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California Management Review (CMR)
At the Berkeley Haas School of Business

Special Issue on

Managing Transparency: Non-Financial Disclosure and the Responsible Corporation

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"The currency of leadership is transparency"
(Howard Schultz, Starbucks Founder and CEO)

There is a growing awareness among corporate executives that transparency is no longer simply a matter of compliance, but can be a path to competitive advantage. As the above quote from Mr. Schultz signifies, non-financial disclosure is an asset rather than an obligation of the modern corporation. Transparency expectations now permeate almost all decisions made in an organization, but they are particularly pronounced in the area of corporate social responsibility (CSR) and sustainability. As societal scrutiny, suspicion and distrust of CSR and corporate sustainability continue to rise, it is critically important for managers to carefully cultivate a consistent and authentic approach to managing the transparency of their CSR and sustainability initiatives.

Transparency is a multi-faceted concept. It can refer simply to the ability of stakeholders to monitor a corporation and hold it accountable to expected standards. It can also signal a corporation's virtue or character to interested audiences. Transparency can mean mere managerial oversight of the corporation's CSR and sustainability initiatives, limited disclosure to key regulatory stakeholders, or it can mean full and open disclosure of those initiatives to the public, broadly defined. Managing transparency, thus, requires considerable thought about the scope, the audience and the purpose of disclosure. In order to be effective, transparency also requires a strategic framework that evaluates the degree to which disclosure practices are monitorable, visible, controllable and accessible. Most critically, an effective transparency policy should ensure that the CSR and sustainability initiatives are perceived as credible, trustworthy and authentic. These perceptions, in turn, are shaped by the quality of information, its clarity, accuracy, completeness and timeliness.

Corporations adopt various approaches to make their sustainability initiatives transparent. Many signal transparency through third-party social and environmental certifications which they obtain after having their operations scrutinized and verified by an arm's length independent agency. These certifications may vary in scope: some focus on a specific social (e.g., child labor) or environmental dimension (e.g., energy efficiency); others have a broader scope (e.g., B-Corp certification). Publicly-traded corporations can also demonstrate transparency through being listed on sustainability indices (e.g., Dow Jones Sustainability Index) which also are based on external evaluation, auditing, and monitoring of corporate activities. Furthermore, corporations may participate in sustainability disclosures and reporting, which in some cases are mandatory; in others they are adopted voluntarily. A wide variety of voluntary reporting and disclosure frameworks are available. Notably, corporations can vary, even within the same framework, in terms of how they present information and which information they disclose or withhold.

Notwithstanding a rich trajectory of research and an elaborate infrastructure to support transparency in CSR and sustainability initiatives, many academically and managerially significant puzzles remain unresolved. Foremost, do different approaches to transparency (i.e., certifications, stock listings, disclosures) engender different outcomes for the corporation and its stakeholders? Second, how do corporations navigate those situations when the need to be transparent could conflict with the need to be secretive for either pragmatic reasons (e.g., giving too much information to consumers which they may not care for) or competitive reasons (e.g., disclosures about suppliers of unique products)? How do corporations reconcile the need to share information with the need to safeguard an organization's proprietary knowledge and know-how; and, what are possible implications of the approaches taken to strike this balance? Third, how do managers use evolving technologies (e.g., Blockchain, Artificial Intelligence) in making their sustainability initiatives transparent; and, what outcomes are generated? Fourth, what new approaches to transparency could be adopted that can generate desired positive outcomes for society and corporations?

This Special Issue aims to address such questions to stimulate conversations about how organizations can better manage the complexities presented by the transparency imperative in their CSR and sustainability initiatives. The questions listed above are illustrative and potential contributions to this Special Issue could go well beyond these. **We use CSR and sustainability as umbrella terms to denote responsibility towards all stakeholders and therefore contributions from all functional domains** – e.g., production and operations, strategy, marketing and consumer studies, corporate communication and public affairs, supply-chain, human resource, international business, information systems – will fit this Special Issue. Papers can be single or multidisciplinary, and they can be empirical (quantitative, qualitative, mixed methods, and case studies) or conceptual. In consonance with the mission of CMR, all papers should be informed by rigorous analysis and provide novel insights into the practice of management, offering managers explicit and concrete guidance about managing transparency.

Timelines, Submissions and Review Process

The deadline for paper submission is **January 15, 2021**. Papers should be fully developed and must run between five and eight thousand words, double-spaced, font-size 12. Submissions should be made to the corresponding Guest Editor, Rajat Panwar (panwarr@appstate.edu). The Guest Editors and CMR Editors will assess all submitted papers and select those that are most likely to result in first-rate, high-impact submissions. Authors of selected papers will then receive an official invitation to submit their paper online through the CMR portal by March 31, 2021 to be peer reviewed. Authors may be asked to make edits prior to official submission online. You are welcome to contact either of the Guest Editors for further information.

Notes:

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