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## **Student Engagement and Sustainability Reporting: The Global Reporting Initiative Matchmaker Program**

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Boise State University and Vancity are Organizational Stakeholders  
of the Global Reporting Initiative.

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## **Abstract**

The Global Reporting Initiative (GRI)'s Sustainability Reporting Guidelines is the most widely used standard for sustainability reporting worldwide. The GRI has initiated an innovative program to join companies reporting under its Guidelines with university students in an effort to provide companies with critical feedback and students with an opportunity for real time participation in the process of report compilation and related business strategies. This article introduces the GRI Matchmaker Program, relates two universities' experience and provides details for participation.

## **Introduction**

The language and context of business sustainability or corporate social responsibility (CSR) has increasingly become commonplace in the national and international marketplace. Similar terms, such as sustainable development (SD), environment, society and governance (ESG), and triple bottom line (TBL) have become part of our everyday language. Whatever the terms, all suggest that organizations are increasingly responding to a broader definition of their roles, responsibilities and strategic opportunities which derive from implicit social contracts to specific stakeholder engagement.

The phrases "social contract," "license to operate" or "access to markets" refer to the relationship between business and society. Stemming from legitimacy theory, these phrases suggest that society grants organizations certain rights to manage its scarce resources through an implicit charter (Dowling & Pfeffer, 1975). In return for society's granting of certain corporate rights comes the corporation's responsibility to meet the expectations of society. While varying over time, society's present day expectations include environmental and social elements in addition to the long accepted economic output. At time of renewal of the contract, society needs evidence upon which to base its decision. Corporate communication and disclosure that is constant, consistent and credible lends support for renewal of the corporate charter and survival of the corporation.

Organizations often justify a given course of action based on the "business case," or predicted net benefits that will result from an action. Regarding sustainability, the justification may include considerations of risk management, brand identity, economic return, or positive impacts on various stakeholders which will inure to the benefit of the organization (see Baker, 2006) in terms of its value chain or its competitive context (see Porter and Kramer, 2006)

Even though sustainability is operationalized differently, depending on the organization, it is increasingly being refined in its definition and scope as practitioners and academics work to define the field and discipline. As the variety of societal expectations change and arguably increase, businesses must anticipate, understand, and adapt to new challenges as well as seize new opportunities presented by those stakeholders, both near, far, direct and indirect, who have the potential to impact a business' profit and survival.

One initiative that has answered a specific need within the practice of sustainability as well as providing a clearer and very comprehensive definition of the field in general is the Global Reporting Initiative's (GRI) Reporting Framework – the cornerstone of which are the Sustainability Reporting Guidelines. These Guidelines, the third generation of which was unveiled in October 2006 after two years of multi-stakeholder engagement, provide a well-developed context for both the analysis of a business' state of responsiveness to its responsibilities as well as that business' reporting of such state to its various stakeholders.

Reporting under the GRI Guidelines, therefore, provides a rich international and multidimensional framework within which to engage university learners in the discipline and practice of sustainability reporting. In addition, the GRI has deliberately set out to facilitate this with its Matchmaker Program which endeavors to bring together university learners and businesses that are engaged in the strategic process of evaluating and reporting on their sustainability performance using the GRI Guidelines. This paper introduces the Matchmaker Program and the benefits of involvement for companies and learners; presents a variety of approaches in utilizing the unique opportunities presented by the program; and describes recent experiences of several participants.

## **The Evolution of the Global Reporting Initiative (GRI)**

Following the disastrous Exxon Valdez oil spill, in 1989 several concerned environmental groups, labor unions, and institutional investors joined interests to draft the Valdez Principles, a code of corporate environmental conduct, and to establish a system of adherence to those principles. The collaboration took on an institutional form named Ceres, and eventually these principles were renamed the Ceres Principles (Ceres, 2007). The Ceres organization recognized the need for credibility and accountability; consequently, one of the principles was dedicated to the public disclosure of environmental impacts. After some years of experimentation with the implementation of the principles, it was clear that investors, employees, NGOs, and companies all had different expectations about what should be included in such a report. Thus, in 1997, GRI was created as a project within the Ceres organization, with the goal of identifying a common set of metrics for reporting that all stakeholders could agree upon. To distinguish the work of the GRI and enhance its international profile and credibility, the United Nations Environment Program (UNEP) partnered with Ceres to expand the scope of the GRI to ensure the reporting framework was developed to cover economic, environmental and social issues – and had the balanced participation of companies, labor, NGOs, investors, academics, accountants and others from around the world. The GRI became independent of Ceres in 2002 and moved from Boston to Amsterdam where it incorporated as a non-profit organization. In 2000, GRI issued its first Reporting Guidelines. These were revised in 2002. After two years of extensive stakeholder engagement processes, the Third Generation, known as G3, was launched in October 2006. These Guidelines are now largely regarded as the global standard for sustainability reporting.

“The GRI has clearly established itself as the main reference in terms of providing a reporting framework.” (KPMG, UNEP, 2006, p.4)

GRI operates as a network-based organization or a Global Action Network<sup>1</sup>. This network consists of tens of thousands of organizations that use the Guidelines to report, or who count themselves as report readers or users. GRI is a non-profit organization and makes its Guidelines available as a free public good, so those organizations that find value in the mission and products of the GRI are invited to join as Organizational Stakeholders (OS). The OS represent the formalization of the GRI network, and provide the main multi-stakeholder legitimizing democratic base of the organization. In return for an annual contribution, OS get a vote for the GRI’s Stakeholder Council and have direct participation and access to much of its work. Together they form a worldwide network committed to transparency, accountability, and sustainable development. Included in the network are companies, NGOs, some public institutions, a few universities, consultants, and other entities.

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<sup>1</sup> <http://www.gan-net.net/>

Many of them participated heavily in the G3 process (producing the last iteration of the guidelines) and form a substantial presence at the biennial conferences.<sup>2</sup>

## Why Report?

”Sustainability reporting is the practice of measuring, disclosing and being accountable for organizational performance towards the goal of sustainable development.”(GRI, 2006c, p. 4)

“The benefits of sustainability reporting from a company point of view include improved financial performance..., enhanced stakeholder relationships, improved risk management..., as well as improved investor relations...” (KPMG, UNEP, 2006, p.7)

Aside from debates as to the parameters of business’ responsibility, it is increasingly argued that a variety of actions within the context of sustainability or social responsibility can fit squarely within a business’ strategic focus and be supported by a strong ”business case” which can provide benefits to the business over the short, medium or longer term. Some of these actions require public disclosure to be effective while other disclosures might be in response to the demands for transparency on specific issues by various stakeholders.

“Any fear of being perceived as self-serving should be outweighed by the risk in not communicating what you are doing” (GolinHarris, 2005)

“[T]he [GolinHarris] survey shows that effective, well-rounded communications is an essential ingredient of effective corporate citizenship.” (CSRWire, 2006)

To be credible, the disclosure should include the results of internal or external reviews whether supported by external audit or not. Such reporting may be conducted within the context of the control system or environmental management system. To the extent that the business is addressing, or desires to address, these expanded responsibilities, reporting also facilitates building or maintaining branding or other advantages whether directed at some or all of a business’ stakeholder interests.

“The pioneering companies that are leading the non-[financial] reporting wave understand what the majority do not: the utility of conventional financial reporting is increasingly disconnected from what stakeholders need and expect to make informed decisions.” (White, 2005, p. 3))

Of the many potential advantages, the GRI framework allows the business to disclose its actions and impacts outside of any self-designed and so perceived self-serving reporting structure and instead provides it with a well recognized, highly regarded, and heavily utilized internationally constructed structure. As the expectation of organizational transparency in disclosure of impacts on global sustainability becomes the norm, “a globally shared and widely understood framework of concepts, consistent language, and agreed metrics for communicating clearly and transparently about sustainability is needed” (GRI, 2006b, p. 1).

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<sup>2</sup> For information on the benefits of becoming an OS, visit <http://www.globalreporting.org/AboutGRI/JoinGRI/>.

Finally, probably the greatest benefit that corporations realize from external reporting is that the process of reporting highlights weaknesses and calls attention to areas of improvement that actually enhance their performance if management acts on this information. In summary, CSR, along with sustainability reporting, is both a necessary and beneficial step in the interest of both the business and its stakeholders.

## **The Guidelines**

“The GRI Guidelines are the most comprehensive and credible set of sustainability disclosure standards ever produced.” (Sir Mark Moody-Stuart, Chairman, Anglo-American and Member, GRI Board of Directors, GRI 2006a, p. 1)

The Guidelines, while comprehensive, provide a straightforward and readily usable framework for compiling a sustainability report. There are two equally important parts to the Guidelines – Reporting Principles and Standard Disclosures.

The Reporting Principles lead the business through determining the report’s content (indicator selection), which of its constituent entities to include in the report, and how to ensure the quality of the report. Each of these steps is part of a comprehensive framework based on guiding principles such as materiality, inclusivity, completeness, reliability, clarity, accuracy, and assurability.

The Standard Disclosures elicit detailed information on the organization in its economic, environmental and societal domains. The social domain is further divided into labor, human rights, society and product responsibility. Disclosures on Management Approach invite a brief narrative of the organization’s approach to the aspects defined under each category and the specific Performance Indicators elicit comprehensive depth of reporting. While the Guidelines are a general set of principles and indicators that are intended to be broadly relevant to all organizations regardless of size, sector, or location, where applicable and available, the Guidelines are complemented by Sector Supplements. These are designed to meet the unique needs of a sector or industry that has been deemed to require additional or different guidance. Such supplements are available, for instance, in financial services, automotive, telecommunications, mining and metals, and for non-profit organizations among others.

The Guidelines are enclosed within an understandable framework that provides an orderly and comprehensive process to guide a business through the steps of sustainability reporting. They also provide for a reporting company’s self-declaration on the level to which they applied the GRI Guidelines, referred to as “Application Levels,” and ranging from A/A+, meeting maximum criteria, to C/C+, minimum criteria. The “+” designation can be used where external assurance is utilized. Additionally, a reporting company may request that GRI check the application level, whether self-declared or assured, and if approved, a special icon is available for use. The usual fee for this GRI service is waived for Organizational Stakeholders. These options replace the “in accordance” declaration provided for under the 2002 Guidelines. This flexibility in levels invites companies who want to build conformity with the Guidelines on a more gradual timeline rather than an all or nothing basis which might discourage initial use of the Guidelines.

## **The Matchmaker Program<sup>3</sup>**

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<sup>3</sup> Some of the following discussion is drawn from content written by the lead author as part of the redesign of the Matchmaker Program in conjunction with the launch of the G3 in October 2006 and that can now be found on the GRI Matchmaker web page located at [www.globalreporting.org/matchmaker](http://www.globalreporting.org/matchmaker)

## *Potential Benefits and Projects*

Recognizing the necessity for a convergence of needs and opportunities, GRI established the Matchmaker Program to bring together reporting companies and academic institutions. Companies that have prepared or desire to prepare sustainability reports are matched with university learners who can deliver analysis and feedback in the form of advice and recommendations. The partnership can enrich both the academic learning experience, particularly as to sustainability concepts and issues, while providing companies with valuable, constructive and tailored feedback on their first or most recent GRI reports.

The program can offer several potential benefits for companies:

- Provides cost-effective feedback and assistance on published or draft sustainability reports from an objective third-party stakeholder point of view.
- Provides a confidential “safe haven” for open exchange of information.
- Allows companies to demonstrate commitment to transparency and stakeholder engagement.
- Opens doors to further academic collaboration and relationships.

The program can offer several potential benefits for learners:

- Provides valuable “hands on” knowledge and an experiential learning activity.
- Provides exposure to the practicalities of sustainability reporting in a real world context.
- Allows learners to gain familiarity with interpretation and application of the GRI Reporting Framework and the Guidelines, including the range of performance indicators.
- Gives learners an opportunity to apply their own skills and knowledge to respond as actual or potential stakeholders becoming more aware of their own and/or their company’s sustainability.

The program can be structured to offer several different types of projects. Participation in the Matchmaker Program has been made very flexible to allow for a variety of levels of involvement and content coverage. Learner participation in a sustainability report process could include any or all of the following with regard to a draft or final sustainability report:

- Analyzing the general compliance with Guidelines’ processes and content.
- Analyzing adherence to the content principles of materiality, stakeholder inclusiveness, sustainability context, and completeness.
- Analyzing adherence to the quality principles of reliability, clarity, balance, comparability, accuracy, and timeliness.
- Determining if standard disclosures, both Management Approach and Performance Indicators, are sufficient, either overall or with regard to particular indicators or Sector Supplements:
  - Economic
  - Environmental
  - Social (subdivided into):
    - Labor Practices and Decent Work
    - Human rights

- Society
- Product Responsibility
- Assessment of a report's appropriate GRI Application Level and/or "gap" analysis comparing the report to a given Application Level.
- Benchmarking a company's current status or progress on sustainability against its own prior performance or that of comparable industry members.
- Conducting sample surveys on public or specific interest group responses to the report.
- Assessing the level of credibility and the tone associated with the report.

A company might choose to work with a number of different disciplines at the university:

- Environmental Studies learners are knowledgeable about environmental performance disclosures.
- Human Resource learners can review labor practices and decent work disclosures.
- Engineering or Consumer Advocacy learners are familiar with product responsibility disclosures.
- Accounting learners can apply their expertise in financial disclosure to sustainability disclosures.
- Business Strategy learners can integrate environmental and social initiatives into core economic strategies and assess how these initiatives impact company performance.
- A multi-disciplinary group of learners (political science, sociology, geography, economic development, etc.) can assess human rights and social disclosures.
- Any other specifically designed, tailor-made projects that might evolve from a company's use of the Guidelines or derives from a faculty's particular interest or course focus could be useful.

### *Courses and Levels*

A variety of approaches to integrating sustainability reporting and the GRI Guidelines in courses can be implemented at any level of learner competence including undergraduate, masters (e.g. MBA) or executive education programs. The Matchmaker Program could be the primary focus of the course or as a project within a wider course context. Some existing courses that would benefit from utilizing the program include Business & Society, Business Ethics, Strategic Management or courses focusing on functional areas such as Human Resource Management, Finance, Risk Management, Marketing, as well as Economics, Engineering, and Environmental Studies.

### *Available Critique Templates*

It often helps learners to have guidance in their analysis or perhaps a template to organize analysis. Among the available analysis methods are the following:

- GRI Guidelines Criteria & Template – primarily a matrix for charting satisfactory compliance with the various Guideline requirements (available on request from the GRI).
- GRI Readers Choice Awards criteria – based on five of the GRI Reporting Principles, including materiality, stakeholder inclusiveness, and quality (available at <http://awards.globalreporting.org>).
- ESRA (European Sustainability Reporting Awards) Criteria – organized around a list of seven content requirements and eight reporting principles, allowing a more open-ended approach (ESRA, 2007).

- ACCA (Association of Chartered Certified Accountants) UK Sustainability Reporting Awards Criteria – organized more generally around the principles of completeness (with 14 indicators), credibility (13 indicators) and communication (11 indicators). This also allows a somewhat more open-ended approach (ACCA, 2004).

## **The Matchmaker Experience**

Now, we present case studies of Matchmaker experiences at the University of Calgary and Boise State University. The following section provides valuable information for both organizations and universities which might want to take the opportunity to engage in this program.

### ***Vancity and the University of Calgary Haskayne School of Business***

Vancity is Canada's largest credit union, with branches throughout British Columbia, and, through its virtual bank subsidiary, Citizens Bank of Canada, it serves members across Canada. Vancity has supported the development of the GRI Guidelines since its inception, first piloting the Guidelines in 1999. Since 2003, Vancity has prepared its biennial Accountability Report “in accordance” with the 2002 GRI Guidelines. Currently, Vancity is the only Canadian bank/credit union to produce an externally verified report that’s in accordance with the GRI Guidelines and its ’04-05 report was included in SustainAbility’s Global Reporters benchmark of leading practices in reporting. The same report also earned the Vancity Group an award for Best Sustainability Report in North America from Ceres-ACCA. In 2004, Vancity became a GRI Organizational Stakeholder (OS), feeling that it would demonstrate its commitment to corporate accountability and transparency. A key benefit was the opportunity to participate in the Matchmaker Program.

Early in 2005, Joanne Westwood, Sr Manager, Accountability at Vancity’s Sustainability Group, and Irene M. Herremans, an associate professor the Haskayne School of Business at the University of Calgary, agreed to partner in the Matchmaker Program. To accommodate the partnership, the Haskayne School of Business, under Herremans’ lead, developed a course on sustainability reporting. The course was open to MBA, Environmental Design, and Engineering learners, as well as other qualified graduates. The main objectives of the course were two-fold: to comprehend the many aspects of sustainability reporting; and to evaluate Vancity’s 2002-03 Accountability Report. The course incorporated several guest speakers, including representatives from the GRI, corporate reporters, consultants and writers/authors of sustainability reports. The course objectives were as follows:

- 1) To comprehend sustainability and the history of sustainability reports.
- 2) To understand why organizations prepare sustainability reports.
- 3) To make choices regarding appropriateness of frameworks for sustainability and sustainability reporting.
- 4) To comprehend what characteristics make a report a quality report.
- 5) To understand the process of report planning, preparation, distribution, and feedback.
- 6) To apply the GRI Reporting Guidelines in evaluating a sustainability report.
- 7) To determine appropriate indicators to use in a report.
- 8) To comprehend the process of providing assurance and evaluating a sustainability report.
- 9) To analyze, synthesize and evaluate Vancity’s accountability report.
- 10) To present feedback in an organized, useful manner to Vancity representatives.

Seven learners participated in the two-month course. For the report evaluation, the areas of focus were agreed on based on both Vancity's needs and the students' learning goals and interests. Ultimately, the learners were responsible for deciding how many would work on each focus area and the direction that it would take. In addition to an in-depth analysis of Vancity's report using the ESRA criteria (discussed above), the learners also undertook a comparison of leading reports across Vancity's peer group within the financial services sector.

For the duration of the course learners were free to email Joanne Westwood, Vancity's key contact, with any questions. The learners prepared a report summarizing the results of their analysis and highlighting key recommendations for improvement. The learners presented this report to Joanne Westwood at the University of Calgary in mid-August.

Vancity took the feedback seriously. Back in Vancouver, Joanne Westwood presented a summary of the Matchmaker Program, Vancity's experience, and the key findings of the learners' analysis to the Board Committee responsible for overseeing Vancity's accountability reporting. Several recommendations made by the learners have since been implemented, including improvements to the online report and including a summary of progress made against targets and action plans in the report.

Here are a few quotes from program participants:

*Thank you ... for the opportunity to participate in this initiative. It was a wonderful learning experience for me. I hope you find our work useful.* – Engineering student.

*The course gave me a lot of insight into and understanding of a type of reporting and a company that I am very interested in professionally and personally.* – Environmental Design student.

*The course showed me business practices that were missing in most of the traditional business management theory.* - MBA student.

*“It really was a valuable experience. The students brought an outlook and energy to the project which was both inspiring and refreshing. We made some changes [to our Report] as a direct result of the students' analysis.”* – Joanne Westwood, Manager, Accountability Programs, Vancity.

### ***Natura Cosméticos of Brazil and Boise State University***

During spring semester, 2007, two undergraduate sections of Business, Government & Society, a senior level course for management majors, were paired with Natura Cosméticos of Brazil. Natura uses a direct sales business model and had gross sales of approximately \$US1.2 billion in 2005 on product lines including make-up, fragrances, skin and hair care. It is one of the most admired companies and most valuable brands in Brazil. Natura has long had an integrated approach to sustainability and was the first company in Latin America to issue an annual report following the GRI Guidelines in 2001. Natura is an Organizational Stakeholder of the GRI and reports its financial, social and environmental activity in an integrated format in a single annual report. In December 2006, Natura solicited Boise State University with an opportunity to critically evaluate Natura's 2006 annual report. Due to the distance between the university and the company, no on-

site visits were arranged (thus highlighting the advantages of matching with a company in some proximity to the university).

Early in the semester, as part of covering course material on stakeholders and strategic management of corporate social responsibility, students were introduced to the role of sustainability reporting and the GRI Guidelines (both the 2002 and 2006 guidelines). Students then began a critique of Natura's 2005 annual report, which followed the 2002 Guidelines, in preparation for the April release of Natura's 2006 report under the 2006 Guidelines. Students in each class were divided into 6 teams and assigned to one of the six categories of GRI performance indicators. Groups were of unequal sizes that corresponded to the number of indicators in each category; environment being the largest, followed by labor practices with the other four being of equal size. Students were provided with "Guidelines for Reporting on a Sustainability (SR) Report" which are attached as Appendix A.

Each student was responsible for reading the entire report as information relevant to their assigned indicators might be found anywhere. In addition to responsibility for assessing content related to their assigned performance indicators, each team was also ultimately responsible for evaluating whether the report satisfied the overall Content (materiality, stakeholder inclusiveness, sustainability context, and completeness) and Quality Principles (reliability, clarity, balance, comparability, accuracy, and timeliness). Students were required to find appropriate benchmark companies (preferably who also issue sustainability reports) for comparison on performance and disclosures. Finally, each team was expected to address several other questions related to the company's approach to reporting generally (comparing aspects of the sustainability portions of the report with the financial sections of the report) and its integration of sustainability into its core business strategies. Each team divided its responsibilities among students as they saw fit with most teams assigning specific indicators to each student.

Students were allowed four weeks for the preparation of their review of the 2005 report. Each team's report was provided in writing and a short (5-10 minute) presentation was given in class. The class was then debriefed on the experience with a view to improving performance on the 2006 report. Upon receipt of the 2006 report the process was repeated using the same analysis. A final compiled report was then provided to Natura.

At the end of the project, student responses were generally favorable, especially with regard to the "hands on" real life aspects of the project, but many would have preferred a local company that they could identify with more. Natura Cosmetics responded that

*"both the critiques and suggestions were considered constructive. Many of them were adopted as a way to improve our reporting and others will provide us a rich material to be incorporated into our sustainability management and reporting process."*

During fall semester, 2007, another class reviewed the 2006 report in addition to further online content that Natura referenced in its report. Further student responses on the project included:

*"I think the project itself is an interesting way to incorporate a real-life business report into the classroom instead of the same old "role-play" scenario assignments."*

*“I learned a great deal from Natura. Their report opened my eyes to many important issues from an environmental aspect. It helped me analyze and think what more they could do and what more all companies could do.”*

*“I feel that this project gave each student a good idea of reporting that is not associated with regular financial reports. This was my first encounter with a report of this type so it was interesting to learn about what the report tries to accomplish and the benefits associated.”*

### ***Boise Cascade and Boise State University***

Also in the fall semester, 2007, student teams worked with the Boise Company (formerly Boise Cascade), an international wood and paper products company headquartered in Boise, Idaho. In 2007, the company issued its second sustainability report. As the company does not yet report using the GRI Guidelines, it asked student teams to prepare a gap analysis comparing the company’s 2006 report to the standards of the GRI Reporting Framework. The students also benchmarked the report against another company in the industry (Weyerhaeuser) that does publish a GRI-based report. Early in the project, the company’s Vice President of Investor Relations, whose office was responsible for the SR report, visited the class giving a presentation on the company’s historical and current approach to sustainability issues and the reporting process. Upon completion of the work, students presented their findings directly to company representatives orally and in writing. Interest on both sides was high, demonstrating the advantages of working with a company that is either close or otherwise willing to travel to the university. Representative student responses included:

*“It was a good group project... Overall, I did end up learning a lot from this project. It was nice to do a project that actually could have some effect, and help the company out.”*

*“I thought the idea of this [project] was great... Overall, the [project] tied well into the course.”*

*“The group project was very interesting and informative about corporate social responsibility... The local company made the issues at hand seem much more realistic.”*

*“I felt that the project was great for reinforcing topics of the class.”*

Additionally, students in the first (Natura) class made comments to the effect that they would have preferred working with a company with which it was able to have personal contact and identification.

### **Registration Process**

Universities (through individual faculty or departments) can enlist in the Program either with specific projects in mind or simply a willingness to collaborate in an as yet undefined way. Potential university participants should complete and submit the appropriate registration form<sup>4</sup> in which they

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<sup>4</sup> The link for university registration can be found at [www.globalreporting.org/matchmaker](http://www.globalreporting.org/matchmaker) .

can also specify interest in working with a particular Organizational Stakeholder (OS). Registration is free for universities and for Organizational Stakeholders.<sup>5</sup> Once a university has registered its interest, GRI will provide that information to interested Organizational Stakeholders via its web site and solicit matches. Questions about the Program can be addressed to GRI at [os@globalreporting.org](mailto:os@globalreporting.org).

As GRI has a clear stake in the success and continuity of the Program, the following are requested of participants:

1. Participants must be registered with GRI prior to entering into a project agreement.
2. Once a project is agreed upon between the academic institution and the OS, parties are encouraged to draft a project agreement or Memorandum of Understanding, specifying the broad details of the project, mutual commitments, expected outcomes, and deadlines. This agreement would then be submitted to GRI.
3. If feasible, the project could begin with an informational presentation by the OS to the learners and end with a presentation by the learners to OS representatives.
4. Universities commit to submitting a final written report to the OS which will also be provided in both written and electronic form to GRI. It is intended that these reports will then be made available to the OS membership on GRI's online database. The participating OS may request that the report be kept entirely confidential or can request editing of the report prior to its placement online to protect confidential information.
5. As a quality control measure, upon completion of the project both participants will submit brief evaluations of the project experience with GRI including comments and any suggestions for improvement.

Participants are free to agree on their own project parameters including obligations of confidentiality in order to encourage free and full disclosure of relevant and essential information.

## **Conclusion**

Mutually beneficial relationships are available for companies reporting under the GRI Reporting Framework and university learners, the future leaders of our businesses, communities and governments. A keen awareness of the responsibilities placed on us all to conduct ourselves and our organizations in a sustainable manner is critical. The Matchmaker Program, in a small but significant way, contributes to the current and continual improvement of sustainability reporting, an important ingredient in conducting sustainable business.

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<sup>5</sup> The link for Organizational Stakeholders is <http://www.globalreporting.org/Home/Login/>

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## **Biographical Information**

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## APPENDIX A (Project Guidelines for Class Syllabus/Handout)

### Guidelines for Reporting on a Sustainability (SR) Report

Prepared by Professor Mark A Buchanan (as of March 2008)

Each Group's Report (Economic, Environment, etc.) should be written as if it will be provided to the company (which it most likely will be), so address it to them. The report should also read as a whole which means that each group is responsible for merging and smoothing the various writing styles of the individuals involved. There should be no glaring grammatical or spelling errors. The layout of each group report is given below.

#### **Defining Report Content (principles)**

Materiality

Stakeholder Inclusiveness

Sustainability Context

Completeness

#### **Defining Report Quality (principles)**

Reliability

Clarity

Balance

Comparability

Accuracy

Timeliness

**[Assignment: For both Content and Quality principles, each student should be familiar with the definition and requirements of each principle. As you individually proceed to evaluate your assigned performance indicators, evaluate whether you think these content and quality principles have been met. You should revisit them regularly in the course of your evaluation and again upon conclusion. If you think that the company's SR is deficient or particularly praiseworthy in regard to any of the principles, include your comments in your group report as detailed below.]**

#### **Setting the Report Boundary**

**[Assignment: Report Boundary is not your concern unless there is evidence that entities over which the company exercises control or has significant influence, whether upstream (supply chain) or downstream (distributors, customers), and who generate significant sustainability impacts over which the company should assume some responsibility and are omitted from or underreported in the SR.]**

#### **Company Profile**

Strategy and Analysis

Organizational Profile

Report Parameters

Governance, Commitments, & Engagement

**[Assignment: As just above, this is not your concern unless, within the analysis of specific performance indicators, there is a lack of relevant and important information that should have been provided under these headings.]**

## **Disclosure on Management Approach**

Goals and performance

Policy

Organizational responsibility

Training and awareness

Monitoring and follow-up

Additional contextual information

**[Assignment:** The group needs to report on whether these areas, as more specifically defined for each indicator category (Economic, Environmental, etc.) have been disclosed in a satisfactory way by the company. Each student should be familiar with the specific requirements of their category and be able to provide specific comments, favorable or unfavorable, on them in regard to their individually assigned indicators. In the group report, this will precede your discussion of individual indicators and should be drafted and reviewed by the group.]

## **Performance Indicators**

Economic

Environmental

Social: Labor Practices & Decent Work

Social: Human Rights

Social: Society

Social: Product Responsibility

**[Assignment:** Evaluate whether the requirements of each indicator have been met, i.e. reported on in a satisfactory manner. Also review the “associated protocol” for each indicator for help on definitions, methodologies and other help on understanding the indicator. Keep in mind the Report Content and Quality Principles listed above and whether they have been met for each indicator. Indicate where in the company SR you find information relating to the specific indicators. The assignment includes both Core and Additional indicators unless the additional indicators are clearly not relevant to the company (not likely, but possible). If the SR indicates that the company is a member of a Code of Conduct (e.g. Global Compact or an industry code like the Equator Principles) you might want to read that code to evaluate compliance with its requirements. For instance, the Global Compact requires that signatory companies report on their compliance with its 10 principles. Finally, note that the assignment is not to summarize the SR but to critique it.]

## **Additional items/questions to address**

Locate the company’s last annual financial report (if separate from their SR) and read the statement(s) by the CEO, and/or the Board of Directors.

How well do the statements there agree with what you see in the SR?

Is there information in the SR that you think shareholders should know that is not referenced in the CEO’s statement?

In a brief skimming of the annual financial report, does it appear to include sustainability (CSR) issues? Does the SR appear to be addressed to shareholders as well as other stakeholders?

In other words, is the company using the SR as a means to communicate with shareholders or is it clear that they are not a primary audience of the SR?

Are there any other inconsistencies between the two?

How well has the company institutionalized its sustainability objectives?

Are sustainability objectives part of the responsibilities of management, of the Board? How are they involved?

- Has the company attempted to integrate its sustainability issues into its core business strategy?  
How much is the SR still focusing on risk as opposed to appreciating sustainability as a source of competitive advantage, value creation and company valuation?
- Has the company “partnered” with any other organizations, such as NGOs or “social entrepreneurs” to accomplish sustainability objectives?
- Has the company attempted to influence businesses in its supply chain to require or encourage sustainable practices?
- Has the company engaged in efforts to affect public policy in any areas concerning sustainability (e.g. lobbying for higher environmental controls)?

Where possible, research standards of performance other similar companies are setting, and discuss whether these standards provide effective benchmarks for the reporting company. This would be important especially if there appears to be an unsatisfactory disclosure of information or if the company is not meeting what you think are reasonable standards of business conduct.

### **Summary**

The group report, therefore, should first include evaluation of how the company SR has complied with and satisfied Report Content and Quality principles generally. More specific comments with regard to those principles and individual indicators can be made when those indicators are each addressed later in the group’s report. This section will also include any comments on Report Boundary or Company Profile that are deemed necessary. This will be followed by the evaluation of the group’s category Disclosures on Management Approach, including the given areas, followed by the evaluation of each of the assigned specific performance indicators. Appropriate comments on benchmarks from SRs of comparable companies should be included here. The group report should end with a short conclusion with comments the group deems appropriate. Note that the usual obligations with regard to appropriate citing to sources of information apply. The report should include a list of references.

Each report should be provided in both written form and as a file sent to the instructor’s email address.