How can Big and Open Data Impact Corporate Responsibility Metrics?

Marisse del Olmo Crenier

Outline

1. What is CSR & relevance of sustainability reporting

2. Problem

3. Why is it compelling

4. Current efforts in corporate transparency

5. Opportunities for Open and Big Data

6. Behavioral change

7. Why can it work

8. Challenges

9. Next steps

What is CSR?

Private-sector initiatives and partnerships – collectively labeled CSR initatives –

Efforts to act responsibly conducting business or corporate philanthropy linked to charity?

"CSR has nothing to do with charity"

(The Economist)

Reporting:

More complete picture of a company´s social and environmental footprints

Increasingly important for society, governments and markets

World of data hidden in sustainability reports and hard to find & compare

5,000 to 6,000 different reports
(Global Reporting Initiative - GRI)

Problem

- Rise in rating and reporting systems

- Disclosure and quality of CR metrics and reporting is largely unregulated

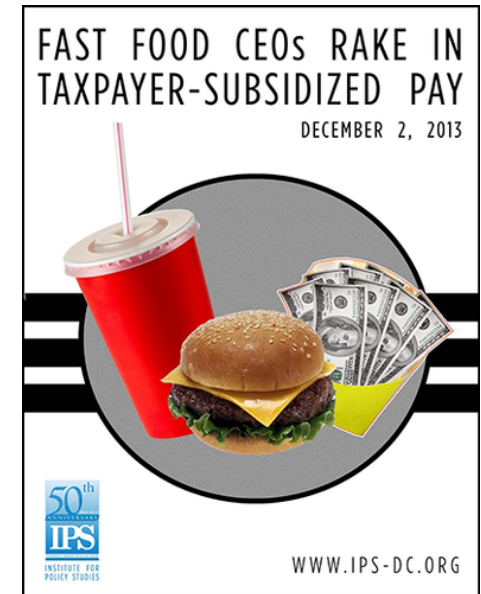- Studied companies are the primary source of data to evaluate them

Why is it compelling?

Private sector seen as driver of exclusion rather than a partner to improve health & welfare

In addition…

- Aggressive tax avoidance
- Lobbying and political donations

FAST FOOD CEOs RAKE IN
TAXPAYER-SUBSIDIZED PAY
DECEMBER 2, 2013

WWW.IPS-DC.ORG

- Criminal Activity (fraud & corruption,
money laundering and organized crime)
- Labor abuses in developing countries
(OpenCorporates-ODI)

Disclosure Sustainability Database - Global reporting standard

"One stop shop for getting access to sustainability data"

Reports on 5 areas

Global Reporting Initiative (GRI)

1. Company (profile, strategic view, governance structure)

2. Report (reporting period, scope)

3. Stakeholders (engagement)

4. Report content (prioritizing topics)

5. Performance indicators (economic, environmental, labor practices, human rights, society, products)

Self declaration (A, B, or C) +if externally assured

Allows search all types of reports

Benchmark tool to compare levels of disclosure

Publishing the identities of the true owners of corporate entities often hidden behind "shell companies"
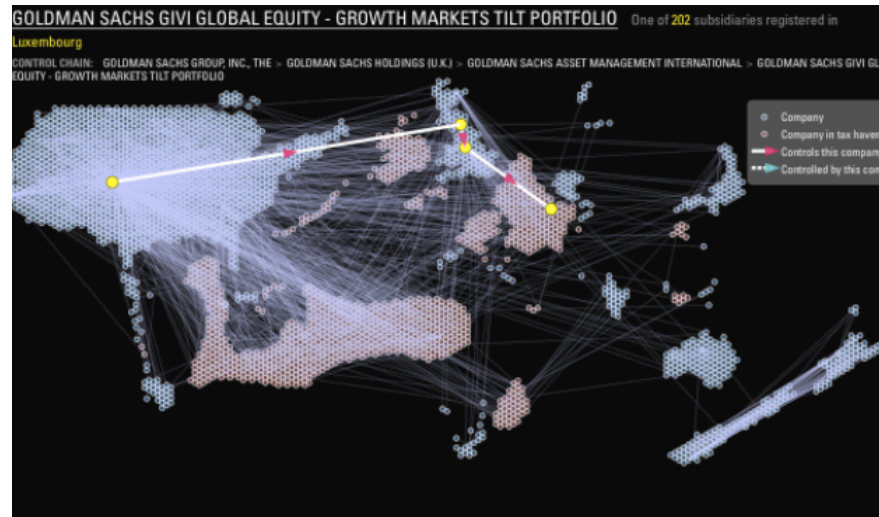
(Global Witness: Why we need corporate Open Data)

&

G8 general agreement to increase corporate transparency

(Joel Gurin – Open Data Now)

GOLDMAN SACHS GIVI GLOBAL EQUITY - GROWTH MARKETS TILT PORTFOLIO   One of **202** subsidiaries registered in Luxembourg

CONTROL CHAIN: GOLDMAN SACHS GROUP, INC., THE > GOLDMAN SACHS HOLDINGS (U.K.) > GOLDMAN SACHS ASSET MANAGEMENT INTERNATIONAL > GOLDMAN SACHS GIVI GLOBAL EQUITY - GROWTH MARKETS TILT PORTFOLIO

60+ million companies - Mainly company registers but also from other published datasets (national and global)

Sharealike License – free data for free use of products made with that data

"…Basically any data to do with companies, we want it"

Opportunities

In 2014, Every Business Will Be Disrupted By Open Technology (Forbes Magazine)

Companies are becoming more transparent about their operations to their benefit

Current efforts to map out relationships & networks between companies

Open data business "archetypes"
- Better Business Through Open Data

(Joel Gurin – Open Data)

Challenges

Companies networks are seen as the "Holy Grail" of business information

Government is seeing data as a source of income, holding critical datasets

Expensive $$$$

Restrictive Proprietary Licenses

Corporate lobbying & Political spending

(OpenCorporates)

"Living in a see through society with new rules that companies will need to follow"   (Joel Gurin – Open Data)

"What we as a campaigning NGO want is in the interests of big businesses too" (Global Witness)

Investors are increasingly looking to invest in companies that operate sustainably & have data to prove

Green Investing has rapidly gone form being an idealistic goal to a mainstream investment strategy

Impact Investing is following a similar trend (SIB, Benefit Corporations)

Next Steps

What can big and open data contribute to the current efforts? What new conclusions can we get?

Need for a greater disclosure of companies political spending and corporate lobbying activities

THANK YOU!