



The University of Sydney
Faculty of Economics and Business

Sustainable Management of Organisations Group

NEWSLETTER

December 2008

Recent News

GRI & CPA Lunch

Amsterdam based Chief Executive, Ernst Ligteringen, from the Global Reporting Initiative (GRI) visited the University of Sydney on **Thursday 16th of October** whilst in Australia for the CPA Australia October Congress. Dean of the Faculty of Economics & Business, Peter Wolnizer hosted a working lunch of a group of 18 sustainability experts from the University of Sydney, CPA Australia and the Global Reporting Initiative (GRI) Council to discuss the state of sustainability reporting in Australia and internationally.

The group discussed the role of accountants and accounting in improved sustainability management and reporting, as well as the capacity of organisations to capture and collate information to support more complete reporting of sustainable practices.

Mr Ernst Ligteringen, Chief Executive from the GRI, welcomed the opportunity to have the key Australian players in sustainable reporting in the one room. He said: "This is an incredibly important initiative and while it's important this research continues, it's our ultimate objective for GRI to disappear. I say this because when it is adopted world wide it means people are behaving in a way that helps the earth and there's nothing that needs reporting."

The round table lunch was an important pre-cursor to the first International Conference on Sustainable Management of Public and Not for Profit Organisations to be held at The University of Bologna, 1 – 3 July 2009, a joint venture between SMOG, the University of Sydney and the University of Bologna.

SMOG supports the key role of faculty academics in preparing students with the knowledge and understanding of the latest social and economic trends occurring in global business and this lunch was a wonderful opportunity to meet with Ernst and learn more about these exciting developments.



Dean Peter Wolnizer (USYD), Alex Malley (CPA), Ernst Ligteringen (GRI)

James Guthrie (USYD) , Ernst Ligteringen (Chief Exec, GRI) & Alex Malley CEO, CPA) at the GRI lunch



St James Ethics Centre & GRI – press release

At the GRI/CPA lunch above the University's contribution to the project below was discussed and we look forward to on going discussions and research funding from both parties. The media release follows.

The Global Reporting Initiative (GRI) and St James Ethics Centre (the Centre) have today signed an agreement to establish an Australian base of the GRI at the Centre.

This is an exciting and timely development: "In the broader context of market meltdown and climate change concerns the importance of trusted, responsible, sustainable and transparent business practice has never been greater" says Dr Simon Longstaff, Executive Director, St James Ethics Centre.

In addition there is a world wide confusion in the CSR reporting marketplace. The GRI provides the international standard in reporting, enabling Australia business to report in the international arena with credibility and standardisation.

"Australia has much to contribute in this space" says Rosemary Sainty, Head Responsible Business Practice at the Centre, "and we are keen to see Australia become a trusted regional hub for business" . Drawing on this theme the Centre is in the process of creating a national trusted hub for corporate responsibility and sustainability resources and conversation.

The collaborative initiative will create a presence of the Global Reporting Initiative on a regional level and will benefit from the synergy of each organisation's mission.

The Federal Government, through Treasury has commissioned **St James Ethics Centre** to undertake a three year project to expand responsible business practice nationally. The Centre is uniquely placed within Australia to deliver these goals due to strong links with key players in corporate responsibility and sustainability, including its trusteeship of the Corporate Responsibility Index (CRI) – an initiative of Business in the Community (UK) and its longstanding partnership with the National Business Leader's Forum on Sustainable Development.

Non-financial Information for CPAs

A grant for \$50,000 has been awarded for the following project which started in November 2008.

Over the last two decades, there has been growing recognition among both business practitioner and academic communities that the management of an organisation's intellectual capital, social and environmental impacts and stakeholder relationships is increasingly significant in driving economic growth, innovation and productivity.

This research aims to explore current debates surrounding the role of the accounting profession in the provision of non-financial performance information. The research group proposes to examine in-depth the presence and nature of expectations of public, private and NGOs organisations' and the wider community as to their demand for non-financial performance information and the role of the profession in its reporting. Specifically the research questions asked will be:

- ❑ What non-financial information will the profession be expected to report on in the future to enable entities to discharge their responsibilities – for example, social and environmental regulation, intellectual capital, water accounting, energy audits, sustainability reporting and management discussion and analysis type disclosures? The research will analyse the literature to inform a discussion about the various theoretical drivers which underpin the demand for, and the development of, contrasting financial and non-financial information and disclosure. In doing so, the project will consider contemporary research surrounding non-financial information, how it has evolved and how it is likely to continue to develop, considering also the assumptions which are made about the audiences and decision utility of non-financial information. In these terms, there will be considered whether distinctions can be drawn between responsibility for non-financial disclosure and accountability for performance.
- ❑ How do notions of “accountability” and corporate social responsibility in the 21st century organisation influence the decision to provide non-financial information, rather than the traditional notion of “accounts”? Is the role of the accountant being redefined in an era where social responsibility and sustainability is high on the agenda?
- ❑ How can the profession be further equipped to meet the expectations of its role in reporting non-financial information? The motivation for the reporting of non-financial information will be examined. Is it driven by regulation or, in the most part, voluntary? If the latter is the case, then who drives the voluntary reporting of non-financial information both within and outside an organisation? Who, other than accountants, is involved in the provision of non-financial information, and for what purposes and motivations?
- ❑ If, as seems likely under the new Government, corporate sustainability reporting will continue to be allowed to evolve on a largely voluntary basis, what type of guidance and minimum standard of disclosure might be developed in Australia's present regulatory environment?
- ❑ What form should disclosure of non-financial information take? If regulation is not the key driver, what is the scope for consistent means of reporting? What frameworks have been developed to date and what are the pros and cons of each? What are the challenges of providing non-financial information and how can it be measured, captured and disclosed?

SMOG made a submission to University of Sydney Institute for Sustainable Solutions (USISS).

USISS Icon Project: EOI

Proposal title: Voluntary practice guidelines as a catalyst for enhanced sustainability management

Names of investigators including Faculty/Discipline affiliations

Research will be undertaken by members of the Sustainable Management of Organisations Group (SMOG), which is an interdisciplinary research group, based in

the Faculty of Economics and Business. Membership of this group is attached. The principal sponsors of SMOG are Associate Professor Geoff Frost and Professor James Guthrie.

Research question

Organisations seeking to develop a proactive stance on sustainability management are faced with a plethora of existing voluntary guidelines in relation to reporting (GRI), stakeholder engagement (AA1000) and management systems (ISO14001), to name but a few. These guidelines are not mutually exclusive, with many organisations adopting multiple guidelines to assist in the optimisation of sustainability management. The extent to which organisations embed these guidelines also varies, with varying degrees of compliance with GRI and ISO14001 accreditation for specified sites. For such guidelines to act as a catalyst for transformation towards sustainability management, they must be integrated within the existing management control and performance management systems. Without integration, questions remain as to the purpose of adopting external guidelines, particularly those requiring accreditation, and the effectiveness of such guidelines in providing a platform for improved sustainability performance.

The research questions:

How are organisations embedding processes derived from the guidelines into existing management control and performance management systems?

How effective are voluntary guidelines in providing a catalyst for improved sustainability management?

Recent Visitors to the Faculty of Economics & Business.

Dr David Campbell, Senior Lecturer in Accounting and Ethics from Newcastle University Business School in UK, held a Seminar on Wednesday 26 November 2008. The research report that Dr Campbell discussed was about the voluntary narrative sections of company annual reports, with particular reference to the annual reports of UK banks.

One of the questions frequently raised, but not well answered, in considering the growth of these types of reports is the actual usefulness of this surfeit of narrative in annual reports. Who reads it, is the information useful and is it used to fund allocation decisions made by investors: And if not, what are the implications for preparers of annual reports?

CONFERENCES RELATED TO SMOG

SMOG 2009

**The 1st International Conference on Sustainable Management of Public and Not for Profit Organisations
The University of Bologna,
1st – 3rd July 2009.**

Log onto <http://smog.econ.usyd.edu.au/conference.html> for Call for Papers.

Jointly organised with The University of Bologna, The University of Sydney, the International Research Society for Public Management (IRSPM), the Accademia Italiana di Economia Aziendale (AIDEA) and the Italian Academic Network for the Development of Management in Public Sector (SVIMAP).

Theme and focus of the Conference

The Conference will promote research excellence in relation to these complex and evolving subject areas by both enabling academics to recognize those elements of

their work that might relate to the function of the group, and providing a forum for discussion of their research.

Climate Change "Global Risks, Challenges and Decisions"

March 10-12 2009

Copenhagen, Denmark

The Climate Change Congress takes place in the run-up to the United Nations Climate Conference (COP15) in Copenhagen 2009. All findings will be compiled in a book on climate change, and an synthesis report with the main findings will be handed over to participants at the COP15.

The main aim of the congress is to provide a synthesis of existing and emerging scientific knowledge necessary in order to make intelligent societal decisions concerning application of mitigation and adaptation strategies in response to climate change.

We are thrilled to have secured the participation of Dr. Pachauri, Chairman of the IPCC, Professor Lord Nicholas Stern and Mr. José Manuel Barroso, President of the European Commission among the 17 plenary speakers for the Congress. See attached programme for the complete list of speakers for the 57 sessions.

500 abstracts from 82 countries have been received.

Register online at www.climatecongress.ku.dk

CFP: Evidence, Science and Public Policy (Sydney 2009)

Sydney-Tilburg conference on

EVIDENCE, SCIENCE AND PUBLIC POLICY

Sydney Centre for the Foundations of Science

26-28 March 2009

Conference website: <http://sydcfs.org.au/>

KEYNOTE SPEAKERS: Mark Burgman (University of Melbourne), John Quiggin (University of Queensland) and John Worrall (London School of Economics)

ORGANISERS: Mark Colyvan (Sydney), Stephan Hartmann (Tilburg), James Justus (Sydney) and Jan Sprenger (Tilburg)

The relationship between science and public policy is complex. Good public policy on matters such as the environment, climate change, health, the economy, and justice must be informed by good science. But this science needs to be conducted in ways amenable to the needs of the policy makers and the results communicated in ways accessible to both the policy makers and the public at large. Public policy issues might even impinge on the science itself. For example, acceptable levels of error might be thought to be determined by the consequences of the decisions to be made using the scientific findings. This raises many interesting philosophical questions about the relationship between science, evidence and public policy. Should science remain independent of policy decisions and concern itself only with evidence? Is this possible? What is evidence-based medicine and does it live up to its advertising? What is evidence-based public policy and what does it offer above standard policy making? Our goal in this conference is to bring together philosophers of science, political philosophers, policy makers, and other researchers interested in the science-policy interface. We welcome papers on any of the above questions as well as papers on broader issues concerning evidence, especially in applied contexts (e.g. legal, medical, and environmental).

We invite submissions of extended abstracts of up to 1000 words by 1 December 2008. Decisions will be made by 15 January 2009.

APIRA 2010
6th Asia Pacific Interdisciplinary Research in Accounting Conference
11-13 July, 2010

The Sixth Asia Pacific Interdisciplinary Research in Accounting (APIRA) Conference is organized jointly by [University of Sydney](#), [Macquarie University](#), [Australian National University](#), [University of Technology Sydney](#), [University of New South Wales](#), [University of Western Sydney](#) and [Wollongong University](#). It will be hosted in Sydney, Australia in 2010. This will be its 6th triennial conference, after successful conferences in Sydney (1995), [Osaka](#) (1998), [Adelaide](#) (2001), [Singapore](#) (2004) and [Auckland](#) (2007).

With a reputation for academic rigor, and the participation of accountancy's foremost thinkers, APIRA2010 promises to attract strong representation from accounting researchers the world over. Some of the most prolific researchers from the United Kingdom, Europe, North America, the Asia-Pacific region, and many other countries are represented in APIRA's International Editorial Committee. A strong interdisciplinary program of research papers and forums addressing the relationships between accounting, auditing and accountability and their social, institutional, economic and political environments will be included in the program.

ANY NEWS???

If you have any exciting news that you would like to share with other SMOG members, please do not hesitate to contact us!

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If you do not wish to receive this mail or want to be removed off the mailing list please RSVP to SMOG@econ.usyd.edu.au

