
From Common Pitfalls to Prize-Winning Sustainability Report¹

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Abstract

In a global economic crisis the role of intangible and relational assets in running business are undeniable. Companies are aware that they have to work sustainably and act responsibly, transparent, accountable in maintaining a sound relationship with their stakeholders. A number of reasons come up why a company should have an interest in working with sustainability, with a great variety of methods and ways of working. A sustainable business enhances long-term shareholder value by addressing the needs of all its relevant stakeholders and adding economic, environmental and social value through its core business functions. This requires a company to do sustainability management and communication through sustainability reporting.

But although international surveys say that behaving in a socially responsible manner is increasingly seen as essential to the long-term survival of companies, the quality of sustainability reporting is poor and much of it is inadequate as a means of assessing the extent to which companies have acted in a socially responsible manner.

This paper explores some of the problems with current reporting practices and what constitutes a good report as an effective communication instrument to maintain reputation and build trust for business success.

Keywords: sustainability reporting, common pitfalls, stakeholder dialogue, prize-winning sustainability report, reputation, business success.

1. Sustainability and Sustainability Reporting

Sustainability is not just about doing or implementing, but also about telling or communicating. The doing is in a corporation's practicing social, economic and environmental responsibility that contributes to the well-being of communities in which it does business. The telling is in sustainability reporting: a company's openly communicating with shareholders, customers, employees, business partners and others about its CSR policies and practices, its successes and failures.

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