

HEADING TOWARDS SUSTAINABILITY REPORTING: A PILOT STUDY INTO THE PROGRESS OF EMBRACING THE GLOBAL REPORTING INITIATIVE IN THE UNITED KINGDOM

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Heading towards sustainability reporting: a pilot study into the progress of embracing the Global Reporting Initiative in the United Kingdom

Abstract

In the past decade much has been written on the need to develop social, ethical and environmentally responsible performance reporting frameworks that engage with all organisational stakeholders. The theoretical development of these frameworks has spanned nearly a century culminating in the release in 2000 of voluntary guidelines developed by the Coalition for Environmentally Responsible Economies and the United Nations Environment Programme through the offices of the Global Reporting Initiative (GRI). The release of the sustainability reporting guidelines perhaps could not have been more inopportune insofar as it coincided with a concerted effort on the part of the accounting regulators toward global harmonisation of financial reporting standards. This paper reports the findings of a survey of Company Secretaries and company provided information examining the extent to which these guidelines have been adopted by the leading public companies in the United Kingdom. The findings suggest limited acceptance and in the resource-constrained environment of the twenty-first century business implementation of mandatory requirements are given priority. Further research needs to be conducted to determine whether the GRI has a role to play in future stakeholder engagement.

Keywords

Corporate social responsibility

Global Reporting Initiative

Reputation

Sustainability

Introduction

“Sustainable” and “sustainability” are but two examples of once-clear terms that have, in respect of enterprise performance, been stretched so far as to become nearly meaningless. Originally applied at the Rio Earth Summit of 1992 to the health of the planet, they are now also being used at the level of individual organisations, purely in the context of the performance of the individual organisation. The implication of this is that we now use these terms to try to understand whether the organisation will still be in existence and creating value for its stakeholders well into the future.

Achieving such an understanding may be difficult unless those wishing to make an informed assessment are provided with valid and reliable information from within the organisation. Notwithstanding the evidence of a limited form of corporate social reporting in the early part of the 20th century (Maltby, 2004), much has been written in the past decade on the need to develop social, ethical and environmentally responsible reporting frameworks that engage with all organisational stakeholders.

This development has been promoted under the umbrella of corporate social responsibility (CSR) reporting, which Whitehouse (2003) contends consists of two alternative models: corporate citizenship or compliance. It would seem that the citizenship model has found favour with the policy-makers and is the preferred option for organisations. Battacharya and Sen (2004) suggest that the idea of corporate citizenship has captured managements’ imagination resulting in more organisations than ever before supporting CSR initiatives.

Perhaps this may also be a reflection of the pervasive belief that, in today’s world, CSR is not only an ethical or ideological imperative but also an economic one (Smith, 2003). Indeed, with an ever-increasing number of prominent companies (for example, Allied Domecq, Anglo-American, BP, Diageo, Lloyds TSB, Marks and Spencer, Vodafone) issuing voluntary paper or web-based sustainability reports, it would appear that the ‘business case’, in other words the expectation of financial rewards for doing so, is gaining credibility. If this degree of importance is accepted, one is inclined to wonder how these organisations are to communicate such decisions and actions to their stakeholders while at the same time providing evidence of the value creation deemed necessary for a sustainable existence.

Unlike statutory financial reporting, where the requirements are heavily regulated through international standards and jurisdictional legislation, there appears to be a multitude of

approaches to the reporting of CSR. While most of these adhere, by and large, to the Gray, Owen and Maunders (1987, p.ix) definition of:

the process of communicating the social and environmental effects of organisations' economic actions to particular interest groups within society and to society at large. As such, it involves extending the accountability of organisations (particularly companies), beyond the traditional role of providing a financial account to the owners of capital, in particular shareholders. Such an extension is predicated on the assumption that companies do have wider responsibilities than simply to make money for their shareholders.

it is abundantly clear that, in the absence of regulation, organisational reporting may take a potentially infinite range of forms (Gray, Kouhy and Lavers, 1995). Recognising that such a development would be unacceptable, the Coalition for Environmentally Responsible Economies and the United Nations Environment Programme, through the offices of the Global Reporting Initiative (GRI), released a set of preliminary CSR reporting guidelines in June 2000.

With the help of extensive comment from interested parties, further development of these guidelines occurred in the ensuing two years resulting in the release of a more comprehensive set of guidelines at the Johannesburg World Summit in 2002. All the participating governments, one of which was the United Kingdom, endorsed these guidelines. Indeed, in September of that year Prime Minister Tony Blair stated: "We need to improve the information going to legislators, investors, and civil society to help improve accountability. The Global Reporting Initiative is one useful route" (Global Reporting Initiative, 2006a). At the same time former Canadian former Prime Minister Jean Chrétien, also stressed that GRI "is contributing in a very important way to promoting the integrated approaches that are vital to the pursuit of sustainable development" (*ibid*) and the Canadian government employed GRI in the development of its *Sustainability Reporting Toolkit* in December 2003.

Further, GRI is cited in the EU white paper on a European CSR Framework and has also strong backing from companies and NGOs around the world (McIntosh, Thomas, Leipziger and Coleman, 2003). By 2006 some 866 reporting organisations around the world were known to have used the Guidelines to issue multiple bottom line reports and "an enormous growth in number of in-accordance reporters during the most recent reporting season" had been noted (Global Reporting Initiative, 2006b). Therefore, it ought to fairly be considered that these guidelines represent the de-facto standard for the reporting of CSR and thus they form the foundation of our study.

The objectives of this study are, firstly, to investigate the extent to which leading public companies in the United Kingdom are aware of the GRI, and secondly, to determine the extent to which those companies knowingly, or unknowingly, report in line with the suggested criteria.

Reporting corporate social responsibility

In the introduction it was considered that the need to report CSR within an agreed framework was immutable, perhaps unreasonably so. Therefore some consideration should be given to explaining the perceived need for CSR and the progress of its acceptance in the community and the business community in particular.

The notion of CSR sparks lively debate involving fundamental questions about the nature of the organisation and its role in society (Mullin, 1996). On one side are the supporters of the classical view who advocate that organisations, particularly commercial ones, should engage in purely economic activity and be judged in purely economic terms. Social concerns it is argued, though not unimportant, should be left to other institutions in society (Boatright, 2003).

Others prefer to think of CSR as a pragmatic public relations necessity insofar as organisations are wise to show they serve the general welfare as well as the interests of their shareholders (Badaracco, 1996; Esrock and Leichty, 1998; Neu, Pedwell and Warsame, 1998; Owen, Swift and Hunt, 2001; Milne and Patten, 2002). Further along the spectrum are the supporters of what Hemphill (1997) terms stakeholder capitalism. They argue that organisations will establish a pro-active sense of social responsibility (Frederick, 1994) and be judged for their corporate citizenship and not just on profitability or return to shareholders (Bovet, 1994).

As such, it appears that CSR positions among organisations vary significantly (Greening and Gray, 1994) but nonetheless are usually expressed as the voluntary assumption of responsibilities that go beyond the purely economic and legal responsibilities of organisations. Yet how voluntary is voluntary? Over the last few decades, public awareness of the environmental, social and economic impacts of business has increased at a dramatic rate putting the behaviour of organisations more under the spotlight than ever (McIntosh et al., 2003). Organisations, and more particularly publicly accountable ones, face increased pressure from one or more of investors, governments, customers and others to

demonstrate their efforts in managing the societal impacts of their operations (Scott and Jackson, 2002).

Whether this pressure comes from corporate governance guidelines, stock exchange listing requirements, supply chain requirements, socially responsible investors or environmental and social groups, it is conceivable that reporting CSR should have been elevated in the organisational agenda to address the clamour of stakeholders for information regarding an organisation's social and environmental performance. This is not necessarily so suggests Steger (2004) as organisations are unlikely to do anything voluntarily that will serve to damage their income. Indeed, they must have an economic reason, or a 'business case', for engaging in the reporting of CSR. While quantifiable factors such as investment, revenues and expenses generally provide the foundation for any 'business case', it also depends significantly on factors such as knowledge and reputation (Demarest, 1997). Despite being difficult to quantify, knowledge and reputation remain important factors in the establishment of a business case because they influence an organisation's business environment in so many ways, such as labour relations, knowledge management, eco-efficiency and community integration. Indeed these factors may even be considered an organisation's licence to operate.

Since, in the realm of reporting CSR there is little that is not contestable or indeed contested (Gray, Kouhy and Lavers, 1995), it is not difficult to see why it is considered a complex phenomenon (Campbell, 2000) that may be difficult to articulate. This is why accounting, as "a set of socially conditional practices which have various significant impacts on the operation of our society" (Bebbington, 2004,p.16), is called upon to assist in demonstrating the accountability and integrity of management actions.

However, since there is a lack of regulation for such reporting, it is neither practiced systematically nor able to claim "either universal recognition or universal definition" (Gray, Kouhy and Lavers, 1995, p.47). Indeed, a proliferation of sustainability reporting frameworks have been proposed in recent times, most of them focusing on an organisation's sustainability performance (see, for example, Veleva and Ellenbecker, 2001; Gerbens-Leenes, Moll and Schoot Uiterkamp, 2003; Veleva, Bailey and Jurczyk, 2003; Azapagic, 2004; Krajnc and Glavič, 2005). These frameworks generally suggest using multiple sustainability indicators that are generally measured in very different units and frequently provide debatable results. This is attributable to reasons such as "methods for the aggregation of indicators are either not sufficiently well established, or are under

development, or are not available with respect to all the sustainability aspects” (Krajnc and Glavič, 2005, p.552).

In an attempt to overcome these perceived deficiencies in the reporting of CSR and to place it in an appropriate framework, the GRI’s “Sustainability Reporting Guidelines” have been developed. These guidelines, which appear to represent the most widely accepted approach to inform and comprehend an organisation’s sustainability (*ibid*, 2005), are intended to be (GRI, 2002, p.1):

for voluntary use by organisations for reporting on the economic, environmental, and social dimensions of their activities, products and services. The aim...is to assist reporting organisations and their stakeholders in articulating and understanding contributions of the reporting organisations to sustainable development.

With the development and publication of these guidelines, the GRI targets the active participation of corporations, non-governmental organisations, consultancies and accountancy bodies among other interest groups (Owen, Swift and Hunt, 2001).

The GRI explicitly requires organisations to report on six ‘sectors’, namely Vision and Strategy, Profile, Governance Structure and Management Systems, Economic Performance Indicators, Environmental Performance Indicators, and Social Performance Indicators, and its family of documents include the guidelines (*core* and *additional*), some sector supplements, issue guidance documents and Technical Protocols (GRI, 2002). GRI, therefore, prompts organisations to adopt Elkington’s (1999) triple-bottom-line (TBL) approach and report on their economic prosperity, the environmental impact of their activities and their adherence to social justice principles. TBL reports are intended to be quantitative summaries of an organisation’s economic, environmental and social performance over the previous year (Papmehl, 2002). These reports focus on an organisation’s performance in areas such as pollution, health and safety, human rights, child labour and other social and environmental issues (Tschopp, 2003). Organisations heeding stakeholders’ demands for such reports ought, it would seem, build a broad-based corporate reputation and enhance their standing in the eyes of investors (Brock, 2005).

A number of other frameworks prompt organisations to report on their economic, environmental and social impacts. These notably include Business in the Community (BIC) corporate responsibility index, which was introduced to enable companies “to assess the extent to which corporate strategy is integrated or translated into responsible practice throughout the organisation” (Business in the Community, 2006). This framework in its

Indicators that Count report highlights four impact areas: workplace, marketplace, environment and community (Grayson and Hodges, 2004). Another is FORGE Guidance, which was developed in the UK by the Bankers Association to provide advice on understanding the importance of CSR issues specifically in the financial sector (De Colle, 2006). Nevertheless, GRI is still “the leading contender for providing a standard for voluntary reporting for social-environmental-economic (or triple bottom-line) practices” (Waddock, 2006).

Given the degree of governmental support and the perception that, “with support from business, states, and civil society” (McIntosh et al., 2003, p. 109), reporting CSR is in the interests of organisations, and commercial organisations in particular, this study will determine whether the leading companies in the United Kingdom are aware of the GRI reporting framework and the extent to which, knowingly or otherwise, they embrace it. To this end an email containing a short questionnaire was despatched early in 2005 to all Company Secretaries of the FTSE100 companies. The questionnaire was directed to the Company Secretary in recognition of their role as the interface between the company and the outside world. It was anticipated that the Company Secretaries would not necessarily answer the questionnaire themselves but would forward it to the most relevant individual in the organisation. Indeed, the majority of responses were from someone other than the Company Secretary.

A follow-up email to those who had not responded was sent six weeks later. Three of the e-mails were returned undelivered after all attempts to ensure the correct address and from the remaining 97 companies, 41 responses were received. Of these, nine declined to participate in the research either because they claim not have the resources to participate or it is company policy not to take part in any surveys or studies. This left 32 valid responses, a response rate of 33%, from which to address our research objectives.

Awareness of the GRI

The first objective of the study, namely to investigate the extent to which leading public companies in the United Kingdom are aware of the GRI, was managed by developing a simple questionnaire constructed along the following lines:

Have you heard of the Global Reporting Initiative?

This required a simple yes or no answer with only those responding in the affirmative continuing with subsequent questions.

Do you use any of the recommended guidelines in your internal or external performance reporting?

Again, a simple yes or no answer was required with only those responding in the affirmative continuing with subsequent questions.

Which of the following best indicate why you don't use any of the recommended guidelines (you may identify as many of the following that are relevant)?

Where respondents were not using the full range of the guidelines it would be useful to understand why. To that end some suggestions were provided, such as:

- The cost of preparation far outweighs any benefits
- They are not relevant to our organisation
- They are not relevant to our business sector
- The guidelines are not sufficiently developed
- We do not have sufficient resources in our organisation to implement them
- There are other projects with a higher priority
- The data is not available in our organisation

In addition respondents were given the opportunity, in a free text area, to provide other reasons why they were not using all, or part of, the recommendations. Replies to this question ought to provide further insight into the lack of adoption of the GRI.

Of these 32 valid responses, 17, or 53%, claim not to have heard of the GRI. Furthermore, of those who had heard of the GRI, six respondents indicated that they did not use any of the recommended guidelines in their internal or external performance reporting.

The most common reason given for this was that the companies did not have sufficient resources available to implement them and, in most cases, these same respondents also claimed that the cost of preparation far outweighed any benefits that might be achieved from adopting the recommended guidelines. It would seem that another issue is the lack of usable disaggregated data within the organisation. Indeed, in one instance it was made clear that certain parts of their global operations were using the GRI but group wide adoption

has been thwarted by a lack of data commonality that would not allow them to collate the same information from each unit and they claim not to have the resources to rectify that.

Extent to which the guidelines are applied

To determine the extent to which the FTSE100 companies report in line with the suggested criteria, the following additional question was posed:

Which of the 'sectors' of the guidelines, and approximately what proportion of the recommendations, do you use? (Please indicate for both internal and external reporting)

This would identify those respondents who knowingly chose the GRI for their reporting guidelines and the extent to which they do. For this question each of the six 'sectors', namely Vision and Strategy, Profile, Governance Structure and Management Systems, Economic Performance Indicators, Environmental Performance Indicators, and Social Performance Indicators, were identified. Respondents were asked to indicate, for each of the 'sectors' and for both internal and external reporting, whether their usage of the recommendations in the GRI guidelines was less than 25%, between 25% and 50%, between 51% and 75% or more than 75%. Evaluating the answers to this and the previous question would provide some indication of the degree of acceptance of the GRI as framework for reporting CSR.

Insert Table 1 about here

All nine of the respondents who indicated that they used the guidelines did so for external reporting to a greater or lesser extent (see Table 1 for an indication of the numbers using the guidelines and to what extent). Yet of those same few organisations, two indicated that they used none of the guidelines at all for internal reporting purposes and a further two in only a very small way.

There are two observations that ought to be made at this point. First, there appears to be a substantial commitment on the part of the companies using the guidelines to follow as many of the recommendations as they are able when reporting to stakeholders external to the organisation. Where usage of the guidelines is limited, more often than not, respondents indicated that some of the guidelines were not relevant to those companies and/or the data was not available and the cost of obtaining it far outweighing any benefits that might accrue to them. From this pilot study it appears that those responding

companies who appear to have established a 'business case' for CSR consider the guidelines suitable for their reporting purposes.

Second, the failure to use the data collected and information disseminated to external stakeholders for informing the strategic direction of the company and its internal stakeholders is difficult to comprehend. Regrettably this pilot study failed to recognise the possibility of this eventuality and no suitable question was posed to understand this rationale. This is certainly a point to note in any subsequent and more extensive study.

From the nine respondents who are using the GRI reporting guidelines it was clear that, where the information being produced for internal purposes was different from that produced for external purposes, the external reporting agenda was given priority.

Extent to which the GRI guidelines are 'unknowingly' applied

The second objective of the study, in respect of those FTSE100 companies who may unknowingly report in line with the suggested criteria, was fulfilled by conducting a content analysis of web-based documents prepared by the company and published on their corporate web sites. This activity was isolated to those companies that

- claim not to have heard of the GRI;
- are aware of its existence, but claim not to use the GRI guidelines in any form of reporting; or
- failed to respond to the survey.

Insert Table 2 about here

This phase of the research was completed using annual reports, general sustainability reports, specific health and safety, environmental or social reports and corporate websites. For each of the companies meeting the criteria identified in the preceding paragraph, all available and relevant documents were thoroughly reviewed and checked against the core performance indicators contained in the GRI to determine the extent to which those companies were unknowingly reporting in line with the suggested criteria. This was assessed using a form of content analysis, using GRI core guidelines as an index/checklist to observe disclosure/nondisclosure of the requested information, in a similar manner to studies by Brown, Tower and Taplin (2004), and Nurhayati, Brown and Tower (2006). A record was established for each company noting the type of declared framework, if any,

they employed and, following a detailed analysis of the available documentation, the extent of conformity with the core recommendations in each sector of the GRI guidelines. As with the survey, the degree of conformity of each company was determined within the bands of less than 25%, between 25% and 50%, between 51% and 75%, and more than 75%. A notional value from one to four was attributed to each of these bands respectively and then the average level of conformity for each of the six sectors was determined. The results of this activity are presented in Table 2.

It is important to understand that many of the recommended indicators within the GRI, particularly those for both Economic and Environmental Performance, are quite demanding, particularly in terms of data gathering. For example, in respect of economic performance, organisations are asked to report on the percentage of contracts paid in accordance with agreed terms and, for each country in which they operate, on the level of subsidies received and the taxes of all types paid. Similarly, in respect of environmental performance reporting, the report should include information about the amount of waste generated and the method of its disposal, quantity of greenhouse gas emissions for each of the various types and the equivalent tonnage of carbon dioxide as well as direct and indirect energy use. While the suitability of these environmental measures to measure sustainability is, as Gerbens-Leenes *et al.* (2003) contend, inescapable, measures such as these are both financially and practically difficult to articulate.

Respondents who claim not to have heard of the GRI

Seventeen of the FTSE-100 companies were included in this category. Only four of these companies were considered not to undertake any form of sustainability reporting. Of the remainder, six had no discernable framework in their reporting, and five used one of the alternative frameworks, such as Business in the Community (BIC) or FORGE, that were mentioned earlier. The remaining two specified use of the guidelines in their public documents despite their response to the survey indicating they had never heard of the GRI.

In three sectors of reporting, namely Vision and Strategy, Profile, and Governance Structure and Management Systems, those companies undertaking any form of sustainability reporting generally complied with more than 75% of the GRI guidelines. In the case of Economic Performance Indicators the average levels of conformity were between 51% and 75% and for each of the Environmental Performance and Social Performance Indicators the average level of conformity fell to between 26% and 50%.

Respondents who have heard of the GRI but claim not to use the guidelines

Six of the FTSE-100 companies were included in this category. Only two of these companies were considered not to undertake any form of sustainability reporting. Of the remainder, two had no discernable framework in their reporting, one used an alternative framework and the remaining one used the GRI. This was the same company identified earlier where the GRI guidelines were used in parts of the organisation but not in others.

In three sectors of reporting, namely Vision and Strategy, Profile, and Governance Structure and Management Systems, those companies undertaking any form of sustainability reporting generally conformed to more than 75% of the GRI guidelines. In the remaining three sectors, Economic Performance, Environmental Performance and Social Performance Indicators, the average levels of conformity were between 51% and 75%.

Non-respondents to the survey

Sixty eight of the FTSE100 companies were included in this category. Just seventeen of these companies were considered not to undertake any form of sustainability reporting. Of the remainder, twenty eight had no discernable framework in their reporting, six either explicitly or implicitly used one of the alternative frameworks mentioned previously, and seventeen used the GRI.

With a larger number of companies available for analysis, a greater degree of disparity in the level of accord was noted. In two sectors of reporting, namely Vision and Strategy, and Profile, those companies undertaking any form of sustainability reporting generally complied with more than 75% of the GRI guidelines. In the Governance Structure and Management Systems while there were many companies complying with more than 75% of the GRI guidelines, there was a pronounced shift towards a 51% to 75% level of conformity. In the case of all the other sectors the level of conformity with the GRI was similar to that previously noted. In the Economic Performance Indicators sector the average conformity levels were between 51% and 75% and for each of the Environmental Performance and Social Performance Indicators the average level of conformity fell to between 26% and 50%.

Respondents who report using the GRI guidelines

As a result of the wide disparity between the perceived degree of conformity by these respondents and the content analysis of non-respondents' published documents (identified in Table 2), it was decided to examine the web-based documents of those companies that provided a self-assessment of their use of the GRI guidelines. Using the same methodology, it was interesting to note that the companies appeared to be harsher in their self-assessment than was indicated by the content analysis (see Table 3). Whether this is an issue of interpretation or simply perception is unknown but what it does highlight is the difficulty of developing generic guidelines when the expectation is for organisations to go beyond the guidelines where necessary to ensure a "balanced and reasonable representation of their sustainability performance" (GRI, 2002, p.11)

Insert Table 3 about here

In retrospect, the acknowledged complexity of many of the performance indicators has resulted in a number of leading companies in sustainability management, such as BP and BT Group plc, under-performing against the core GRI criteria. There are also other circumstances where reporting in accordance with the core guidelines is considered impractical. For example, as BT Group plc (2005) protest the difficulty "to report on the percentage of the weight [of the products sold, which is] reclaimable (for EN15)...because of our status as a service-based rather than product based company, the length of our supply chain, the wide range of our activities [and] the volume of materials used and the complex nature of the products they are often contained within". This leads to further propositions by BT Group plc in respect of the core environmental performance indicators in respect of materials that "it is financially and practically prohibitive to report on total material use" and "to measure the percentage of materials we use that reach us as wastes".

They are not alone in having difficulty with core performance indicators. BHP Billiton Ltd (2005) faced difficulties in reporting on some economic performance indicators, particularly in relation to the payment of suppliers. Here they note that "due to the large array of contracts held, it is currently impractical to collect and report these data". A similar view was held by Xstrata plc (2005). Further, in terms of the sole core social performance indicator relating to training and education they contend that "Collating and reporting average training hours is currently impractical for BHP Billiton" not because the data is

unavailable but because “it does not provide a meaningful measure of the quality of training and associated competencies provided by the Company”.

The latter may indeed be a questionable reason given that it would be in the interests of the company to ensure that all training, of whatever duration, provided to its employees was directed towards improving competencies and therefore of an appropriate quality. This degree of reluctance continues in respect of disclosure about the level of public sector support, in effect the support provided by the communities in which the company operates, where they assert that “these data are not disclosed as BHP Billiton is not a significant beneficiary of subsidies and therefore has not endeavored to obtain these data”. As a multinational organisation, that they do receive subsidies, no matter how insignificant, may influence the location and extent of their operations in certain regions and therefore, in the spirit of “transparency and open dialogue” (GRI, 2002, p.4) disclosure is imperative.

Conclusions and recommendations

It is always difficult to draw substantial conclusions from a pilot study however it would appear safe to suggest that, in a relatively short period of time, the GRI has made substantial inroads into the performance reporting psyche of the FTSE100 companies. This is so even where they claim either not to have heard of the GRI or, having heard of it, not to use its guidelines.

The more traditional reporting areas of Vision and Strategy, and Profile experience a greater degree of acceptance and conformity than the sectors associated with performance reporting. This appears to support the contention that the focus of CSR reporting is decidedly qualitative and where attestable data is required, companies are found to be ill prepared or unwilling to provide adequate disclosures (Thomson and Bebbington, 2005). On a more conciliatory note, this may be also due to companies finding it practically and financially prohibitive, as articulated by BT Group plc (2005), to report on a number of the core performance indicators.

Of some concern is the slightly weaker conformity in the Governance Structure and Management Systems sector. The failures at organisations such as Enron, Tyco and WorldCom amplified distrust in corporate integrity requiring urgent attention to corporate governance systems through greater transparency. The worldwide effort to enhance

corporate governance begins with stakeholder accountability and that translates into more informed reporting achievable through the use of the GRI guidelines.

The questioning in this study was structured to understand the degree of acceptability and not the particular relevance or complexity of the reporting template. Clearly relevance and complexity are issues for those organisations seeking an acceptable way of reporting their CSR. Looking forward, in subsequent studies more attention should be paid to investigating the correlation between relevance, complexity and acceptability. A better understanding of the organisational impact of any such correlation may well lead to a simplified, more universal set of GRI guidelines with a higher degree of acceptance and utilisation. It is apparent that further, more detailed, research needs to be undertaken into the acceptance and use of complementary performance reporting measures.

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Table 1: Usage of recommendations in the *core* GRI guidelines

Internal reporting				Sector of reporting guidelines	External reporting			
less than 25%	between 25% and 50%	between 51% and 75%	more than 75%		less than 25%	between 25% and 50%	between 51% and 75%	more than 75%
2	1	1	3	Vision and Strategy	2	-	2	5
1	1	1	3	Profile	2	-	3	4
1	-	1	4	Governance Structure and Management Systems	1	1	3	4
1	-	2	3	Economic Performance Indicators	1	3	1	4
1	-	2	4	Environmental Performance Indicators	1	-	4	4
1	-	2	3	Social Performance Indicators	1	3	1	4

Table 2: The extent to which FTSE 100 companies unknowingly report in line with the GRI criteria

Respondent type	Number with some form of sustainability reporting	Type of framework	Average levels of conformity per GRI guideline sector (1 if <25%, 2 if 26-50%, 3 if 51-75% and 4 if >75%)					
			Vision and Strategy	Profile	Governance Structure and Management Systems	Economic Performance Indicators	Environmental Performance Indicators	Social Performance Indicators
Claim not to have heard of the GRI (17)	13	6 None 3 Forge 2 BIC 2 GRI	3.9	3.9	3.7	3.1	2.2	2.5
Have heard of the GRI but claim not to use the guidelines (6)	4	2 None 1 Forge 1 GRI	4.0	4.0	4.0	3.0	3.0	3.2
Non respondents to the survey (68)	51	28 None 4 Forge 2 BIC 17 GRI	3.9	3.9	3.7	3.1	2.6	2.8
Totals or weighted average scores (91)	68	36 None 8 Forge 4 BIC 20 GRI	3.9	3.9	3.7	3.1	2.5	2.7
FTSE100 companies who reported use of GRI- average of self-provided indications	9	GRI	3.1	3.0	3.1	2.9	3.2	2.8

Table 3: Comparison between survey results and content analysis

	Average levels of conformity per GRI guideline sector (1 if <25%, 2 if 26-50%, 3 if 51-75% and 4 if >75%)					
	Vision and Strategy	Profile	Governance Structure and Management Systems	Economic Performance Indicators	Environmental Performance Indicators	Social Performance Indicators
FTSE100 companies who reported use of the GRI (9)	3.1	3.0	3.1	2.9	3.2	2.8
Content analysis of the FTSE100 companies who reported use of the GRI (9)	4.0	4.0	3.8	3.3	3.1	3.4
Content analysis of other FTSE100 companies identified as conducting some form of sustainability reporting (68)	3.9	3.9	3.7	3.1	2.5	2.7