About Echo Research

Largest provider of international reputational research and evaluation

22-year track record in PURE communication and reputation research globally - media content analysis, stakeholder evaluation and reputation measurement

Offices in London, Paris, New York, Singapore

Members of the UN Global Compact and of the UK UNGC Network

Winners of 85 Industry awards, including Platinum & Gold for Integrated Research.

Echo Research complies with the MRS Code of Conduct, ESOMAR, CASRO & ISO 9001

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Echo has supported 500 world-class clients including:

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Background & methodology

• The IHRB has observed growing momentum around the business and human rights agenda over the past year. In order to assess the perspectives of business leaders on business and human rights as part of their companies’ role in society, the IHRB has conducted a first global survey, the results of which appear below.

• In May 2011 an invitation to participate in a mainly quantitative, online survey was delivered by Echo to a total of 388 people from the company’s contact lists, together with selected names from IHRB’s own databases.

• The 10-minute-long survey was live online for 26 days between 5th-31st May 2011, and was completed by 97 people, including directors of global communications and CEOs (see Appendix for details).

• Respondents to the research represent a broad range of sectors (14) plus others not specified (7%)
Executive Summary - Awareness

- Over 90% of people asked are familiar with the idea that business should be aware of the human rights impact of their operations.

- A very large majority (97%) believe businesses need to respect the human rights of those whose lives they touch.

- Among the areas of human rights mentioned, the right to freedom from discrimination was the one most highly prized (97%).

- Most (73%) feel that human rights abuse claims have made businesses keener to see what effect their operations have on human rights.

- Over half the respondents are aware of the growing numbers of claims of human rights abuse against businesses in recent years. Maintaining a good reputation is felt to be the prime motive for businesses in attending to human rights.

- Most people feel the leadership team (87%) is the most important forum for discussions about human rights.

- A large majority (88%) have heard of the UN Global Compact.

- Broadly the same number of respondents say their organisation is a UNGC member (44%) as say it is not (42%).
Executive Summary - Action

• Only a quarter know the UN framework “Protect, Respect, Remedy” very well.

• Most (52%) rate the risk to their organisation from human rights issues as low.

• A disconcertingly large number (33%) say their organisation has no formal policy on human rights.

• Most (49%) say the senior leadership team in their organisation is responsible for human rights issues.

• Only a third (35%) measure the impact of their business on human rights.

• Over two-thirds plan to go public in reporting their impact in the next 5 years.

• The biggest stumbling block to embedding human rights is likely to be incomprehension among key managers.

• Echo Research view: Business, governments and civil society need an authoritative, recognised framework to organise expectations, concepts and approaches to human rights around - and thus the UN framework “Protect, Respect, Remedy” is timely and necessary.
General awareness of business and human rights - familiarity

- Over 90% of people asked are familiar with the idea that business should be aware of the human rights impact of their operations.
- A negligible proportion (1%) are totally unaware.

Q1. How familiar are you with the general idea that businesses should be aware of the human rights impacts of their operations? Base (N = 97)

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General awareness of business and human rights – duty of care

- Nearly all (97%) believe businesses need to respect the human rights of those whose lives they touch.
- A very small minority feel businesses should only step in when governments fail to.

- Human rights should always be outside the concern of a business.
- Businesses always have a responsibility to respect the human rights of the people they affect.
- Companies should only take on responsibility for protecting human rights when governments cannot or do not.
- None of the above
- Don’t know

Q2. Which of the following statements about the human rights responsibilities of businesses is closest to your own, personal view? Base (N = 97)
General awareness of business and human rights – which rights?

- Among the areas of human rights mentioned, the right to freedom from discrimination was the one most highly prized (97%).
- The right of employees and others to a decent standard of living received least support, though still substantial at 76%.
- One in five named other rights than those put to them, including the rights OF children and indigenous peoples, and rights TO education, freedom of speech and movement, and dignity at work.
- Many felt that beyond the specific rights asked about, all human rights have to be considered.

Q3. Which of the following areas of human rights, if any, do you believe businesses have a responsibility to respect? (Select all that apply) Base (N = 97)
Most (73%) feel that human rights abuse claims have made businesses keener to see what effect their operations have on human rights.

But nearly a fifth think these claims have not made companies more attentive to their human rights impact.

Q4. Human rights abuse claims involving companies have increased in recent years. Do you think this has made companies less keen to consider the human rights impact of their operations, more keen, or has it made no difference? Base (N = 97)
General awareness of business and human rights – growing allegations

- Over half the respondents are aware of the growing numbers of claims of human rights abuse against businesses in recent years.
- A significant minority are unaware.
- Examples given of alleged abuse range over many sectors and geographies. A selection appears on the next slide.

Q5. Can you think of a recently case in the news that has involved an infringement of human rights by a company?
Base (N = 97)
General awareness of business and human rights
- allegations of abuses cited in the media (1)

**Sex discrimination**
- Prada and sex discrimination in Hong Kong
- Sex discrimination by Novartis in US
- Lack of women on plc Boards

**Religious discrimination**
- UK National Health Service: stopping nurses from wearing crucifixes

**Freedom of expression**
- Google allowing web censorship in China
- Russia using copyright issues in order to seize computers
- Companies helping with censorship in the protests in Egypt and Middle East

**Discrimination around disability**
- Alleged discrimination against a ‘heavy’ woman by US Southwest Airlines
General awareness of business and human rights
- allegations of abuses cited in the media (2)

Right to privacy
- News International media company breaching right to privacy

Labour issues
- Apple and the treatment of Chinese workers at its supplier (suicides)
- Boeing Aircraft relocating into the Southern US
- NIKE, Primark and other clothing labels using sweatshops
- Mærsk suppliers using forced labour
- Asahi Kosei, a Japanese company in Malaysia, preventing workers from expressing concerns

Medical ethics
- Monsanto funding a US bill of law to silence whistleblowers
- Pharmaceuticals made by eg Lundbeck used for lethal injections in certain US states
- Roche involved in unethical organ transplants in China.
General awareness of business and human rights
- allegations of abuses cited in the media (3)

Environmental damage

- BP in the Gulf of Mexico.
- Shell in Niger Delta - also infringement of local peoples’ rights
- Statoil sued for contamination of its oil sands project in Canada

Other human rights violations incl. repression, violence, displacement

- Rambøll, Denmark - violation of human rights by their dealers
- Barrick Gold and displacement of indigenous peoples at Porgera gold mine.
- Chiquita Brands, financing paramilitary groups

- AngloGold Ashanti at Obuasi: security forces fighting with illegal miners
- Vodafone aligning itself with Egyptian regime in support of Hosni Mubarak
- Unilever: security guards raping female plantation workers.
General awareness of business and human rights - drivers

- Maintaining a good reputation is felt to be the prime motive for businesses in attending to human rights.
- Managing risk is a key driver, whether the threat is legal or a broader withdrawal of social acceptance.
- Employees’ wishes are rated as more important (34%) than other stakeholders (29%).

Q6. Which of the following reasons, if any, does your own company have for taking human rights issues into account in its operations? Please select all that apply. Base (N = 97)
General awareness of business and human rights – internal forums

- Most people feel the leadership team (87%) is the most important forum for discussions about human rights.
- A majority (over 50%) think several other functions within a business should have their say.
- Nearly three-quarters (70%) believe every single business unit should be involved.
- Corporate responsibility and sustainability professionals are widely felt to be key too (by 70%).

Q7. Ideally, where in a business should issues of human rights be discussed? (Select all that apply)
Base (N = 97)

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Awareness of UN initiatives and processes – the Global Compact

- A large majority (88%) have heard of the UN Global Compact.
- Nearly two-thirds (61%) know it fairly or very well.
- A minority (12%) have never heard of it.

Q8. How familiar are you with the United Nations Global Compact (UNGC), a voluntary initiative that brings business together with UN agencies, trade unions and civil society organisations to promote corporate responsibility? Please select one answer. Base (N = 97)

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Q9. Is your own organisation a member of the United Nations Global Compact?
Base (N = 97)

- Broadly the same number of respondents say their organisation is a UNGC member (44%) as say it is not (42%).
Awareness of UN initiatives and processes – John Ruggie

- Over half of the respondents (59%) are aware of Prof. John Ruggie, a key thought leader on business and human rights, and a UN Special Representative on the issue.

Q10. Have you heard of Professor John Ruggie, the United Nations Special Representative of the Secretary-General, who has been developing a new approach to business and human rights? Base (N = 97)
**Awareness of UN initiatives and processes – “Protect, Respect, Remedy”**

- A quarter know the UN framework “Protect, Respect, Remedy” very well.
- But nearly a third (29%) have never heard of it or know nothing about it.

Q11. How familiar are you with the United Nations’ business and human rights framework – ‘Protect, Respect, Remedy’? Please select one answer. Base (N = 97)
Organisational capacity for business & human rights – risk levels

- Most (52%) rate the risk to their organisation from human rights issues as low.
- But a good number (40%) sense a high or medium-level risk.
- Main sources of risk named appear on the next slide.

Q12. At present, how high would rate the potential risk to your own organisation from issues relating to human rights? Please select one answer. Base (N = 97)
from this slide on check and correct all headers (see Quaire)

Middlemiss, 03/06/2011
General awareness of business and human rights – where the greatest risks to value, reputation and the licence to operate come from

• By far the most frequent source of risk named is the supply chain.

• The second commonest risk comes from other Third Parties, including clients with poor reputations.

• Further key mentions include:
  ➢ Misrepresentation by NGOs and activists who believe the end justifies the means
  ➢ Right to work issues like equal pay, accountability, bullying
  ➢ Employees’ poor access to education
  ➢ Ingrained local discrimination and inequality and lack of governance
  ➢ Poor gender diversity in local contexts
  ➢ Large infrastructure projects in sensitive / "difficult" countries
  ➢ Lack of training in human rights among middle managers
  ➢ Loss of advocacy from local 'fenceline' communities
  ➢ Incompatibility of global regulation and pricing mechanisms
  ➢ Quality of products manufactured in industrially underdeveloped contexts
  ➢ Business loss in entire countries because of repressive actions by regimes
  ➢ Misuse of company products by others over whom the company has little control.

Q15. For your company, where do the greatest risks lie, in terms of the potential impact of human rights issues? Open question. Base (N = 97)
Organisational capacity for business & human rights - policy

• A disconcertingly large number (33%) say their organisation has no formal policy on human rights.

• With the adoption of a formal policy a recognisably effective first step in managing an issue, this high percentage could give rise to concern.

Q13. Does your organisation have a formal policy on human rights?  
Base (N = 97)
Organisational capacity for business & human rights – functional responsibility

- Most (49%) say the senior leadership team in their organisation is responsible for human rights issues.
- Almost as many (45%) say it sits with the CR / Sustainability team.

Q14. Where does responsibility for human rights performance sit in your organisation? (Select all that apply)
Base (N = 97)
Q16. Do you currently measure or evaluate the impact of your business on human rights? (Base (N = 97) 

- Over a third (35%) measure the impact of their business on human rights.
- Some of the tools mentioned to do this are on the next slide.
Organisational capacity for business & human rights – measurement tools

- Tools to monitor and measure human rights conformance and best practices were named by about half the respondents, among them:
  - third-party socio-economic analyses as part of the value assurance project decision-gate process
  - business ethics and compliance training annually
  - the Ruggie framework
  - external assessments by “known experts”
  - early-phase risk assessments for projects
  - human rights assessments prior to entering new markets

Q17. If Yes: what specific measures or evaluation tools, if any, do you use? Open question
Base (N = 97)
Q18. Do you intend to report **publicly** on the human rights impact of your business within the next 5 years?

Base (N = 97)

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Organisational capacity for business & human rights – reporting

• One-third of respondents named their intended methods of human rights reporting. In many cases these are already in use.

The most frequent standards mentioned are:

1. the Global Reporting Initiative (GRI) framework
2. the UN Global Compact framework through its Communication of Progress (CoP)
3. metrics-based reporting via a dedicated sustainability report, or a CR report embedded within wider annual financial reporting.

• Other benchmark criteria named:

  ➢ internal guidelines for one on one engagements with stakeholders
  ➢ reports from NGO partners in the field
  ➢ The Ruggie Framework

• Among those not yet measuring, there is a marginal preference for adopting the GRI when the time comes.

Q17. If Yes: what specific measures or evaluation tools, if any, do you use? Open question

Base (N = 97)

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Organisational capacity for business & human rights - hurdles

- The biggest stumbling block to embedding human rights is likely to be incomprehension among key managers.
- A fair number (38%) think a hurdle will be the lack of just one accepted standard or method.
- Relatively few (8%) think lack of senior management commitment will be a problem.

Q20. What do you think will be the biggest challenges(s) you will face when trying to integrate human rights into your business?  Base (N = 97)

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Respondents’ organisations - sectors

- Respondents to the research represent a broad range of sectors (14) plus others not specified (7%).
- Interestingly, most come from a sector, manufacturing (14%), where human rights can sometimes be problematic because of overseas supply chains.

Q21. To which sector would you say that your organisation belongs?
Base (N = 97)

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Respondents came from organisations of every size

- Strongest representation came from the largest and smallest organisations.

Q22. Approximately how many people does your organisation employ globally?
Base (N = 97)

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Q23. In which geography are you personally located?

Base (N = 97)

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Q24. Which of the following geographies, if any, do you personally have responsibility for?

Base (N = 97) Excluding ‘Other’ (3%) and ‘No geographic responsibility’ (12%)
A quarter of respondents to this research work in CSR teams.

Next best represented are senior executives including CEOs, and communications professionals / CCOs.

Q25. Which of the following best describes your role in the organisation?
Base (N = 97)

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