

Centre for
Construction Innovation



Sustainability Reporting

A Step-by-Step Approach to Corporate Social Responsibility
for Small and Medium Sized Construction Companies

A guide produced by CCI and part-funded by the University of Salford Vice
Chancellor's Enterprise Development Fund - July 2007

Updated in October 2010



This Guide was first produced in 2007 - it has been updated for current use by CCI.

Authors

Dr. Will Swan

Dr. Will Swan [was] a Project Manager at the Centre for Construction Innovation with responsibility for performance measurement and sustainable development. He was the project manager for the development of the North West Regional Development Agency's 'Sustainable Construction Policy' and sits on a number of advisory panels including; the North West Regional Assembly Sustainable Procurement Task Group and Manchester Knowledge Capital's Sustainable Design Group. He is the author of a number of journal articles and book chapters on construction related issues.

Roy Stewart

Roy Stewart is (now) the Operations Director for CCI and has been with CCI since 2002: in all, Roy has over 25 years experience in the construction and property development industry. He is involved with helping organisations improve their businesses and their resource efficiency through continuous improvement and performance measurement. He is a trained Code for Sustainable Homes / BREEAM assessor and has worked extensively in sustainable construction and development over the past 5 years, including co-writing the North West Regional Development Agency's "Sustainable Building Policy Guidance Notes".

The authors would like to thank Sustainability Northwest and the National Centre for Business and Sustainability, part of the Responsibility Northwest initiative for their comments on this report.

This report was part-funded by the University of Salford Vice Chancellor's Enterprise Development Fund.

Revision 1 - October 2010

Implementing “Corporate Social Responsibility” into your Business

Contents

1.0 Introduction	5
2.0 What is Sustainability?	6
2.1 Sustainable Development	6
2.2 What is Sustainable Construction?	6
3.0 Reporting Sustainable Issues	7
3.1 What is Sustainability Reporting?	7
3.2 Why Bother Reporting?	7
4.0 How Can I Use the Guide?	8
4.1 Outline of the Process	8
Step 1 – Finding Out (Materiality)	8
Step 2 – Deciding what is Important (Materiality/ Completeness)	8
Step 3 – Understanding What You are Currently Doing (Materiality/ Completeness)	8
Step 4 – Measuring What You Are Currently Doing (Completeness)	8
Step 5 – Taking Actions (Responsiveness)	8
5.0 Step 1 - How Can I Find Out What to Report?	9
5.1 Stakeholders or People Who You Affect and Affect You	9
5.2 Some Common Stakeholders in Construction	9
5.3 How Can I Decide what is Important to My Stakeholders	9
5.4 Asking Your Stakeholders	10
6.0 Step 2 - Deciding on What is Important	11
6.1 Material Issues	11
What have the stakeholders said?	11
What impact are they going to have on the business?	11
Where can we make a difference?	11
6.2 Material Issues for the Construction Industry	12
6.2.1 Environment	12
6.2.2 People and Communities	12

- 6.2.3 Health and Safety 12
- 6.2.4 Employees 13
- 6.2.5 Partnership Working and Business Ethics 13
- 7.0 Step 3 - Where Am I Now? 14**
 - 7.1 Current Actions 14
 - 7.2 Measures and Evidence 14
- 8.0 Step 4 - What Am I Going to do Next? 15**
 - 8.1 Issues You Are Currently Addressing 15
 - 8.2 Demonstrating Improvement 15
 - 8.3 Issues You Are Not Addressing 15
 - 8.4 Do You Know Enough? 15
- 9.0 Step 5 - Taking New Actions..... 17**
 - 9.1 Checking Actions with Stakeholders and Experts 17
- 10.0 What Does the Final Report Look Like? 18**
 - 10.1 What Should I Do with the Report - Dissemination 18
 - 10.2 What Should I Do With the Report – Action Plan 18
- Appendix A - Construction Corporate Social Responsibility Reports 20**
- Appendix B - Support Services and Advice 21**
 - General Support and Advisory Services 22
- Appendix C - Background on CSR and Sustainability 23**
 - Corporate Social Responsibility – Background Information 23
 - Sustainable Construction – Background Information 23
 - Sustainable Construction 23
 - Code for Sustainable Homes 23
 - Site Waste Management Plans 23
- Appendix D - Glossary 24**

1.0 Introduction

We can all see that sustainability is important. It is constantly in the news in many different forms; environmental issues like global warming or social issues like crime or unemployment. The government is looking for companies not just to consider how much money they make, but also how they affect the people and the environment around them.

For the construction industry this means addressing something called the Sustainable Construction Agenda. There are a wide range of issues covered in this agenda. This fact can mean that it is often difficult to understand what we need to do and how we can manage sustainability for our business.

The purpose of this Guide is to provide a simple step-by-step approach to identify what is important, what we should do and how we tell people about it. Reporting is not just for large companies; reporting sustainability performance has benefits for smaller companies too. While the wider issues need addressing by us all if, as a business, we can show people that we are addressing them in a clear and structured way then we can create a real business advantage.

This Guide will take you through the process to identify issues, identify actions and report and evidence what you are doing in order to report to different groups or stakeholders how you are meeting sustainability issues.

2.0 What is Sustainability?

2.1 Sustainable Development

Sustainability, or Sustainable Development, is essentially about thinking about how what we do in our businesses affects the people and environment, both now and in the future.

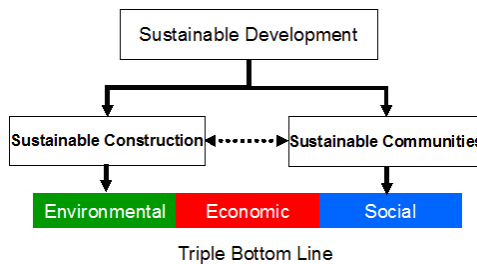


Figure 1 - Triple Bottom Line of Sustainable Development

Sustainability is a big issue for all kinds of people. It covers a whole range of issues; economic, social and environmental. This is known as the triple bottom line. The purpose of doing this is to ensure that, while we address economic issues, we do not create social or environmental problems for future generations. Probably the best example of this is climate change. By only thinking about energy use in terms of the economic cost, we have created an environmental problem for the future. If we think about issues using the triple bottom line, we get a better understanding of the real cost of doing business. In many cases we can see that doing business in a sustainable way can also create real bottom-line benefits for our business.

This seems like a massive issue and it is easy to think that what we do in our work can not really make any difference. However, if we take time to understand how our business works and understand the impact we are making we can make a difference.

2.2 What is Sustainable Construction?

Sustainable Construction is how the industry looks to making sure that the Sustainable Development issues are addressed. Construction is an industry that can make a huge difference in both the way it builds and what it is building. Think about some facts and figures;

- * Construction contributes approximately 8% of the UK Gross Domestic Product
- * Construction employs more than 2.11 million people in the UK
- * Buildings use 46% of all UK energy
- * Construction uses the second largest amount of resources after food production
- * 13 million tonnes of materials are delivered to site and never used

(Source: Environment Agency)

These issues are about sustainability, but we can see that if we address some of these issues, such as better management of waste for example, we can improve the bottom line.

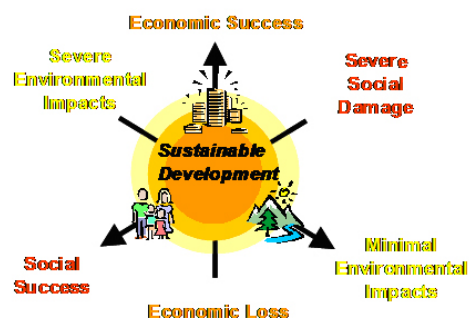


Figure 2 - Sustainable Development - Impacts and Successes

3.0 Reporting Sustainable Issues

3.1 What is Sustainability Reporting?

The process is not just about reporting. It is about managing the issues. However, if we have a process we can manage the issues better. Many big companies, including construction companies, present this information in what is sometimes called a Corporate Social Responsibility (CSR) Report. This Guide is based on the same principles that larger companies use, and covers the same issues, but with a view to helping the smaller companies that make up the majority of the construction industry.

3.2 Why Bother Reporting?

Reporting has two key elements. Firstly, it prompts you to look at and manage processes more effectively. If you have to report it, you need to understand and address the issues that people have identified as important for your business. Secondly, while addressing the issues is important, there are real benefits to be had in telling people about it. If you are doing something interesting or worthwhile, people should know. In CCI's experience of the industry, the problem for many companies is not the "doing", it is the capturing and reporting. Some key business reasons are;

- * Clients and other stakeholders have to be able to address sustainability issues. This is doubly true of public clients. They have a whole policy agenda they need to address and will look for companies who can help them do this. The common way for them to do this is through the procurement process. They will ask for these issues to be addressed through things like the Pre-Qualification Questionnaire. If you have done good things in terms of sustainability but don't have the evidence a good reporting system can give you, you will be less likely to win the work.
- * The law is changing. What was

"nice to have" before is becoming embedded in the law. This is changing quickly. By understanding the issues and reporting against them you will not end up paying the price of not complying with the current regulation. A good process will help you think about what these issues are.

- * The public have greater concerns about how the construction industry addresses these issues. This can range from how we operate in local areas and how this affects the local residents, to pressure groups and organisations which represent different interests. These are the types of people who can impact issues through the law or by contacting you or your clients, all of which may have an impact on the successful delivery of projects. By engaging with your stakeholders you can more effectively build trust-based relationships.
- * Banks and insurance companies are becoming increasingly interested in how we manage and report sustainability issues. Sustainability is a business risk, and if you can demonstrate that you are addressing and managing this risk, banks and insurance companies will be more willing to lend or reduce premiums around these issues.

Reporting means that we can tell all kinds of people, or stakeholders, how we are addressing their concerns. It shows we are listening and taking action. However, it is important that we do actually take action. If we are engaging with the process as a public relations exercise stakeholders may quickly become disillusioned.

4.0 How Can I Use the Guide?

This Guide is a basic step-by-step guide to address the key stages to put a first basic report in place. It should be used as a starting point. There are various standards for reporting and assurance of sustainability reports, including GRI and AA1000. This Guide is based on the AA1000AS principles, but it has been changed to make it easier to understand and use. Information about this standard may be found at the AccountAbility website; the link can be found in Appendix C. We will use some of the language, but give more simple definitions. If you come across anything you don't understand we have included a Glossary (Appendix D) to give you some help.

4.1 Outline of the Process

The process is not a one size fits all. Depending on the size and complexity of the company you can reduce or expand each of the stages to fit your organisation. The AA1000 uses three ideas;

- * **Materiality** – What is important?
- * **Completeness** – Do you understand the issues properly?
- * **Responsiveness** – Are you doing anything about them?

Step 1 – Finding Out (Materiality)

This is how we decide the different things that we should or should not consider. A good first step is looking at the issues that are impacting construction by looking at the press or the Internet. Sometimes just asking the question within our own organisation can give us a clearer picture of the type of issues that we should be addressing, but ideally we need to think about our stakeholders. Stakeholders are defined as those groups which either are affected by, or can affect your business.

Step 2 – Deciding what is Important (Materiality/ Completeness)

We need to have some approach to identify which of these we need to address. As a

business it is impossible to address everything, so we need to identify the things that are most important to both our business and the people our operations affect. We need to do this in a way that is clear, so that people understand why we have chosen what to address.

Step 3 – Understanding What You are Currently Doing (Materiality/ Completeness)

Where are we with our key issues? We may find that we currently have mechanisms in place to deal with our sustainability issues or we may have none at all. It is useful to get the “lie of the land” and understand where the gaps are that we need to address.

Step 4 – Measuring What You Are Currently Doing (Completeness)

Do we have measures in place to determine what we are currently doing? There are some things that we do, such as dealing with waste, where we can manage our performance and introduce targets for improvement. There are other things where we may not have measures so we will have to think about different ways to show what we have achieved.

Step 5 – Taking Actions (Responsiveness)

If we are to use the reporting process to show improvement year-on-year we need to identify some actions to drive the issues we have identified. It is important to be honest and try to show not just the good news, but also areas where you may not have progressed as fast as you would like. It is important to be honest for the credibility of your report.

5.0 Step 1 - How Can I Find Out What to Report?

The issue that needs to be addressed is to identify what needs to be reported. This is a process which requires us to ask a number of people what is important to the business in terms of sustainability. The simple answer to the question is to ask your stakeholders. These are people who affect your business and are affected by your business.

This process is not a one-off. You need to think about how you use resources. This may take a few stages to end up with the right issues that you need to address.

- * Think about the stakeholders internally – what do you think they need?
- * Ask some of the key stakeholders what they think
- * Identify the range of key issues

5.1 Stakeholders or People Who You Affect and Affect You

Think about this question; who do we impact in our business? The construction industry is quite a widely ranging business. Many of the decisions and approaches we make can have a long lasting impact.

5.2 Some Common Stakeholders in Construction

- * **End Users** – People who use or live in the buildings or projects we are working on.
- * **Clients** – The individuals or organisations that commission the buildings or projects.
- * **Supply Chain** – The individuals and organisations that help us deliver.
- * **Employees** – The individuals that work with and for us.
- * **Owners/ Investors** – The individuals that own the business.
- * **Government** – The people who set up the policy and legislative frameworks in which we have to work.

- * **Pressure or Interest Groups** – Groups who represent wider interests such as the environment.
- * **General Public** – The wider public; from the individuals who may live near the projects we are working on, to wider people affected by the decisions we make.
- * **Banks and Insurance Companies** – Organisations who may lend or insure your business are interested in risk and sustainability.

5.3 How Can I Decide what is Important to My Stakeholders

You can decide this internally. A common way of doing this is a matrix approach (see Table 1) as recommended by Responsibility Northwest. Identify the stakeholders and then think about different issues. A useful way of doing this is using the triple bottom line categories; social, economic and environmental sustainability.

Table 1 (over page) is an example matrix, but it provides a simple approach for identifying potential stakeholders and there issues. This can provide a starting point.

There are other ways of identifying different stakeholders for your company: -

- * Check the trade press and see what issues are currently important and who is involved.
- * Look at the Corporate Social Responsibility Reports for other construction companies or your key clients. Some examples are provided in Appendix A. These are usually on-line and are made available to the public. These may be larger companies, but many of the issues may be the same (see Appendix A).
- * Ask some of the advisory services. There are all sorts of organisations that can help you identify issues, as well as making sure that you have understood them and addressed them properly (see Appendix B).

Stakeholder	Economic	Social	Environmental
Business	Profit Turnover Efficiency	Employees Health and Safety Legislation	Legislation
End User	Cost Effective	Good Design	Energy Use Waste Management Water Use Building Performance
Client	Cost Effective Good Service Policy Drivers	Health and Safety Local Labour Local Supply Chain Site Issues	Waste Recycled Materials Energy Use Habitat Water Use/ Drainage
Supply Chain	Payment Profit Early Involvement Regular Work	Health and Safety Employees	
Employees	Pay	Training Health and Safety Work Conditions Work Life Balance	
Owners Investors	Profits Fines for Non-Compliance	Reputation Social Awareness	Environmental Performance
Government	Economic Growth	Health and Safety Training and Skills Regeneration Communities Jobs	Waste Water Energy Use Habitat Planning Building Control
Pressure Groups		Social Enterprise Regeneration Communities Local Jobs Skills and Training Good Design	Energy Waste Wildlife

Table 1 - Important Issues for Stakeholders

- * Ask some of your stakeholders. You may want to ask some of the stakeholders that you have easy access to such as your clients, your employees or your supply chain.

5.4 Asking Your Stakeholders

You can do this in a number of different ways. Depending on the size of your company you can have a different approach ranging from informal conversations to well structured approaches. It is important to think about the type of information you may want from asking your stakeholders. Questionnaires may be useful for well understood issues, while less understood issues may benefit from less structured approaches such as focus groups or interviews.

Some examples of how to approach this

include the following: -

- * **Phone Interviews** – ask some of the people you have identified about the issues that they think are important. Keep a note of who it was, and what they said. It may be people you know. Asking people either inside or outside the company can give a wider picture.
- * **Questionnaires** – a lot of companies use questionnaires with their staff or their clients.
- * **Focus Groups and Workshops** – a useful way to get a lot of information is to get a group of people, either from one group or across a few groups to have a meeting and discuss what the issues are. Some people may do this around a specific project or generally. A format for this approach can be found in Section 10 of this report.

6.0 Step 2 - Deciding on What is Important

By this stage we should have some indication of some key issues that we may need to think about. These are known as material issues. We need to think about which are the ones that are the most important for us to consider and carry forward to do something about.

6.1 Material Issues

You can do this internally or externally. It is important that you categorise what the key issues are. Some different ways of doing this are;

What have the stakeholders said?

Identify the issues that have most commonly been identified by your stakeholders and think about those.

What impact are they going to have on the business?

What are the most important issues that affect the business in the short to medium term? As smaller companies we will generally focus around these. This is not to say longer-term issues are not important, as understanding these issues can help in the future.

Where can we make a difference?

What are the issues that your actions can have a direct impact upon. While the issue of whale hunting may be important to some people, if you are a painter and decorating company it is probably not going to make the top of your agenda.

There are some key issues to think about when determining whether something is important;

- * Short-term financial issue – is there a short-term financial issue that needs to be addressed?
- * Legislation Issue – is there a legislative issue, either current or

future, that we need to be thinking about?

- * Stakeholders – how many of our stakeholders have considered it important?
- * Companies Like Us (Peers) – what are our competitors thinking and doing about the issues?
- * Policy – is it actually part of what we do now and do we need to be doing it better?

You could decide the importance of each issue by putting them into a matrix. Table 2 (below) gives an example. They are scored 0 – 3: 0 meaning not important 3 being very important. These are only examples and may be different for your business.

Issue	Financial	Legislation	Stakeholders	Peers	Policy	Total
Waste	3	3	2	3	1	12/15
Energy	2	2	3	2	1	10/15
Employee Conditions	2	1	2	3	3	11/15
Design and Heritage	0	1	2	1	0	4/15

Table 2 - Ranking Issues

It should be noted that if you have a legislative obligation to do a particular thing, you should address this as a priority. It is no longer an issue of showing how you are addressing sustainability; it is a key issue that needs to be addressed now.

Another way of approaching this could use what is known as a Boston Matrix. An example is shown below - Figure 3.

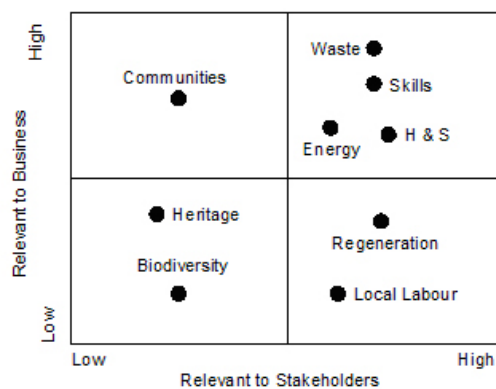


Figure 3 - Matrix for Ranking Issues

If the issues are of high importance to you and your stakeholders, you may want to address these issues.

It can give you a way of digging through all the issues and deciding if there is something you need to do and something you can do about it. There are any number of different ways you can think about deciding what to pursue. It is important that you do this in a structured way.

6.2 Material Issues for the Construction Industry

These are not all of the issues but they are here to give you some guidance on what construction companies and other stakeholder groups feel are important. These have been put into broad categories to reflect how other construction companies are reporting against the issues. This is by no means an exhaustive list, rather it is some key issues to allow you to think about they type of issues you may wish to report against.

The economic element of the triple bottom line is generally reported through accounts or annual reports for public companies. Sustainability reporting is designed to cover issues that this reporting does not address.

Issue	Consideration
Energy/ Climate Change	<ul style="list-style-type: none"> Energy efficiency of buildings Energy used in the production and transport of materials Energy used by offices and site management Use of green and renewable energy on site
Waste/ Recycling	<ul style="list-style-type: none"> Waste diverted from landfill Segregation of waste on site for recycling Use of recycled materials Use of Site Waste Management Plans Management of Hazardous Waste
Water	<ul style="list-style-type: none"> Use and management of water during construction Water use of buildings Sustainable drainage systems Pollution issues
Biodiversity	<ul style="list-style-type: none"> Protection and creation of wildlife habitat in projects Management of protected species during construction
Green Transport	<ul style="list-style-type: none"> Management of transport issues for delivered projects Management of company transport Management of vehicle movements during construction

Table 3 - Environmental Issues

6.2.1 Environment

The construction industry can impact the environment in a number of different ways. Listed below, left (Table 3) are a number of issues with a brief description of the main considerations in addressing the issue.

6.2.2 People and Communities

The delivery of projects and the projects themselves can have a huge impact on the lives of the people. Construction projects deliver a legacy to the communities in which they work, and there are a number of issues and approaches that may be taken to manage these issues - see Table 4 (below).

Issue	Considerations
Local Economy	<ul style="list-style-type: none"> Training and use of local people Use of local businesses as part of the supply chain Access to industry for long-term unemployed and excluded groups, such as women or ethnic minorities
Community Engagement	<ul style="list-style-type: none"> Management of relationships with end users and wider community Local community projects supported by the company Engagement with schools and community groups
Good Neighbour	<ul style="list-style-type: none"> Effective management of relationships with community end-users i.e. tenants Management of public health and safety Management of site issues such as noise, dust, traffic and other community issues Management of complaints and access issues

Table 4 - Local Community Issues

6.2.3 Health and Safety

Health and Safety is not just about reportable accidents and effective site management. Responsible companies think about long-term health issues and effective management of occupational health, which is responsible for a large number of lost days - see Table 5 (opposite, right).

Issue	Considerations
Health and Safety	<ul style="list-style-type: none"> • Effective management of projects to protect individual's health and safety. • Additional projects or programmes to manage the issues over and above the statutory minimum.
Occupational Health	<ul style="list-style-type: none"> • Support programmes to support longer term health issues • Access to support and advice i.e. occupational health professional site visits
Site Conditions	<ul style="list-style-type: none"> • Site conditions or facilities specifically designed to protect health and safety
Education Programmes	<ul style="list-style-type: none"> • Education programmes for individuals both inside and outside the company i.e. local schools

Table 5 - Health & Safety Issues

6.2.4 Employees

Employees are a key part of the success of our businesses. Issues such as employee retention and training are a vitally important part of the success of our business - see Table 6 (below).

Issue	Consideration
Skills and Training	<ul style="list-style-type: none"> • Training plans and identified progression paths for staff • Regular and formal training to develop staff • Staff involvement in development of career
Employee Engagement	<ul style="list-style-type: none"> • Formal processes to discuss company issues with the management i.e. surveys, forums • Exit interview process to understand why people are leaving the business
Work Conditions	<ul style="list-style-type: none"> • Recognition of work-life balance issues such as flexible working • Treating individuals professionally and respectfully • Comfortable working environments for people • Pay, benefits and awards for your staff
Equality and Diversity	<ul style="list-style-type: none"> • Policy to support that individuals are employed and developed on their merits • Recognition of issues of equality and diversity and how the company may address them • Active processes to engage traditionally excluded groups from construction

Table 6 - Employee Issues

6.2.5 Partnership Working and Business Ethics

Ethics is a difficult issue to deal with. If we think about how we conduct our business with our partners, being able to tell people that we treat our clients and supply chain

with respect can be a strong argument for people to want to do business with you, either as a supplier or client - see Table 7 (below).

Issue	Considerations
Client Focus	<ul style="list-style-type: none"> • Understanding client needs • Delivering high standards of service • Delivering value to the client • Engaging in partnership working such as partnering project or frameworks
Supply Chain	<ul style="list-style-type: none"> • Involving the supply chain early • Entering into strategic relationships with your supply chain • Ensuring your supply chain have the same sustainability values as you i.e. sustainable procurement

Table 7 - Partnership & Business Ethics Issues

This should give you a starting point. It is by no means and exhaustive list. You company may be doing different things and you should get a sense of the types of issues that are directly applicable to you.

7.0 Step 3 - Where Am I Now?

You should have a list of issues which you have decided are important to your business. The number of issues should reflect how much resource you have. If you are a very small company there is little point in having a great long list of things you want to report because you won't have time to find out about them, and even if you do, you won't have any time left to do anything in terms of driving improvement. The next step is seeing where you are with each of the specific issues.

7.1 Current Actions

You will have a list of issues that you have decided to address. The next step is to see what you are already doing. This will involve looking at your business and identifying what you are currently doing. The key things you will need to know about these current actions are;

- * What issue are they addressing?
- * What are the current actions or processes?
- * Who is doing them or what resource is used?
- * What measures or evidence is there?

For example, you may want to address waste issues - see Table 8 (below):

Question	Answer
What is the issue?	Waste
What are current actions?	<ul style="list-style-type: none"> •Segregation off-site •Site Waste Management Plans •Environmental Policy
Who is doing them?	<ul style="list-style-type: none"> •Site teams undertaking actions •Information to environmental manager
What measures or evidence is in place?	<ul style="list-style-type: none"> •Site Waste Management Plans recorded •ISO 14001 in place •% waste recycled

Table 8 - Example of Current Status Assessment for Waste

You can go through a similar process for people issues - see Table 9 (top, right):

7.2 Measures and Evidence

Usually, it is relatively easy to identify what

you are currently doing. The most difficult question to address is how we measure and evidence actions. This is important for any reporting you do as it shows:

- * You are actually doing something,
- * You can use the measures as a basis for improvement.

Generally, the more you know about a subject the easier it is to select a measure. For some of the measures you may decide to use Constructing Excellence Key Performance Indicators. These can give you some good measures for issues such as:

- * Project Performance
- * Environmental Performance
- * Employee Performance

Another useful approach is to see how other individuals are measuring their actions by looking at other reports (see Appendix A).

Evidence can be used with more difficult to measure issues, but it may also be used to support hard data. It may be in a number of different forms. Some examples of evidence may be;

- * Short descriptions of actions
- * Publicity material
- * Quotes from stakeholders
- * Awards

The purpose of evidence, as with hard data, is to show your stakeholders how you are currently addressing the issues. It can also form the basis for identifying future actions and targets.

Question	Answer
What is the issue?	Employees
What are current actions?	<ul style="list-style-type: none"> •Employee forums •Training plans •Employee questionnaires
Who is doing them?	•Human Resources
What measures or evidence is in place?	<ul style="list-style-type: none"> •Employee satisfaction questionnaires •Staff Turnover •Sickness and Absence •Training Days Provided •Training Plans Completed •Training Places •Investors in People

Table 9 - Example of Current Status Assessment for People Issues
Revision 1 - October 2010

8.0 Step 4 - What Am I Going to do Next?

The next stage is establishing what actions you are going to take in the future. This shows your stakeholders what you intend to do to carry on the process. This also forms the basis for any future report you may decide to do. These will be driven by the issues that you are looking to address.

There are two things you now need to think about;

- * Issues you are addressing
- * Issues you have not done anything about

8.1 Issues You Are Currently Addressing

Issues you are addressing are those things where you already have some actions you are undertaking. To drive improvement you need to think about either;

- * Doing the same thing, but better, i.e. improvement on the same actions
- * Doing something different to address the issue in a new way, i.e. alternative approaches which may drive improvement.

8.2 Demonstrating Improvement

You should have indicators or a way of collecting evidence for issues you are already addressing. If they are the right indicators they can form the basis of showing how you are going to improve. It is useful to set targets for your performance as this shows a commitment to doing things better.

For example, you may wish to address people issues - see Table 10 (below).

Actions	Performance	Targets
<ul style="list-style-type: none"> •Flexible Working •Employee Forum 	Sickness and Absence Staff Turnover Employee Satisfaction	10% improvement 20% improvement 5% improvement

Table 10 - Demonstrating Improvement for People Issues

Targets can be hard to set, especially in the first year. It is important to be realistic, but at the same time make sure that you are pushing. A useful way of checking what is achievable is by benchmarking. You can do this by using Constructing Excellence KPIs for some measures. For measures only you use, you may want to be cautious until you have a better understanding of what might be achievable.

8.3 Issues You Are Not Addressing

If you are not addressing the issue at all there are a number of steps you will need to think about.

8.4 Do You Know Enough?

If you don't know what potential actions you might take to address the issue then, rather than taking actions and measuring performance, you may want to find out what to do. There are a number of different approaches you may want to take;

- * **Research** – the Internet has a huge amount of information available. You can get documents from government departments, look at other construction companies or check out websites for support services (see Appendix B).
- * **Support Services** – many issues such as training, energy or waste have funded support services which, as well as having websites with information, may have resource to come and visit you and give you direct advice, often free or part-funded (see Appendix B).
- * **Networks** – there are a number of professional and business networks which may run events. These will run seminars for free or for minimal charge to help identify possible actions or case studies.

- * **Training** – for more mature issues, there may be off the shelf training which you could attend.

If there is time you may want to address new actions for next year. However, if there is not enough resource it is enough to show that you are addressing the issue by finding out more about it and putting a policy in place.

9.0 Step 5 - Taking New Actions

If you are going to attempt something new and you feel you are knowledgeable enough to identify the correct actions, you may wish to identify new actions to undertake in the year. As with all actions you need to identify;

- * Issue – what stakeholder issue is driving the action,
- * Actions – what the action actually is,
- * Measures/ Evidence – how you will know what you have achieved.

This needn't be a long, drawn out process, as by this time you should have done a fair amount of checking, but it may prove a useful exercise to confirm you are moving in the right direction. If you do this, you should report this process in your final report.

As with previous actions it is important to identify a number of key issues;

- * Who is responsible?
- * What resource will be available?
- * When will it finish?

This action will then be part of your future plan for the coming year.

9.1 Checking Actions with Stakeholders and Experts

If you have time to check, it might be useful to see if you are doing the right things. There are two major ways of doing this;

- * **Ask your stakeholders** – if you have easy access to a number of stakeholders, such as your employees, it will be useful to say what you are proposing to do and see if these actions reflect how they see the issues that they identified as important. It is possible that they saw the problem differently and you may have to think again.
- * **Ask the experts** – as we have stated, there are a lot of advisory services out there. It may be possible to contact them and ask them to see if you are doing the right thing in the right way.

10.0 What Does the Final Report Look Like?

The report should reflect your business. If you are a very small business, it may be very short, only covering a few issues. It is better to demonstrate a commitment to what you can achieve and demonstrate than talk about too many things and achieve nothing.

The process should have taken you through steps to identify what is meaningful and possible for your business to manage and report on sustainability issues:

- * **Business Commitment to Sustainability** – a short policy statement indicating that you are reporting sustainability issues as they are important to your business.
- * **About Your Business** – what activities does your business undertake
- * **Finding Out the Issues** – the process you went through to find out what the issues were for your business; research, stakeholders asked, advisory services approached.
- * **Deciding on the Key Issues to Tackle** – some companies do not discuss this; it does not have to be reported or can be reported very briefly.
- * **What Actions are Currently Being Done** – a review of current sustainability actions, measures and targets that are currently in place at the time of reporting. Include evidence or Key Performance Indicators.
- * **What Actions will we do in the Future** – an action plan for the coming year to address those issues that are not currently being reported against. Include goals or targets.

Some issues about doing the report you may want to think about:

- * **Organising your information** – some companies break down their reports in to different categories (see Appendix A). You may want to do this by identifying actions in

terms of environment, people, health and safety, supply chain, communities, etc.

- * **How long should it be** – writing long reports can be arduous for both the writer and the reader. You should make the report short and to the point. The smaller the company and the fewer issues it addresses the shorter it should be; perhaps only 5 or 6 pages. You need to balance between making sure all the information is presented with the time and effort required to put something together.
- * **How should I present it** – it is okay just to put something in a word processor format. If you do have things like pictures they are useful to put in as they can give a better impression of what you were doing. You may want to present data in different ways to make it easier to understand i.e. bar charts, graphs etc.

10.1 What Should I Do with the Report - Dissemination

The report has been done for your stakeholders. These are both inside and outside the company so you need to make sure that as many people can access the report as possible. Some basic approaches may be:

- * Internal Meetings
- * Send copies to engaged stakeholders
- * Make copy available on the web
- * Send copies to new or potential stakeholders such as potential clients

10.2 What Should I Do With the Report – Action Plan

The report should also form the basis for any future actions and reporting in the future. If people are to take your commitment to sustainability issues seriously you need to show that your are:

- * Taking the actions you said you would
- * Measuring the performance and driving improvement

Any new report that you may do in the following year should use the previous year's report as a starting point.

Appendix A

Construction Corporate Social Responsibility Reports

The following is a list of construction companies which currently report against sustainability goals; these are generally larger companies, but they are here to give you an indication of the types of issues and measures that are being used by other companies. You should use these for help only as these reports are for their specific businesses and may not fit your stakeholder needs in the same way. These links are working at time of publication. If they are dead you may find reports by identifying a company and looking at their website. Better companies will have easy access to their reports.

Carrillion

http://www.carillionplc.com/sustainability_reports/2006/default.asp

Balfour Beatty

<http://www.balfourbeatty.com/bbeatty/responsibility/>

Taylor Woodrow

<http://www.taylorwoodrow.com/Home/CorporateSocialResponsibility/Reports>

Barrett Developments

<http://www.barratt-investor-relations.co.uk/investorinformation/responsibility.aspx>

HBG

<http://www.hbgc.co.uk/Default.asp?p=19&c=23>

Henry Boot

http://www.henryboot.co.uk/pdf/Financial/2007/social_responsability.pdf

Morrison's

<http://www.morrison's.co.uk/CSRReport2006.pdf>

Wates

http://www.wates.co.uk/other_pages/corporate_responsibility/

Laing O'Rourke

http://www.laing.com/corporate_and_social_responsibility.htm

Appendix B

Support Services and Advice

The following is a list of support services that you may be able to access in order to get some help in either identifying what to do or providing direct help to deliver the actions you have identified.

Envirowise - offers businesses free, independent, confidential advice and support on practical ways to increase profits, minimise waste and reduce environmental impact.

<http://www.envirowise.gov.uk>

The Carbon Trust - works with business and public sector to cut carbon emissions and capture commercial potential of low carbon technologies. An independent company set up by the Government to help the UK meet its climate change obligations through business-focused solutions to carbon emission reduction.

<http://www.thecarbontrust.co.uk>

WRAP - the Waste and Resources Action Programme - creating efficient markets for recycled materials and products. Offering a Business Development Service to SMEs, including advice to recycling businesses in developing their business, getting investment ready and introducing the business to potential investors. Supporting businesses that recycle, reprocess or use a wide range of recycled materials.

<http://www.wrap.org.uk>

National Industrial Symbiosis Programme (NISP) - a business lead initiative, which facilitates links between industries from different sectors to create sustainable commercial opportunities and improve resource efficiency. Bring business together through cross-sector working.

<http://www.nisp.org.uk>

Environment Agency - running targeted zero-tolerance campaigns to combat waste crime across three pilot schemes in Preston, Luton and Stoke-on-Trent. Using novel approaches to prevent and tackle waste crime, with tried and tested tactics. Holding business events on waste

awareness with delivery partners, including local authorities and police. Making information on licensed waste carriers easy to access, providing better service to business and focusing enforcement activity.

<http://www.environment-agency.gov.uk>

ENWORKS - is an environmental business support programme funded by the NWDA, which is already helping thousands of companies in the North West increase their competitiveness and reduce their impact on the environment by providing a range of practical business support services. By working in partnership with existing and emerging organisations ENWORKS is improving the performance of SMEs in the region by maximising environmental opportunities and reducing environmental risk.

<http://www.enworks.com>

Envirolink Northwest - supports the development of the environmental technologies and services sector in the Northwest and aims to make the sector a major competitive force. A not-for-profit company, funded by the NWDA, Envirolink Northwest works to three key business development themes: i) stimulation of R&D activity in the sector; ii) the development of skills and knowledge within the sector; and iii) promotion of the sector regionally, nationally and internationally.

<http://www.envirolinknorthwest.co.uk>

Sustainability Northwest - is the regional champion for sustainable development. An independent, pioneering charity, now celebrating its tenth year; SNW works to inspire, innovate and advance the sustainability agenda for England's Northwest through a partnership ethos.

<http://www.snw.org.uk>

The National Centre for Business and Sustainability - can provide additional support and training around Corporate Social Responsibility issues.

<http://www.theneCBS.co.uk>

Responsibility Northwest – is the programme to help the Northwest become an internationally recognised region for businesses contributing to sustainable development.

<http://www.responsibilitynw.org>

General Support and Advisory Services

Centre for Construction Innovation

<http://www.ccinw.com>

ConstructionSkills

<http://www.citb-constructionskills.co.uk/>

National Federation of Builders

<http://www.builders.org.uk/nfb/>

Constructing Excellence

<http://www.constructingexcellence.org.uk/>

Responsibility Northwest

<http://www.responsibilitynw.org/>

Sustainability Northwest

<http://www.snw.org.uk/index.php>

Envirolink Northwest

<http://www.envirolinknorthwest.co.uk/>

Remade Northwest

<http://www.envirolinknorthwest.co.uk/Envirolink/Remade-sig.nsf?OpenDatabase>

BREW

<http://www.defra.gov.uk/environment/waste/brew/>

Envirowise Helpline – 0800 585794

<http://www.envirowise.gov.uk/page.aspx?o=183080>

Envirowise (Construction)

<http://www.envirowise.gov.uk/page.aspx?o=skip>

ISYS International (FT-14)

http://www.isys-int.com/ISYS_files/ft-14.htm

Investors in People

<http://www.investorsinpeople.co.uk/Pages/Home.aspx>

Appendix C

Background on CSR and Sustainability

Corporate Social Responsibility – Background Information

AccountAbility
<http://www.accountability21.net/>

Business in the Community
<http://www.bitc.org.uk/#story1>

Enworks
<http://www.enworks.com/frameset.asp>

Sustainable Construction – Background Information

Sustainable Construction

ConstructionSkills – Sustainable Construction
<http://www.citb.co.uk/supportingyou/supportingyourbusiness/sustainabledevelopment/whatisustainability/>

ConstructionSkills – Build to Last
<http://www.citb.co.uk/supportingyou/supportingyourbusiness/sustainabledevelopment/whysouldigetinvolved/toptenlist.asp>

Code for Sustainable Homes

Department for Communities and Local Government
<http://www.communities.gov.uk/index.asp?id=1503251>

Department of Trade & Industry
<http://www.dti.gov.uk/sectors/construction/sustainability/codesushomes/page13697.html>

Building Research Establishment
<http://www.bre.co.uk/service.jsp?id=847>

Site Waste Management Plans

Envirowise
<http://www.envirowise.gov.uk/page.aspx?o=185234>

Constructing Excellence
<http://www.constructingexcellence.org.uk/resources/publications/view.jsp?id=2568>

Department of Trade and Industry
<http://www.constructingexcellence.org.uk/pdf/document/sitewastemanagement.pdf>

Appendix D

Glossary

AA1000 – This is the standard which governs the quality of Corporate Social Responsibility reporting. When reports are externally audited, the AA1000 standard is generally referred to when assessing the quality of any report.

Completeness – This is the principle that assesses whether an organisation has fully understood the specific issue or issues that it is addressing in its management approach and report.

Corporate Social Responsibility (CSR) – This is the principle of managing and reporting issues of sustainability.

Equality and Diversity – This agenda is concerned with making sure that an organisation has fair access to work and treatment of women, the disabled and ethnic minorities.

Focus Groups – This is an approach to allow groups of stakeholders (see below) to provide information to you in the form of short face-to-face workshops.

Green Transport – This is addressing the issues of looking for more sustainable ways of travelling, including the use of public transport or bicycles. The goal of green transport is to make sure that less fuel is burned to move the same number of people around.

Investors in People – This is the recognised standard which companies can aim for to demonstrate that they develop and manage their people effectively

ISO14001 – This is the recognised international standard for the effective management of environmental issues in a business.

Key Performance Indicators – KPIs are critical measures which tell us how we have performed against specific issues.

Materiality – Materiality is the idea of defining what is important to the

stakeholders within our business. If an issue is considered material then we consider it to be important enough to consider doing something about it.

Responsiveness – Responsiveness is how an organisation has responded to a particular issue. This considers not only what has been done, but also the effectiveness of addressing a specific issue.

Site Waste Management Plans – SWMP are a government move to make sure that projects manage and record how waste is disposed, recycled or reused on a specific project. These will be compulsory for all projects over £250K in 2008.

Stakeholders – These are individuals or groups that can either affect, or be affected by, the activities of your organisation.

Sustainable Communities – This is a government agenda which is concerned with the impact that construction has on wider communities. This ranges from issues such as skills and jobs, to longer-term issues such as health and crime.

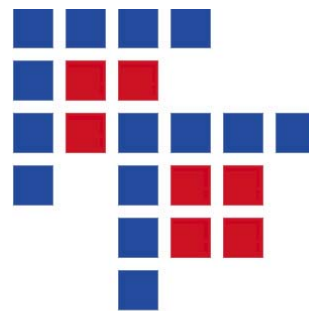
Sustainable Construction – This considers how the industry can help in delivering environmental and social benefits through the way they do business and deliver projects.

Sustainability or Sustainable Development – This is concerned with engaging in development that meets our current needs without damaging the needs of future generations.

Triple Bottom Line – This is about measuring value in terms of economic, social and environmental issues.

Work Life Balance – This is about the issue of supporting individuals to balance their home and work life more effectively to improve their quality of life.

This Guide was produced on behalf of by CCI and was part-funded by the University of Salford Vice Chancellor's Enterprise Development Fund.



Centre for
Construction Innovation

First Floor, Cube Building
113 - 115 Portland Street
Manchester M1 6DW

t: +44 (0)161 295 5076
f: +44 (0)161 295 5880
w: www.ccinw.com

