

# Sustainability Reporting for Financially Challenged and Small Organizations

By  
Bill Blackburn  
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Greening of Industry Conference  
Communicating Sustainability Inside and Outside the Organization--  
Types, Tools and Techniques  
Cardiff, Wales

William Blackburn Consulting, Ltd.

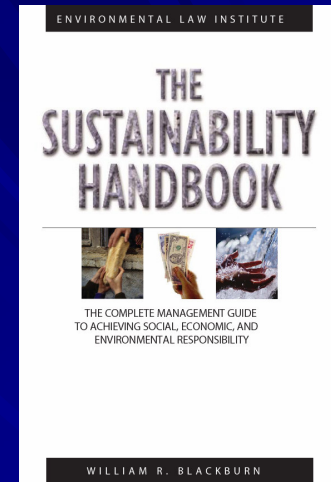
Web: [www.WBlackburnConsulting.com](http://www.WBlackburnConsulting.com)

Email: [WRB@WBlackburnConsulting.com](mailto:WRB@WBlackburnConsulting.com)

Phone: 847.530.4014

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Based on new book from the  
Environmental Law Institute  
(late summer):



## *The Sustainability Handbook—*

*The Complete Management Guide to Achieving  
Social, Economic and Environmental Responsibility*

*(Reserve book at [www.WBlackburnConsulting.com](http://www.WBlackburnConsulting.com))*

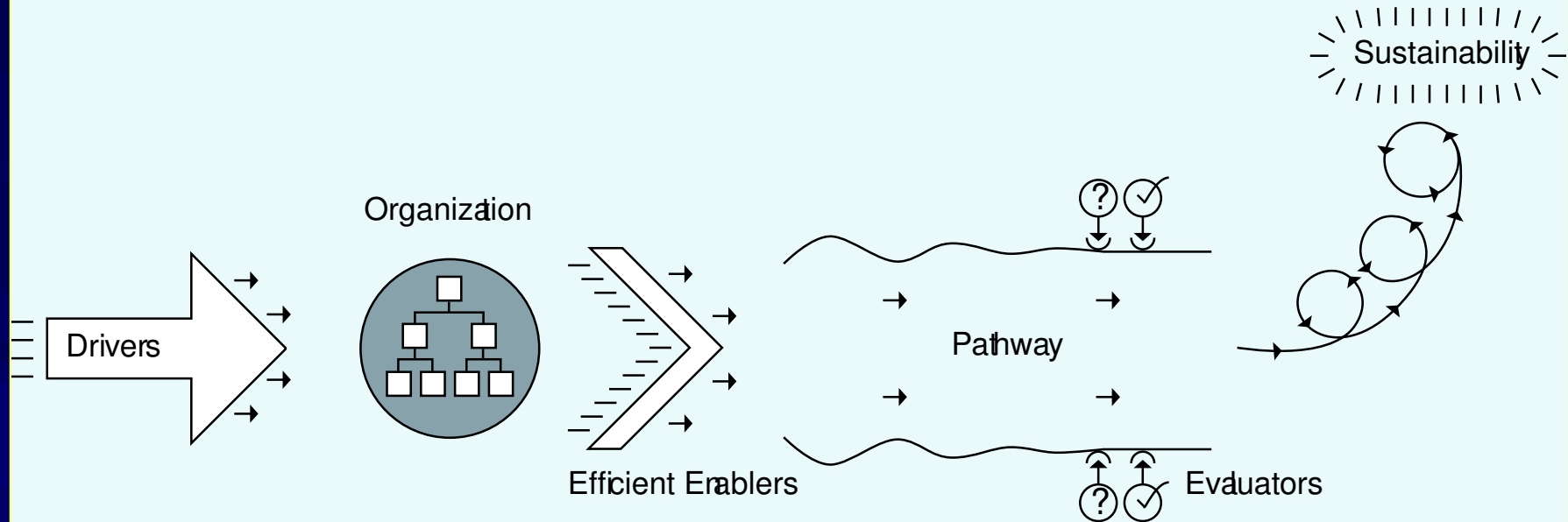
What are the top challenges in sustainability reporting?

- for large companies?
- for small companies?

**Figure 10.3**  
**Top Challenges in Sustainability Reporting<sup>277</sup>**  
**According to Petroleum Industry Companies**

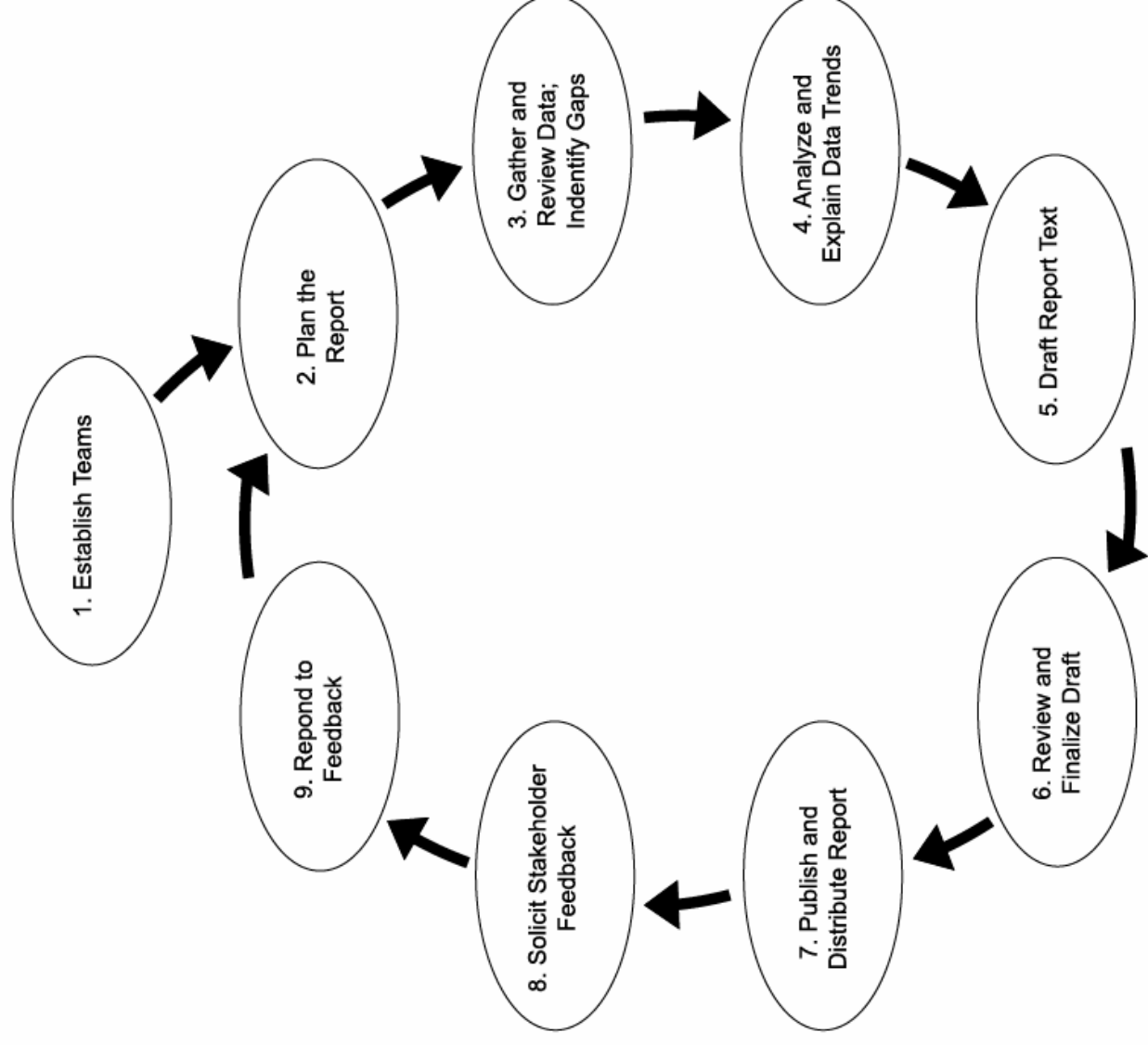
1. Determining:
  - a. How to measure or estimate performance for indicators
  - b. How to define indicators
  - c. What indicators to report
  - d. What activities to include in performance measurements
  - e. How much information to share with the public
2. The cost, effort and speed of collecting data

Figure 4.1 Sustainability Operating System (S.O.S.)



The Drivers.	The Efficient Enablers	The Pathway	The Evaluators
<p>A champion/leader</p> <p>Approach for selling management on sustainability</p> <p>Accountability mechanisms</p>	<p>Organizational structure</p> <p>Deployment and integration</p>	<p>Vision and policy</p> <p>Operating system standards</p> <p>Strategic planning for aligned priorities</p>	<p>Indicators and goals</p> <p>Measuring and reporting progress</p> <p>Stakeholder engagement and feedback</p>

**Figure 10.5. The Sustainability Reporting Process**



# Groups to Consider

## CORE TEAM

Business Planning  
Business Practices/Ethics  
Charitable Contributions  
Communications  
Community Relations  
Environment, Health & Safety  
Finance  
Governance  
Human Resources  
Law  
Purchasing/Supply Chain  
A few key business units

## DEPLOYMENT TEAM

Core Team plus:

Engineering  
Manufacturing  
Quality  
Research & Development  
Risk Management  
Sales & Marketing/Distribution  
Security

## REPORT DISTRIBUTORS NETWORK

Business Development  
Communications  
Government Affairs  
Investor Relations

What factors should be considered in planning a sustainability report?



**Figure 10.6**  
**Report Planning Considerations**

	<div data-bbox="688 1100 1101 1837" data-label="List-Group"> <ol style="list-style-type: none"> <li><b>1. Audiences</b></li> <li><b>2. Scope</b></li> <li><b>3. Medium: Web or hard copy?</b></li> <li><b>4. Size</b></li> <li><b>5. Quantity of reports; distribution plan</b></li> <li><b>6. Budget</b></li> </ol> </div> <div data-bbox="688 319 1036 949" data-label="List-Group"> <ol style="list-style-type: none"> <li><b>7. Schedule</b></li> <li><b>8. Title and theme</b></li> <li><b>9. Structure, organization</b></li> <li><b>10. Content</b></li> <li><b>11. Reporting philosophy</b></li> <li><b>12. Verification</b></li> </ol> </div>
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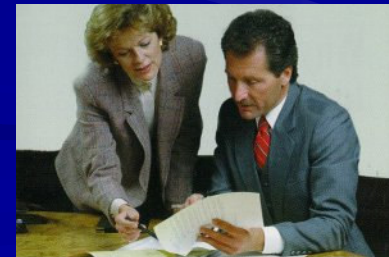
**Figure 10.7**  
**Advantages and Disadvantages of Hard-copy and Web-based Sustainability Reports**

<b>Medium</b>	<b>Advantages</b>	<b>Disadvantages</b>
Hard copy	<ul style="list-style-type: none"> <li>-Doesn't require equipment to read</li> <li>-Portable</li> <li>-Familiar medium for all readers</li> <li>-Ease in evaluating and marking up report by rating organizations, award judges, and other reviewers</li> <li>-Can be distributed during meetings and left with business cards for promotional purposes</li> <li>-Typically more engaging to the reader; more likely to be examined</li> </ul>	<ul style="list-style-type: none"> <li>-Printing and shipping cost</li> <li>-Storage space</li> <li>-Environmental impact of printing and shipping</li> <li>-Extra copies require time and expense to produce</li> <li>-Difficulty in correcting and updating data</li> </ul>
Web-based	<ul style="list-style-type: none"> <li>-No printing or distribution cost (unless postcard announcements are sent)</li> <li>-Ease of correcting, updating data, making design changes</li> <li>-Linking to company's other Web documents and to Web sites of other organizations</li> <li>-Quick links from index to text (especially for GRI indicator index)</li> <li>-Ease in preparing translated versions</li> <li>-Immediate, unlimited access by all readers globally</li> <li>-Ready access to past reports</li> </ul>	<ul style="list-style-type: none"> <li>-Requires computer and Internet access</li> <li>-Can be awkward for reading long documents</li> <li>-Navigation can be frustrating</li> <li>-Crosslinks may give impression of disjointed report</li> <li>-May be difficult to locate on Web</li> </ul>

What factors should be considered in selecting report content?

# Issues Concerning Content

- Content-prioritization process
- Data relevance and materiality
- Information availability and reliability
- Documenting data sources
- GRI and other reporting standards
- Benchmarking information
- Anticipating future content



How can you best enhance  
the credibility of the report?

# Top Strategies for Strengthening the Credibility of Reports

1. External verification
2. Being honest about mistakes and bad practices
3. External reporting standard (GRI, etc.)



Source: Pleon Kohtes Klewes Global Stakeholder Survey--2005

How can you best control  
report cost and effort?

# Strategies for Controlling Reporting Cost and Effort

1. Start small; piggyback on existing publications
2. Use available data
3. Reduce frequency
4. Narrow scope
5. Prioritize content
6. Cut the fancy stuff
7. Change verification strategy





## **Figure 10.4**

### **Sustainability Information Reported by Polaroid for 2002, 2003, and 2004**

<b>General:</b>	CEO statement Vision, strategy and practices Company profile EHS management systems and structure Key EHS policies
<b>Economic:</b>	Revenues (private company)*
<b>Social:</b>	Safety statistics Charitable donations Sale of business, restructuring
<b>Environmental:</b>	Energy usage Water usage TRI toxic releases (by plant) Hazardous and non-hazardous waste generation Greenhouse gas emissions Emissions of key air pollutants Regulatory compliance (environmental excursions) Supplier evaluation criteria Ozone-depleting chemicals usage Key priorities and accomplishments for report year Key priorities for upcoming year**



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\*= reported for 2002 only

\*\*= reported for 2003 and 2004 only

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