

HP 2007 Global Citizenship Report

## Tangled in an information web

By Kathee Rebernak

**HP's second online report offers a dizzying amount of information but lacks the kind of organisation and next-level transparency that would make for exemplary reporting**

There's no question that HP is a veteran corporate responsibility reporter. As HP has grown into the world's largest information technology company, its efforts in these areas have grown and so has the amount of information contained in its corporate responsibility reports. HP's fiscal 2007 report is nearly three times as long as its first, published in 2002.

The report, presented in a web format, contains a tremendous amount of information that demonstrates the relevance of many of HP's sustainability programmes, in particular its environmental efforts, to the company's overall business. Unfortunately, the report lacks the elegant organisation that would make it easily accessible. What is more, HP stops short of transparency on some key issues and misses an opportunity to expand its business case for citizenship. The effect is to frustrate both usability and readers' understanding of HP's broader sustainability performance in the context of its overall business strategy and objectives.

### A wealth of information

The report contains extensive information on HP's key priorities: supply-chain responsibility, climate and energy, and product reuse and recycling. HP identifies key suppliers and provides an interactive tool showing results of its supplier audit programme. In citing its diversity statistics, HP exhibits refreshing transparency in an industry not known for its diversity performance.

Stakeholder feedback features prominently, both in the form of comments by expert stakeholders and HP's stakeholder advisory council, comprising NGO representatives and senior HP executives. HP responds to the comments published in its fiscal 2006 report and will presumably continue the practice in its 2008 report. HP would do well to act on the comments, even those from its fiscal 2006 report, to streamline the report's content and make it more accessible to mainstream investors.

While this report gives voice to stakeholder concerns, it is silent regarding its method for determining priority issues and the part stakeholders played in that process. HP identifies stakeholders based on its defined global citizenship priorities rather than identifying its priorities based on stakeholder concerns. HP identifies key stakeholders by assessing their "expertise, their willingness to collaborate, their reputation, their location and their sphere of influence". Readers may be left to wonder where employees and small business and individual customers fit into HP's stakeholder map.

And while the 2007 report contains a great deal more information than 2006's, HP has resisted calls to be more open on matters of increasing concern to stakeholders, such as executive pay, relative compensation for men and women, lobbying efforts and incidents of regulatory non-compliance. HP could further its objective of leadership in citizenship by disclosing this information, or at least explain its reasons for non-disclosure.

Online reporting is by no means easy. To be effective and accessible, and to avoid endless repetition, an online report must be extremely well organised and use all technological tricks at the reporter's disposal. HP's second online report needs many more tricks to give readers a clearer sense of how HP integrates sustainability into its business strategy.

The report could avoid repetition, in particular in its definitions, by making better use of its glossary or by using pop-up boxes to define acronyms, rather than defining the same term on each page that it is used. The report could also make better use of cross referencing, in particular to one of its more useful tools, the "data dashboard", which puts key performance data in one place and makes good use of pop-up windows to display graphics. The report should display all performance graphics here, and each section should provide a link to the data dashboard for performance metrics.

The online report is best suited to those who seek specific information. For those who prefer to read the entire report, HP offers the report content in a pdf format, which also provides the necessary snapshot in time. But the information presented online cannot be simply pasted into a pdf but must be presented in a logical and complete fashion. The pdf lacks some of the information reported online, and its poor organisation causes confusion.

In its next report, HP should concentrate on streamlining online content to improve readability, in particular by committing more narrative descriptions of performance to graphic form and by using technical tools to ease navigation and avoid repetition.

In response to a suggestion in the 2006 report that HP needs to make the report more palatable to mainstream investors, HP notes that it has "summarised the business case for global citizenship and the connection to overall business strategy on a single page". In future pages, HP could take the opportunity to discuss how the integration of its sustainability principles and strategy – not only environmental initiatives – drive long-term financial performance. ■

### Snapshot: HP Global Citizenship Report

**Follows GRI?** Yes.  
Application level B  
**Assured?** Partially  
**Materiality analysis?** No  
**Goals?** Yes  
**Targets?** Some  
**Stakeholder input?** Yes  
**Seeks feedback?** Yes  
**Key strength:** Comprehensive discussion of supply chain issues.  
**Chief weakness:** Difficult to navigate.

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