, all you MNE's. Let's see more of you picking up the gauntlet.

According to the article in the Independent, British Telecom is chairing a round table to help small businesses understand how they can get sustainable. A core BT environmental benefit is the elimination of transportation emmissions and energy consumption by offering telephone and other virtual tools to enable distance communication. They didnt say if the round table is being run by video-conference. Guess not, huh ? We all have limits ...  
Posted by elaine at 04:27PM (+02:00)

## Scoop on Ben and Jerry's social report: destined not to be read

Tuesday, October 14, 2008

I decided to check out Ben And Jerry's latest social report. Not only because i am an icecreamaholic, and a csrreportaholic, but because I was looking for some specific information about social misisions for a new piece I am writing for a local professional journal.

Actually their last "Social and Environmental Assessment "was for the year 2006. (Guess they still have time to upload 2007, right ?)

First off, as usual, I looked for the PDF download. Oops. none to be found. Basically, you have to read the report on-line. OK. So i go to the highlights for 2006. The "short and

sweet version" is 13 page-downs long and littered with hyperlinks and several videos. Definitely not short and not so sweet, as to read this page, including checking out the links and watching the videos, would take about the time it would take to eat a 35 pints of Chunkey Monkey packaged in new bleached paperboard containers supplied by an expert in sustainable forestry practices. And in that time I could easily scan a PDF (one chunkyMonkey time-unit) . Looks to me that Ben and Jerry's dont really expect anyone to read their report. Or, it's a sly ruse to get people to eat more Chunky Monkey.

Which brings me to a couple of questions:

Who are reports meant for ? Who do the writers expect to read them ? And how do they create the report in such a way that it can be read easily ? I will blog about this some time.

How do people read reports ? Sitting down in an armchair with coffee and Cherry Garcia, for a nice long read ? Or dip in to the highlights of interest and linger over the attention-catching points? Or are they simply a reference manual - need some data on social missions so look for that specifically in the report ? I suspect that most readers are in the latter two categories. As a professional report-reader, that's about where i am. So Ben and Jerry's on line thing doesn't do it for me. I cannot quickly scan the entire report, and getting to the data is painful. Not least because each link leads to another link, which leads to another link ... you get the scoop.

I have great admiration for Ben and Jerry's business and I often quote them in things I write and lectures I give. As part of Unilever, their disclosure is restricted - I had to smile as I read that their annual revenue for 2006 was between \$200 million and \$500 million. I mean, how large is a scoop of sorbet ? They say they used the GRI guidelines in disclosing this detail, but I was not able to locate a GRI Index or any other reference to reporting against GRI parameters. (Note: G3 is my bible). But the report is so hard to navigate that I gave up pretty soon after that. But not before I noticed their Fair Trade Vanilla. Sounds fairly delicious.

On another note. I was amused by the extent to which some activists go in suggesting that businesses go sustainable to unsustainable proportions: People for the Ethical Treatment of Aminals is reported as requesting B&J to use breast milk in their ice cream production rather than cows milk. Well. That would certainly open up a whole new area of creativity in naming ice cream brands: Titilating French Vanilla, Mom's Natural Milky Blend, Organic Strawberry - for Suckers Only, Fair Trade Boob Flavor, Peanut Butter Cup 36B underwired, Bosom Peach and more .... I mean, are these PETA people really serious ? Or is it just a cheap PR stunt ? I wonder how many of **them** eat their morning cornflakes drenched in breast milk ? hmmm ?

Anyway, Ben and Jerry's - I raise my scoopful of my personal favourite coffee -flavor ice cream to you in the hope that your reporting accessibility will become as brilliant as your business concept, execution and products.

Posted by elaine at 11:07AM (+02:00)

## Comments

- Lucia

October 14, 2008

enjoyed reading this post :)

## Israel : finally waking up to sustainability reporting

Thursday, October 09, 2008

After what has been a saddeningly dormant market in terms of sustainability reporting, the Israelis are now waking up to the delights of revealing all to the public at large. Up until this year, an intermittent trickle of low-key reports characterized the market (such as the Egged Bus Company environmental report) , and the awareness of the industry. This year, 2008, albeit rather late in the year , an absolute **flood** of reports has revolutionized the market: **FIVE** reports between July and September:

**comme il faut:** sustainability report, GRI A checked, 85 pages

**Partner Communications:** sustainability report, GRI B checked, 56 pages

**Strauss Group:** Sustainabilityreport, GRI A checked, 126 pages

**Bank Leumi :** interim environmental report, non-GRI, 32 pages, HEBREW only

**Motorola Israel :** sustainability report, GRI-referenced, 76 pages, HEBREW only

Interesting to note that all reports are quite different in nature and represent different industry sectors – within this diverse group, 5 distinct industries are represented, and 5 different business models.

The first to break through the glass ceiling was *comme il faut* – a medium-sized, privately-owned feminist fashion business with a social and environmental agenda. Their report is a masterpiece in creative design as well as professional content at a high level of disclosure, both in terms of transparency, materiality and issues for which the business has been criticized.

Next came Bank Leumi's Environmental Report, an interim report (Leumi, one of the two largest banks in Israel, was the first GRI reporter with a full sustainability report in 2006) detailing environmental advances (direct impacts) and carbon management policy – the first and only bank in Israel to develop and disclose in this field.

Third to hit the headlines was Partner Communications, with a GRI checked B level report full of superlatives and cringingly positive declarations but, sadly, lacking in measurable performance-related content. One of those reports that leaves you wondering: Is that really it ? Surely there must be some more data on the website. But then you look and find there isn't. Partner is the second largest cellular provider in Israel marketing under the Orange brand, and a major local employer, renowned for bold marketing and innovation. We expected a beefier report.

Following on Partner's heels – Strauss Group. Strauss is an Israeli based global foods and bev business – salads, snacks, confectionery, coffee etc – traded in Israel and one of the few Israeli Companies with over \$1 bn turnover worldwide, produced an interesting, professional report focusing on narratives of direct impacts with a reasonable degree of

disclosure which admits to the Company being in the first stages of the sustainability learning curve but which conveniently fails to mention some of the less positive issues the Company has been associated with during the past year such as lysteria found in salads and industrial action by employees regarding their rights.

Finally, Motorola Israel , the leading Motorola subsidiary outside of the US, produced their third local report, a highly detailed account of Motorola's impressive activities in Israel as part of global Motorola Inc. This report is not a full GRI report, given reliance on the global reporting of the mother company, but it does reference GRI indicators and is the first report to have been assured in Israel.

The fact that this group of reports all appeared around the same time in 2008 is hopefully, not just a splash in the ocean or some csr bug in the air. It's the sign of a market starting to develop into a stage of maturity where transparency holds some attraction. The low degree of public engagement and activism in Israel creates little pressure for Companies to report. But the potential for good PR and reputation enhancement is now becoming a driver of corporate interest in sustainability.

Notwithstanding, a lack of deep understanding of reporting and its purpose is evident in these pioneer reports. Only the *comme il faut* report produced a materiality analysis and explored material themes in detail. Others were transparent to a degree but not material. The impact of cellular phones on society was not explored in any detail in the Partner report, and the issues of obesity, food safety and sustainable food supply chain were not tabled in the Strauss report. Stakeholder engagement is not clearly understood, and there is little evidence of true efforts to identify material issues for core stakeholder groups, aside from employee satisfaction surveys, which are less than adequate as a tool for measuring stakeholder concerns and aspirations.

This is more or less where the global reporting markets were around 5 years ago. A desire to be seen to be transparent, and a public shopping list of company policies and selected data was a good first step. The advent of normative frameworks such as the GRI, Global Compact, AA1000 standards and stakeholder processes have helped global Companies move from direct and broadly internally focused csr to externally focused sustainability approaches - the move from "What are we doing" to "How do we impact". This is the maturity evolution we can expect in the local Israeli market as Companies move to second and third reports.

But first, we need to see a critical mass of reporters in Israel – in many ways, any report is better than no report, and in Israel, the potential for 250 annual sustainability reports is not exaggerated.

Let's hope that 2009's reporters will abound, whilst at the same time, learn from years of reporting experience and avoid the pitfalls of the nearly -early adopters.

(For the record, as a local consultant, I was involved in writing the first Leumi social report 2006, *comme il faut* report 2007, and i assured the Motorola Israel 2007 report)

Posted by elaine at 07:40AM (+02:00)

## Comments

- Lucia

October 14, 2008

---

Elaine, maybe there is a relationship between this reporting phenomenon and UN Global Compact activities in Israel? At least in Moldova, we are expecting the first dozen of reports to be published by the end of this year - all by members of the local Global Compact network.

- elaine

October 14, 2008

---

hi lucia, thanks for posting. The UNGC has been markedly absent from mainstream business influence in Israel. There was a "launch event" a few months ago, but only a handful of companies have joined up - two of them because they are my clients ! - and no developing networks as far as i know. I think our market is basically complacent - we dont see ourselves as having major human rights issues as in some countries (though we do have issues which must be addressed) , and we have open trading relationships with Europe, USA and Far Eastern markets.

Israel was recently accepted to the OECD and this might cause more of a wave than the UNGC principles.

I look forward to seeing reports from Molodova. I have visited Chisinau 3 times and have a personal interest.

## About Elaine Cohen

I am a :

- \* CSR Consultant
- \* Sustainability Reporter
- \* HR Professional
- \* Ice Cream Addict.

I am a founding partner of Beyond Business Ltd ([www.beyond.biz/en](http://www.beyond.biz/en)), a social and environmental business consulting firm, specialising in CSR strategy and roadmap development, implementation of CSR processes, reporting and assurance. Amongst other things, I write three blogs:

CSR Reporting: thoughts and insights about CSR and Sustainability reporting.

CSR for HR: a blog about the interface between CSR and HR

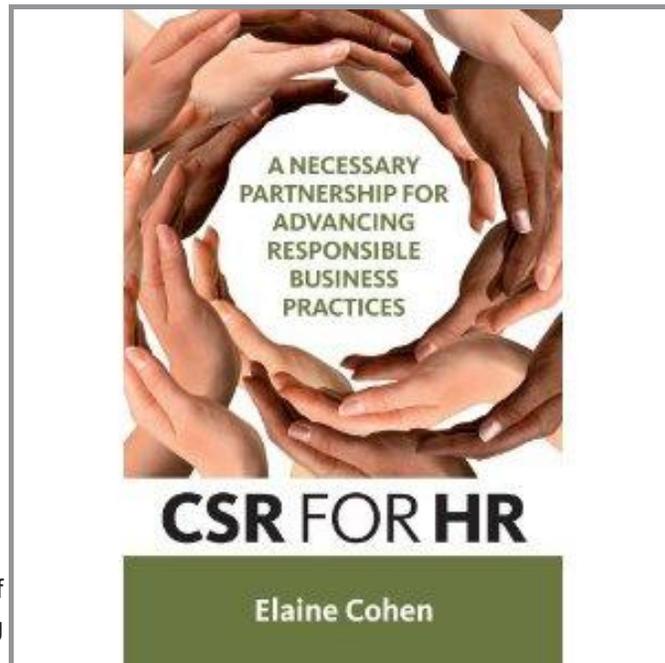
CSR-Books: a blog of CSR book reviews and author interviews

You can find me on:

Twitter : [www.twitter.com/elainecohen](http://www.twitter.com/elainecohen)

Facebook: [www.facebook.com/elainecohen](http://www.facebook.com/elainecohen)

LinkedIn: <http://il.linkedin.com/in/elainecohen>



Order my book from Greenleaf  
Publishing

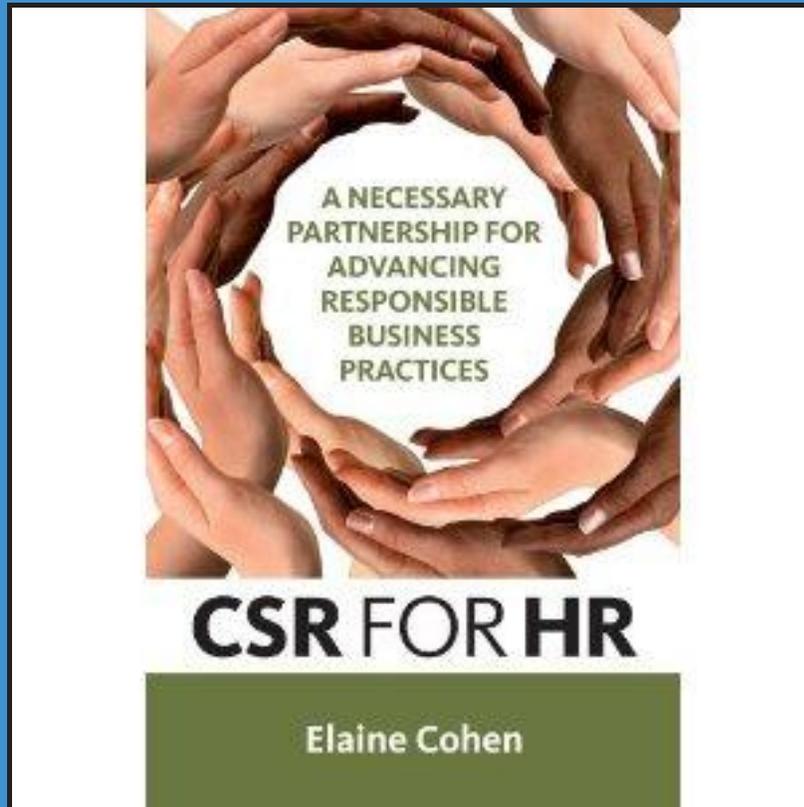


0100704437



Non-customer created content © SharedBook and its licensors.  
All rights reserved by their respective parties. Patents pending  
for the SharedBook technology. NOT FOR RESALE.  
For personal, noncommercial use only.  
LIABILITY LIMITED TO COST OF PRODUCT.





Order my book from Greenleaf Publishing

