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## Stakeholder Engagement Resource Letter

A publication of Stakeholder Strategies Inc.

### News

#### 22 September, 2005 - AccountAbility Launches World's First Stakeholder Engagement Standard

The AA1000SES is the first international standard for stakeholder engagement. "In our view, giving stakeholders the right to be heard – and obliging organizations to respond – advances organizational performance in line with the imperatives of sustainable development" said Alan knight AccountAbility's Head of Standards.

UK based Institute of Social and Ethical Accountability (AccountAbility) is an international organization working to make companies, and other organizations, accountable for their impacts on society and the environment.

#### 8 September, 2005 - United Nations Global Compact (UNGC) launch new report on Responsible Lobbying

In partnership with Accountability, the UNGC has published a new report Towards Responsible Lobbying. While endorsing the legitimacy of lobbying the report also calls for reform.

Georg Kell, Executive Head of the United Nations Global Compact, called on the more than 2,200 companies and NGOs participating in the initiative to ensure that their lobbying practices are in line with the Global Compact principles and to espouse the recommendations set out in the report.

'There are often significant discrepancies between CSR policies on

the one hand and lobbying efforts on the other', he said. 'This lack of consistency can undermine the credibility of corporate responsibility and diminish its benefits. This report is an important contribution to the ongoing debate over lobbying, and it helps linking lobbying activities with universal values.'

UNGC is the world's largest voluntary corporate citizenship initiative, which aims to align business operations worldwide with universal principles and to strengthen private-sector support for UN development objectives.

#### 28 September, 2005 - Resource Sector Compliance Portal Introduced to Ontario

Calgary based MediaLogic has introduced Ontario content into its popular web-based Natural Re:Source compliance tool. The portal contains the necessary compliance regulations, decisions, policies, guide books and standards to allow plant operators, policy makers and supporting professionals to quickly search for the information they need to maintain or exceed government and industry compliance standards.

"Ontario's dynamic energy sector has opened up an opportunity for us to provide our compliance tool to a new and growing client base", said Leanne Forbes President of MediaLogic and developer of the Natural Re:Source portal. The portal has over 1000 subscribers in Western Canada.

### Feature Article

#### Governance and Stakeholder Engagement – It's all about Trust

Stakeholder engagement is becoming a best practice and governance feature of the modern corporation. As the publication of AA1000SES attests (see the above news item), there is an

increasing appetite for portable standards from one jurisdiction to the next as to what constitutes adequate or even exemplary stakeholder engagement. This is the latest contribution which also includes frameworks such as the GRI and SA8000.

In Canada there are likewise many examples including the CSA Plus 9018, and Z764-96 and best practices manuals such as Good Company – Guidelines for Corporate Social Performance published by Canadian Business for Social Responsibility which contain stakeholder engagement information.

Industry associations are similarly embracing the issue of best practice and process. The Canadian Association of Petroleum Producers has addressed this through the publication of a 'Guide for Effective Public Involvement'

What is behind this search for best practice is a yearning for a better way and a more durable approach to building trust between an organization and its stakeholders. At the end of the day a corporation's economic and social performance, including its license to operate, rests with who trusts it and by how much. Effective stakeholder engagement builds trust – ineffective or absent engagement tears it down.

Influences felt around the globe are driving the public's concern about trust including;

- Increased problems in sustainability in the use of our land, air and water, resources.
- Concern about corporate trustworthiness in the post Enron environment.
- The ubiquitous nature of internet communication and the inability

of corporations to avoid transparency and public scrutiny.

- The use of private companies to fill in for areas vacated by the public sector. In Canada in the form of P3's - or soon – private medical services.
- Government is also responding through the regulatory process. A quick search of the key words 'public/stakeholder consultation' yielded over 1,000 regulatory requirements and references in Canada's energy and environment regulatory data base using the Natural Re:Source portal (see news item).

The practice of stakeholder engagement is shifting from a reactive approach to buffer stakeholder impact on the corporation to a more proactive engagement process leading to building trust and improved corporate governance.

### **Best Practices**

#1) Integrate stakeholder plans with business objectives.

Toronto Hydro recently 'saved' two birds with one stone when it partnered with FLAP to reduce night time illuminated buildings to save thousands of migrating birds and help electricity demand management at the same time.

Enbridge Gas Distribution launched its Awaire clean the air program this summer in partnership with the Canadian Lung Association and associated its brand in a positive way on a critical public health issue.

### **Links**

[www.accountability.org.uk](http://www.accountability.org.uk)  
[www.un.org](http://www.un.org)  
[www.medialogic.ca](http://www.medialogic.ca)  
[www.torontohydro.com](http://www.torontohydro.com)  
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