

5 Reasons Your Impact Report is Falling Flat



By: Emily Kane Miller

Corporate Social Impact Reports play a critical role in showcasing a company's commitment to **social and environmental responsibility**. They are essential for **attracting and retaining talent, investors, and consumers**, and maintaining positive government relations. However, the problem lies in their presentation; these reports often lack the excitement and engagement necessary to inspire their intended audiences. Here, we will identify five key problems affecting the quality of Corporate Social Impact Reports and provide actionable solutions to make them more compelling and informative.

Lack of a Comprehensive Plan

CHALLENGE:

Corporate Social Impact Reports often lack a well-defined plan. They feel disjointed and fail to convey a clear sense of direction and purpose.

SOLUTIONS:

- **Infuse Values:** You can't create impact by throwing darts. You can begin by defining your organization's core values. You must **integrate these values into all aspects of your business operations**, not just for the sake of this report.
- **Measure and Manage:** Make sure you can show the receipts! Implement a rigorous system to measure and manage your impact initiatives. Establish clear goals, key performance indicators (KPIs) and regular reporting intervals.
- **Continuous Improvement:** Success is a game of layups, not half-court shots. Avoid one-off vanity stunts; instead, focus on a consistent cadence of smaller, more sustainable impact initiatives. Consistently evaluate, refine and iterate your impact work.

Discrepancy Between Intent & Execution

CHALLENGE:

Many companies have noble intentions but fail to execute their social impact initiatives effectively. This disconnect between intent and execution can damage their credibility.

SOLUTIONS:

- **Authenticity:** Ensure your impact initiatives align with your organization's core values and are authentic to your brand. For example, fast food companies shouldn't focus on obesity programs and oil companies shouldn't work on environmental relief.
- **Organization-Wide Integration:** Implement impact initiatives throughout your entire organization. All departments, from HR to supply chain management, should play a role in your social impact strategy. Everyone from the interns to the C-Suite should have skin in the game.
- **Data-Driven:** Get into those weeds! **Dive into your data** to understand what is happening on the ground. Data is essential for shaping, fine-tuning and communicating the success of your initiatives.

Weak Methodology & Data Management

CHALLENGE:

Without a well-defined methodology and effective data management, Corporate Social Impact Reports provide vague, unconvincing information.

SOLUTIONS:

- **Measurement Matters:** Always remember—What isn't measured is impossible to communicate. Develop rigorous methodology for data collection and analysis. At **Ethos Giving**, we developed a tool to make this process easier for the companies we advise. Once we realized what a game-changer it was for our clients, we knew we couldn't gatekeep and needed to make the software, **Ethos Tracking**, publicly available!
- **Detailed Reporting:** Move beyond superlatives and photographs; today's stakeholders demand specifics. Go into the details, sharing both successes and challenges. Remember in high school when your calculus teacher kept telling you to "show the math?" Think of this as a chance to show how you arrived at the end results.
- **Transparency:** Don't just share your successes. It's equally important to share the lessons learned and areas where improvement is needed. It's okay—you don't have to stick the landing every time. It's human to leave room for improvement. Let's be honest, your audience will be suspicious if you nail every single goal that you set out to accomplish.

Communications Owned by Non-Subject Matter Experts

CHALLENGE:

Social Impact Reports are sometimes written by individuals without subject matter expertise, leading to a lack of substance in the content. A person on the communications team may be a phenomenal writer and maven marketer, but that doesn't mean they necessarily understand the intricacies and nuances of ESG compliance.

SOLUTIONS:

- **Detailed Briefings:** When outsourcing report writing or communications, provide comprehensive briefs. Include detailed metrics, a style guide and other relevant information. Give them **stories, context and color** to work with so they aren't backed into writing a boring piece that's bogged down by excessive data.
- **Continuous Tracking:** Don't wait until the end of the year to start gathering data. Track your impact initiatives throughout the year to ensure you have substantial information for your report.
- **Cross-Departmental Collaboration:** ESG folks need to prioritize spending time (both formally and informally) with the people who will be relaying the results of their social impact campaigns! Set regular meetings between Marketing and ESG teams so they can better understand how one another operate.

Reports Try to Serve Too Many Purposes

CHALLENGE:

Corporate Social Impact Reports often try to cover too much ground, resulting in information overload and a lack of focus.

SOLUTIONS:

- **Multifunctional Base Document:** Create a comprehensive base document containing all the details, metrics, goals and initiatives. This can serve as an internal reference document. Use this base document to create tailored reports for different purposes, such as internal use, investor-facing or for specific geographic regions.
- **Filter and Focus:** Avoid overwhelming the reader with too much information. Could you imagine a clothing brand creating a giant catalog of every single item they are selling without curating which products they were trying to highlight that season? One must tailor their reports to specific reader profiles and objectives.
- **S.M.A.R.T. Goals:** You can't attempt to "boil the ocean." If you try to do it all and fail to focus on priority objectives, you will be a Jack (or Jill!) of all trades and a master of none. Better to do a few things exceptionally well than to do a mediocre job at everything. audience will be suspicious if you nail every single goal that you set out to accomplish.

The Bottom Line

Corporate Social Impact Reports are a powerful tool for companies to communicate their commitment to social and environmental responsibility.

However, their potential often remains untapped due to issues with presentation and substance. By addressing the five problem types that we dove into and implementing the proposed solutions, businesses can create more engaging, informative and purpose-driven **Corporate Social Impact Reports**. In doing so, businesses can successfully capture the attention of talent, investors, consumers and government entities while sharing their dedication to creating a positive impact on society and the environment.