Wherever they operate, organisations might be complicit or associated with human rights abuses. These may be related to labour issues, land rights or health and safety. Companies globally need a “social” licence to operate and their human rights' records are increasingly under scrutiny by the media, the public and law enforcers. Respect of international norms related to human rights needs to be upheld and evidenced to safeguard operations and reputation.

These statistics are based on responses from 2,500 management accountants worldwide. By identifying risk, companies can do business responsibly and avoid doing harm by upholding ethical practice. Longer term solutions to immediate issues can be sought in order to safeguard value, reputation and customer confidence.

The UN Guiding Principles on Business and Human Rights were introduced in 2011. They provide a global standard for addressing negative impacts on human rights linked to business activity.

HUMAN RIGHTS ARE INCREASING IN BUSINESS RELEVANCE
More management accountants see the link to their organisation:

- 55% in 2008
- 68% in 2015

HOWEVER, BUSINESSES ARE YET TO FULLY EMBED HUMAN RIGHTS PRACTICES ACROSS ALL PARTS OF THEIR ORGANISATION

- Just 13% conducted due diligence on human rights for new contracts
- 47% did not know if they had conducted due diligence
- 6% thought it was not relevant to their organisation

HUMAN RIGHTS – THE EMERGING BUSINESS ISSUE
The ethical challenges organisations must navigate to succeed in a connected world

MANAGING RESPONSIBLE BUSINESS 2015 EDITION
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GLOBAL STANDARDS OF PRACTICE ARE NOW EXPECTED OF GOVERNMENTS AND BUSINESS WITH REGARD TO HUMAN RIGHTS

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VIEW THE UN GUIDING PRINCIPLES

AWARENESS OF THE GUIDING PRINCIPLES REMAINS LOW, DESPITE ITS GROWING IMPORTANCE IN THE BUSINESS COMMUNITY

- 86% are not aware of UN Guiding Principles on Business and Human Rights

HOW CAN MANAGEMENT ACCOUNTANTS CONTRIBUTE?

- By identifying risk, companies can do business responsibly and avoid doing harm by upholding ethical practice
- Early due diligence can help avoid potentially time intensive and costly problems
- Longer term solutions to immediate issues can be sought in order to safeguard value, reputation and customer confidence

DOWNLOAD THE MANAGING RESPONSIBLE BUSINESS REPORT
[cgma.org/responsiblebusiness2015]