



AA1000SES Revision Consultation

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Introduction to Day/Questions and Comments from Participants

- How is AccountAbility (AA) aligning the standard with GRI and ISO? What kind of collaboration has there been with other standards organizations?
- Who has been using the standard? Has it been implemented? If not, why?
- Examples of practical experience, case studies that would illustrate how it has been implemented?

AA does not have a reputation in the public sector – SFPUC uses it but doesn't cite it because people don't know what it is. It is a good guidance tool but there is hesitation to cite it.

Guidance and voluntary vs. standard and assurance: AA gives a systemic approach but leap to assurance is more difficult. Interim checks and balances vs. jumping straight to the full standard/certification – smaller, easier steps along the way would be easier to use

Alan Knight's video is not engaging and is too technical – engaging on this is very important, this isn't a technical standard, its relationship based. Need someone to explain the dynamics of the standard, not the technical details. Need implementation partners (AA is the technical partner).

BSR: Why do (BSR members) need a standard? Great guidance, but who do you partner with to implement this to make it valuable?

From public sector view, best practices coming from overseas. People ask if there's a US standard. AA needs to expand this. Need credibility from companies who are using it.

Session 1:

1. What is stakeholder engagement?

Use stakeholder term to look outside rather than inside, at least from public sector perspective. Must be a very broad definition, types of engagement with different



groups are completely different – very different objectives for each. Shouldn't formalize stakeholder definition. Process will define who stakeholder is.

Stakeholder is an old term, meant something different a decade ago than it does now. Used to define activists previously, now very broad and informed groups. Need a new term.

What is the role?

- Regulatory requirements (CEQA, NEPA...)
- Role is much more important question than what is engagement.
- Include different voices, set objectives, and validate activities.
- Role can help to prioritize what you are trying to achieve.

A large target for this standard is going to be companies that are all about managing risk and their objectives will be different. Regional context = different regulatory requirements. How is this accounted for in a standard? EC often sets high regulatory standards vs. US operating environment which is very different (but evolving). Companies that are doing it right aren't making a big deal out of it so they are being used as role models.

Bare minimum: develop allies in the community, foster communication within the community to understand upcoming issues, in business to sell a product so must retain license to operate in each community – being pre-emptive, establish credibility and trust.

Managing risk reactively and proactively – this is where stakeholder engagement often comes into play. It must have a clear business value.

2. How does stakeholder engagement contribute to accountability and sustainable development?

Sustainable development is the wrong term. Stakeholder engagement does contribute – in agreement: Lowers risk, helps contribute to thinking, ideas, innovation.

Depends on how you do it, and so many organizations get it wrong. What you're doing, how you're doing it, output. Output must go back into operations – must follow up on it or its useless. Doing it for reputation is not a good reason to do it. Mitigation isn't the right strategy either. Adaptation is the way to approach it. Standard is good to help think through how you're doing things and whether there's value. Not helpful to just mitigate or manage risk. Requires commitment at board level, company must understand why they're doing it.

Important but must pay attention to how you're doing it and be transparent.

Stakeholder engagement happens effectively if there are specific people in the organization to take ownership over different parts of it. Must be fed back into overall performance. Requires a lot of resource and commitment but this is systematic. If you don't take a more systematic approach, you risk having it be a "one off."



If you aren't doing stakeholder engagement properly and then you do it reactively, it costs much more once you must do it and it's much harder.

Much easier for larger companies that have the budget to be fully proactive.

How to shift what we're hearing from them today into what AA needs for the standard? A standard is valuable for companies that don't have a system – use the standard as a platform for going forward.

Responsiveness issue is a key.

Technical aspects of standard really need companion piece on how to implement and case studies on how companies have done it effectively. Must understand value, how to sell it internally. Companies are under resourced so how to use this and leverage it so it's actually helpful. Companies need to understand the actual cost of doing this. Many aren't set up to engage. Must realize that internal resources need to be built up first.

Building internal accountability and capacity to deliver and provide value and communicate it to the people who want it in a way that's valuable to them.

Make it more practical by having pilot studies. Probably few good case studies so far since we haven't heard of them. Maybe the standard is being used as consultation for what they're doing but not formally. Case studies that fit with aspects of the standard but didn't necessarily use it are probably out there.

3. Why do organizations undertake stakeholder engagement and who benefits from stakeholder engagement?

Must sell your proposition to stakeholders. Can't keep going to same people – "stakeholder fatigue" has become very real. Must look at whether there's a real value to the stakeholder: What your expectations of stakeholders who participate?

Value proposition must be conveyed to stakeholder when you approach them: this is best done through a conversation. In some cases, stakeholders have become quite sophisticated. Be clear on what you ask of them and what the value is – position yourself first so you know what you're trying to get out of it. Process leading to engagement is as or more important than the actual engagement. Harmful if not done right since it takes so much time and resources.

Engagement under right process will give value to the stakeholder also and this will come back to the organization – they will become your ambassador. This makes it two-sided which is necessary. Must be responsive – educate yourself and the whole process. The benefit back to you is valuable and benefits societies beyond simply your organization and the stakeholder.

Long-term commitment for it to be mutually beneficial. Must be committed to managing the relationship.

4. What is the role of stakeholder engagement in different contexts



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Might not be able to use in government/public sector consultation unless it's a flexible standard. If based on GRI, for example, there is the option of saying something is not applicable – must have this flexibility built into it. Must be robust enough for organizations that already have processes in place and light enough for organizations that don't have the resources to do it all.

Substantive questions more shared now between public and private sectors.

Might be hard for public sector if it's not a certifiable standard. Very robust processes for doing things and engaging so this would help with process but how to implement it in the public sector?

So many local, regional, state requirements that must be adhered to in public sector so engagement with many already exist. (In California, public sector engagement is often mandatory and embedded in regulation). Can integrate other standards into what they are already doing but these must be flexible. Certification probably wouldn't apply since local requirements are so strict and a priority.

Does the standard recognize the need for different levels?

5. How does stakeholder engagement relate to other sustainability standards, guidelines and initiatives?

Participants were generally unaware of current developments regarding ISO26000 and are wary of it. Was going to be about how it's implemented downstream? Not flexible enough to apply to a broad spectrum of industry. Good for environmental issues but more difficult for social.

GRI makes sense and is well respected. Align yourself where relevant. GRI indicators tie into AA1000SES.

People reluctant to have CSR 'certifiable' – hard to apply a certification overall to all companies due to the myriad of differences. Certification in general gets lost in too much detail.

6. What are some of the common success factors and common challenges to good quality stakeholder engagement?

7. What are some of the barriers to making stakeholder engagement a more strategic consideration in organization (or where this has been achieved, what were the important factors?)

[These seemed similar so were handled together]

Disconnect between operations and global – a problem of silos, organizational alignment (overarching framework vs. local operations). Individual buy-in and skills at different levels varies.

Misconception about the 'why' and the business value. Fear of this. Must overcome fear of initial exposure. Need clear guidelines to go into any stakeholder engagement activity with.



Leadership, managing, expectations: Must set right expectations, manage issues appropriately, if you don't have leadership it won't go anywhere. Transparency and honesty about how you answer questions is more important than answering incorrectly or not answering.

Knowledge sharing network, communication can be excellent tool if done correctly or can be a barrier.

Terminology used is important – miscommunication within organizations and lack of shared meanings or definitions can pose a challenge.

Internal accountability is important. Lack of buy in at individual level can be a barrier. Important to create ownership, have incentive structure in place; be held accountable for what you are/were tasked with. More incentive once you are a stakeholder. Tools only as good as the people that are applying it.

Not seeing value of stakeholder engagement being translated into work. Should look at actual impact parameters. Something that extends beyond what they are doing – something qualitative. How do you measure it? Difficult for social. Can be value based metrics but this is hard to translate to engineers for example. Hard to define but something you should work towards. If done over time and value attached to it, trending over time – can assign internal expectation or value to it then you can trend.

Look at cost of not doing effective outreach. For instance, how to calculate the impact on your operations if you have to shut your project down.

Would like to see more positive indicators – big gap in trying to sell social based process or system to people who want to see indicators.

Model for determining projected value of stakeholder engagement.

When looking at social impacts along the lifecycle of the operation, how do you calculate or put in place indicators. Research done on this? Social lifecycle analysis (LCA) – how to measure this. Link to GRI or other standards – which other standards should it relate to? Mapping of social impacts along the way. Are the metrics even meaningful?

This needs a set of indicators to translate into benefits for stakeholders and companies.

Session 2: The AA1000SES

1. What should the focus/aim of the AA1000SES be?

Answer should be consistent with everything else AA is focusing on. Apply more broadly to private and public sector and be flexible. How is it positioning itself against other standards? Filling niche?



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Knowing AA and assurance process, it should focus on what they're good at. Be a flexible guidance document so it can be adapted as appropriate. Business focused. Should be able to start small/extrapolate and grow it out further. Assurance standards side has been much more successful. Should they really continue to take the effort to standardize it? No. shouldn't be similar to their other standards because it's stakeholder engagement. Great that it's much more concise now otherwise no one would read it.

How to use engagement to push CSR throughout the company? Too much detail, guidance, formalization won't work throughout different departments, different engagements.

CSR practitioner using standard and can prove the value works but taking it into a large organization where they don't know anything about it won't be beneficial.

The value of stakeholder engagement is what you do with it. Must be clear about the boundaries of the standard.

Stakeholder engagement should not be the purpose of stakeholder engagement.

It's a tool to help practitioners and manage the process effectively. To be used more widely there's a role of organizations to help companies implement it. That's not AA's role – they're a standardization organization.

Aimed at the CSR practitioner – what about materials aimed at others? If you can prove the value through the CSR function there will be more uptake.

Few stand alone CSR functions in companies now – it's a broader group of people working on the issues so they're more educated.

People using this aren't necessarily experts – will the tool help them with their mandate?

2. Gaps in the market that AA1000SES should try to fill?

Great tool but really generic for working with people who don't know anything about this. Is there a more specific tool? It's not an "idiot's guide" to stakeholder engagement for example: you must know enough about CSR to know how to use it.

Once you've got people talking then what do you do with it? Can a standard take this on? Is it beyond the scope? What are the steps involved? It's not about what info you need in the decision-making or the process. There should be a guidance or recommendation document to go along with the standard. This is a process document but if you don't know what it means, you'll take the steps but not know what the ultimate objective is. Need to know why it's important to do the steps. Need to see examples of what it'll take to implement it.

It should help focus on a deeper understanding to other standards.



Be aware of too much info in general – make it very concise. If you want it to be effective it must be relevant and short. Very wordy. Need to be able to stick it in something that people already use rather than giving them something entirely new – they don't have time for this.

Break down silos of other standards – opportunity for collaboration b/t them all. This would be more efficient and leverage expertise.

Need to be able to insert it into existing systems in a company so they don't think they're being given yet another new process to apply. Something they already see the value of, a system that's already in place.

3. What should the scope of the AA1000SES cover?

Process implementation: process of getting to your most material issues, getting to your most important stakeholders.

As a consultant, you need something that's easy to use and digest. Would like to see process points. Need assistance to make sure what you're doing has value.

Adaptation for small, large, cultural differences not necessary – would be too long. Must be flexible enough to work for all. For example, GRI is flexible on what you use. Need opt in/opt out. This would be transparent – state which you are opting out of and why.

Guidance on what to avoid and success factors so you know if you're on the right track.

Address micro and macro engagement practices together? They don't always tie together but both need to happen. Same principles but what they're doing is different.

Credibility part of stakeholder engagement is very experiential – very relevant.

Conflicts of interest if AA where also auditing/assurance? If there's a certification piece to this?

Certification often obfuscates everything else a company is doing. Focusing on data and getting it right vs. how to engage. Certification leads to focus on this rather than engaging properly. Just too hard to 'certify' stakeholder engagement. The process has less value than the engagement itself. This isn't the right area to be focusing on compliance. Spending a lot of money and time on the process rather than on the engagement – stakeholder engagement for the sake of stakeholder engagement.

What is the objective of stakeholder engagement? Risk mitigation? Something trying to push that's invaluable to companies and trying to get it right? Don't certify it. Work with companies on the implementation and getting it right rather than focus on certification.



Certification undermines the whole point of having it as a useful tool. Worth getting the process right and focusing on the right things if you're in it for the long haul. Focus on the learning.

What value would you gain from certification that you can't gain from just assuring that you're using the process?

4. How can the AA1000SES link stakeholder engagement more effectively with strategy and core operation?

The standard leads to effective strategy and more efficient operations. Consolidating practices. Most companies already have a strategic view. If you already have a stakeholder view, you can use the standard to lead back into your view.

More holistic view rather than strategic view. Holistic means it's embedded in more functions within your company so it becomes the business case – broader view of stakeholder engagement. Change the word view to process.

5. What elements of good practice and which challenges does it need to address?

Standards won't address conflicts – can't use a checklist approach. Confusion between process and implementation. This isn't a systems approach.

Standard can help to gather info but can't help to build capacity. It's about how you evaluate resource capacity or get info on what's required.

How do you ask the right questions to make sure stakeholders have the right capacity?

Haven't seen what AA has learned since 2005 and what they have done about it.

The language is very wordy and open for interpretation. A standard is usually direct in terms of what it's achieving. This reads as a stakeholder planning standard rather than a standard for actually engaging with stakeholders. The objective of the standard could be clearer.

There's a mix of what to do and how to do it. Obfuscating the fundamentals. So much language and so general.

Blur between standards and the implementation/guidance document.

How do you really make the business case for this and what essential questions do you need to ask to get to this.

Should partner with other organizations to do this.



Level of detail for the guidance should not be theoretic – should be short and relevant with links to other places (such as for different sectors) to connect the dots with the whole field of engagement. Help people understand the world of standards.

6. Which other standards does it need to align with and how?

Needs to address what the other standards include. Shouldn't overly focus on aligning with them. Links to other standards. Shows collaboration with other standards.

Shouldn't develop it in isolation from the others. Put its own spin on it but make sure it doesn't create extra work for the people implementing it. There must be a synergy between the standards. Shouldn't be limited to what other standards include.

More strength if you're building off of other standards.

What's the "lifespan" of a stakeholder engagement standard? What's happened and been learned since the last revision? What's the interval for the next revision?

7. What should the balance be between requirements and guidance?

The old one was very wordy and repetitive and didn't provide a lot of guidance. Needs to get beyond the plan and do part to the apply and circle back.

Talking about principles and approach not requirements. Requirements are the wrong way of thinking about this. They aren't requiring companies to engage in a certain way but making sure they're engaging in a relevant way. Guidance around effectively setting up the framework. This question isn't applicable.

Flow chart: Could see if there's a way to put in indicators. Make sure you know which parts of the framework the standard hits. Standard touches on all of it up until engagement. Flow chart trying to convey an ideal system – should map the standard onto the system. There should be an outcome, should be variable and be reportable.

Should be able to just go to one of the boxes rather than starting from the beginning.

Give examples of outcomes.

8. How should the standard function in the market place (e.g. should it become a certification standard, remain as guidance or something else?)

Addressed this above as conversation went there.

9. What do you like/dislike about the original AA1000SES and the first draft of the new standard?

Language is academic and hard to understand. Would like to see a standard that was written by someone who has actually done the work – make it more digestible.

Engage at the level of your audience. Simple, concise language. This is written by an expert for an expert.