

SUSTAINABILITY REPORTING AS A RECIPROCITY FRAMEWORK FOR COMMUNITY-BUSINESS RELATIONS

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Abstract

Background: Sustainability reports are now expected to say more than whether an organization has met its own targets. They are also expected to explain important effects on people, the environment, and the communities around business operations. In practice, however, reporting can still be one-directional: community concerns are recorded and summarized, yet it is not always clear whether those concerns influence decisions, commitments, or the way resources are allocated.

Aims: This article develops a reciprocity-based view of sustainability reporting. The central idea is that reporting should form part of an ongoing exchange in which organizations disclose impacts, communities express concerns and expectations, management explains its response, and later reports show what happened to previous commitments.

Research Method: The paper uses an integrative conceptual review. It brings together literature on stakeholder theory, legitimacy, stakeholder engagement, materiality, reporting quality, and community accountability. No survey, interview, experiment, or statistical dataset is presented.

Results and Conclusion: The review points to four closely connected mechanisms: impact-centered materiality, disclosure that communities can actually use, two-way dialogue, and a documented organizational response. Reporting is more likely to strengthen trust and accountability when stakeholders can see how their input entered the decision process and when later disclosures explain what changed, what remained unresolved, and why. The value of reporting is weaker when disclosure is selective, symbolic, or detached from grievance handling and operational follow-up.

Contribution: The article offers a reciprocity cycle, six propositions for later empirical testing, a practical community-reporting scorecard, and a staged pathway that organizations can use to connect sustainability disclosure with longer-term community-business relations.

Keywords: sustainability reporting; reciprocity; stakeholder engagement; materiality; community relations; accountability

1. INTRODUCTION

Sustainability reporting has moved well beyond the early idea of a voluntary corporate brochure. Today it is more commonly understood as a structured way of identifying, measuring, and explaining significant impacts. The Global Reporting Initiative (GRI) puts impacts on the economy, environment, and people at the centre of materiality and explicitly recognizes local communities as relevant stakeholders. That shift changes the starting question. Instead of asking only what an organization wishes to disclose, reporting must also consider what affected stakeholders need to know in order to understand an impact and judge the response to it (GRI, 2021a; GRI, 2021b).

That distinction matters in community-business relations. A sustainability report can be technically complete and still leave local people uncertain about whether their concerns were heard, whether a complaint led to action, or why a commitment was revised. Studies of stakeholder engagement have long warned that consultation can become managerial or symbolic when participation is separated from decision making (Manetti, 2011; Greenwood, 2007). The practical problem, then, is not simply producing more disclosure. It is creating a reporting process in which information, community experience, organizational response, and follow-up remain connected.

This paper examines that problem through the idea of reciprocity. Here reciprocity does not mean that an organization must accept every stakeholder demand. It refers to a visible exchange: the organization provides understandable information about impacts and commitments; communities contribute local knowledge, expectations, and feedback; managers show how that input was considered; and a later reporting cycle returns to the same issues with evidence of progress or unresolved work. On that basis, the article develops a conceptual framework, practical indicators, and propositions that can be examined in future empirical studies. The aim is to clarify when sustainability reporting can support a credible relationship, rather than to assume that publication itself proves responsibility.

2. CONCEPTUAL FOUNDATION

2.1 Sustainability reporting as impact accountability

Sustainability reporting serves several purposes at the same time. It may support compliance, investor communication, reputation, internal learning, and public accountability. These purposes sometimes reinforce each other, but they can also pull reporting in different directions. Legitimacy theory helps explain why organizations disclose social and environmental information to secure or restore societal acceptance (Suchman, 1995; Deegan, 2002). This is especially relevant to communities, which often judge a company not only by formal compliance but also by fairness, openness, and responsiveness. The same legitimacy motive can become problematic, however, when communication is carefully managed while operational practices remain unchanged.

2.2 Stakeholder theory and community salience

Stakeholder theory widens the field of organizational responsibility beyond shareholders and contractual partners by recognizing people and groups that can affect, or are affected by, organizational activity (Freeman, 1984). In local settings, influence is not always matched by formal power. Residents, informal workers, local suppliers, vulnerable households, civil-society groups, and future users of shared environmental resources may experience material effects even when they have little bargaining leverage. GRI 3 reflects this concern by asking reporting organizations to identify actual and potential impacts and to consider stakeholder and expert input when determining material topics (GRI, 2021b).

2.3 From one-way disclosure to reciprocal communication

A useful way to understand reciprocity is to distinguish communication from participation. Morsing and Schultz (2006) describe stakeholder information, response, and involvement strategies. The difference among them is practical. A report can inform people without giving them a meaningful chance to respond; an organization can invite feedback without allowing it to shape a decision. Reciprocal reporting begins when stakeholder input has a traceable route to consideration and an explained outcome. Agreement is not required, but the process should make clear what was heard, what was decided, and the reason for that decision.

2.4 Reporting quality and the risk of symbolic practice

Reporting quality is not the same as report length, nor is it guaranteed by the use of a recognized standard. Michelon, Pilonato, and Ricceri (2015) show that formal reporting practices do not automatically produce substantive disclosure quality. Cho et al. (2015) likewise discuss how sustainability reporting can coexist with organizational inconsistency and symbolic presentation. A reciprocity perspective therefore asks more grounded questions: are material negative impacts visible as well as achievements; can a reader identify who is responsible for a commitment; is there a time frame; and can the next report show whether the commitment was met?

Concept	Diagnostic question	Evidence of reciprocity
Disclosure	Can affected groups understand significant impacts and commitments?	Accessible language; impact scope; targets; progress; unresolved issues
Materiality	Were community impacts considered before topics were prioritized?	Stakeholder map; impact assessment; explanation of prioritization
Dialogue	Can stakeholders respond through meaningful channels?	Two-way forums; grievance routes; response times; inclusion controls
Response	Does stakeholder input influence decisions or commitments?	Decision log; changed actions; justified non-adoption; assigned owners
Accountability	Can later reporting show whether promised actions occurred?	Baseline; target; status; evidence; corrective action

Table 1. Distinguishing reporting activity from reciprocal accountability.

Section synthesis

Reciprocal reporting is stronger when impact accountability, stakeholder voice, and reporting quality are treated as one connected process. The core test is not how many disclosure channels exist, but whether affected communities can understand significant impacts, respond through meaningful channels, and see how their input is reflected in subsequent organizational decisions.

3. REVIEW APPROACH

The paper is based on an integrative conceptual review rather than a systematic review or meta-analysis. The purpose is to build an explanatory framework by placing established sustainability-reporting concepts alongside a reciprocity perspective on community relationships. Five questions guided the reading: how impact and materiality are defined; how stakeholder engagement contributes to relevance; what separates substantive disclosure from symbolic reporting; how community voice can enter organizational decisions; and which indicators could make reciprocity visible across more than one reporting cycle.

The review draws on reporting standards and peer-reviewed work on stakeholder theory, legitimacy, engagement, corporate social reporting, reporting quality, materiality, and accountability. Older studies are retained where they define concepts that remain influential, while current GRI standards are used for contemporary expectations regarding impact materiality and meaningful stakeholder engagement. Because this was not a systematic review, the article does not present a PRISMA flow, database screening count, effect size, or formal quality score. The resulting claims should therefore be read as conceptual arguments and propositions rather than causal estimates.

3.1 Analytical procedure

The analysis was carried out in four moves. First, the production of a report was separated from the broader process of accountability; otherwise, publication itself could be mistaken for evidence of a good relationship. Second, recurring elements were grouped around materiality, accessibility of disclosure, dialogue, response, and follow-up. Third, each element was considered from two sides: what it might change inside the organization and what it might mean for affected communities. Finally, the analysis identified situations in which apparently positive reporting practices could become selective, exclusionary, or largely symbolic.

Step	Purpose	Output used in this article
1. Construct separation	Separate report production from accountability and relationship quality	Definitions and diagnostic distinctions
2. Mechanism coding	Identify how information and voice move through the reporting process	Materiality, disclosure, dialogue, response, follow-up
3. Dual-outcome mapping	Connect organizational learning with community-level outcomes	Trust, issue resolution, commitment reliability, participation
4. Boundary analysis	Specify conditions under which benefits weaken or reverse	Symbolic disclosure, exclusion, power imbalance, weak evidence

Table 2. Conceptual synthesis procedure.

3.2 Unit of analysis and boundaries

The unit of analysis is not the report as a document but the recurring relationship between an organization and communities affected by its facilities, projects, supply chains, products, or services. Future empirical studies should define 'community' carefully rather than relying on an administrative label. Depending on the case, the relevant group may be residents around a site, local producers, workers' households, users of a shared natural resource, or people affected by a particular project. The framework is most useful where the relationship is repeated over time and where the organization has identifiable impacts or commitments.

3.3 Validity and responsible use

As a conceptual study, the framework is intended to guide measurement and field testing, not to establish that reciprocity causes better community outcomes. Any empirical extension would need real observations, a documented research protocol, reproducible analysis, and appropriate ethical procedures where people participate in the research. Authors and editors should also verify affiliations, correspondence details, references, authorship contributions, and any disclosure requirements before publication.

Review implication

The review is deliberately conceptual and mechanism-oriented. It separates document production from accountability, then maps how materiality, disclosure, dialogue, response, and follow-up may influence both organizational learning and community relationship outcomes. Future empirical work should test these links with transparent protocols and genuine observations.

4. A RECIPROCITY-BASED REPORTING FRAMEWORK

The framework proposed here treats sustainability reporting as a cycle of interaction rather than a document produced once a year. The cycle starts with evidence about impacts, moves into materiality decisions and public disclosure, then creates room for stakeholders to interpret and respond. Their input is linked to an organizational decision, and the following cycle returns to the same issue with evidence of what was implemented. Reciprocity becomes visible only when those handoffs leave a record that both management and affected stakeholders can follow.

INPUTS	RECIPROCITY MECHANISMS	OUTCOMES
Impact evidence; stakeholder map; prior commitments; grievance records; operational data	1. Impact-centered materiality 2. Accessible disclosure 3. Two-way community dialogue 4. Documented organizational response 5. Follow-up and learning	Organizational: better issue visibility, decision discipline, risk learning Community: voice, predictability, trust, issue resolution, participation
GOVERNANCE CONDITIONS	Transparent scope; accountable owners; inclusive participation; data integrity; grievance and escalation; explanation of trade-offs	BOUNDARY RISKS: selective disclosure; consultation fatigue; elite capture; inaccessible formats; unverified claims; weak follow-through

Figure 1. Reciprocity cycle linking sustainability reporting with community-business relations.

4.1 Impact-centered materiality

Impact-centered materiality asks a straightforward question: which effects on the economy, environment, and people are significant enough to require management attention and disclosure? In a reciprocal process, that judgment is not left solely to a reporting team. Operational managers, community-facing staff, technical experts, and affected stakeholders each hold different pieces of evidence. GRI 3 emphasizes the identification and assessment of actual and potential impacts and the use of stakeholder views when material topics are determined (GRI, 2021b). Community input therefore needs to enter early enough to influence prioritization, not only after a report has already been drafted.

4.2 Accessible disclosure

Accessibility is often treated as a presentation issue, but for community accountability it is more fundamental. A report may be technically complete and still be unusable to people who cannot connect corporate indicators with what they see locally. Useful disclosure explains the baseline, the target, the current position, the responsible unit, the time horizon, and any unresolved constraint. It should also place positive results beside adverse impacts and corrective action. Doing so makes the report easier to test against experience and reduces the chance that reporting becomes mainly an exercise in reputation management (Bebbington, Larrinaga, & Moneva, 2008).

4.3 Two-way dialogue and documented response

Two-way dialogue matters only if it can travel beyond the meeting room. GRI describes meaningful engagement as ongoing, responsive, and conducted in good faith (GRI, 2021c). For reciprocity, the additional issue is traceability. A significant concern should be logged, grouped with related issues, assigned to a responsible decision maker, and eventually closed with an understandable outcome. That outcome might be an accepted action, a modified action, a request for further evidence, a determination that the issue lies outside scope, or a decision not to adopt the request with reasons. This simple record helps distinguish participation from consultation that has no operational consequence.

4.4 Follow-up and learning

Follow-up is where credibility accumulates. The next report should return to earlier commitments and unresolved issues rather than beginning with a clean slate. Learning can be seen when recurring complaints fall, corrective actions are completed more reliably, targets are adjusted when assumptions prove wrong, or community feedback changes a procedure. One good report cannot compensate indefinitely for repeated non-performance. Conversely, a missed target does not automatically destroy trust when the organization explains what happened, accepts responsibility, and provides a credible corrective path.

Framework takeaway

The reciprocity cycle requires a visible chain from impact evidence to stakeholder input, organizational decision, implementation, and later reporting. Its credibility depends on traceability: communities should be able to see what was considered, who was responsible, what changed, what remained unresolved, and when the issue will be reviewed again.

5. MATERIALITY, DIALOGUE, AND COMMUNITY VOICE

5.1 Materiality as a negotiated evidence process

Materiality is often presented as a matrix, but the ranking graphic is only the final surface of a much more important process. Torelli, Balluchi, and Furlotti (2020) link materiality assessment closely with stakeholder engagement. For community-related topics, a credible process needs evidence about severity, scale, scope, likelihood, reversibility, affected groups, and the organization's contribution to the impact. Community perception is part of that evidence, but it should not replace technical assessment. The reverse is equally important: technical data should not be used to dismiss lived experience that reveals effects not captured by formal indicators.

5.2 Representation and inclusion

A community is rarely a single voice. Open meetings, for example, can favour people who have time, confidence, status, or strong connections with local elites. A reciprocal process therefore records not only who attended, but who was invited, who did not participate, and what barriers may have shaped that pattern. Language, disability, digital access, work schedules, distance, gender norms, fear of retaliation, and distrust can all influence who is heard. Attendance is useful information, but it should not be mistaken for representation.

5.3 Grievance mechanisms as reporting infrastructure

Grievance systems are frequently managed apart from sustainability reporting, even though they contain some of the clearest evidence about unresolved impacts and perceived unfairness. Bringing aggregated grievance information into the reporting cycle can improve both materiality and accountability. Useful measures include issue type, acknowledgment time, resolution time, recurrence, escalation, remedy, and satisfaction with the process. Public disclosure must protect complainants and confidential details, but it should still reveal recurring patterns and the systemic actions taken in response.

5.4 Community benefits and distributional visibility

The amount spent on community programs says little about reciprocity unless readers can see who benefited, why the activity was chosen, and whether it addressed a material impact. A large program may still be concentrated among already advantaged groups or may have only a weak connection with the effects created by the organization. Reporting is more informative when it separates impact mitigation, legal obligations, philanthropy, local procurement, capability building, and shared infrastructure. That distinction allows stakeholders to judge whether community initiatives respond to identified impacts or sit beside them as unrelated reputation projects.

Reciprocity domain	Leading indicator	Outcome indicator	Failure signal
Materiality	Affected groups and impact evidence included before prioritization	Material topics reflect significant local impacts	Topics selected mainly from internal preference
Inclusion	Participation barriers identified and addressed	Diverse groups represented across engagement channels	Repeated participation by a narrow local elite
Grievance	Cases classified, acknowledged, assigned, and tracked	Resolution time and recurrence improve	Complaints disappear from reports without explanation
Commitment	Owner, target, deadline, and evidence requirement defined	Commitments completed or transparently revised	Repeated promises without closure
Benefit distribution	Beneficiary, geography, purpose, and additionality mapped	Benefits reach affected groups and build durable capability	High spending with weak relevance to material impacts

Table 3. Illustrative reciprocity indicators for community-facing sustainability reporting.

Community-relations implication

Materiality and engagement should make distribution visible, not only aggregate program value. A credible report identifies who is affected, who participates, which barriers remain, how grievances are handled, and whether commitments and community benefits reach the groups connected to the material impact.

6. REPORTING QUALITY AND ACCOUNTABILITY ARCHITECTURE

A reciprocal reporting system needs more than a long list of indicators. What matters is whether the measures help people make decisions and whether they expose gaps between commitment and action. For that reason, reporting quality should be considered through relevance, completeness, balance, specificity, comparability, evidence, and responsiveness. Michelon et al. (2015) caution that formal CSR reporting practices do not necessarily produce better disclosure, while Boiral (2013) and Cho et al. (2015) show how apparent transparency can coexist with omission or inconsistency. The scorecard proposed here is therefore designed to connect disclosure with accountability rather than reward volume.

6.1 Relevance and completeness

Relevant disclosure should be tied to material impacts and to questions stakeholders actually need answered. Completeness means giving enough scope and context to understand both positive and negative effects, including the boundaries chosen for the report. A statement such as 'community engagement increased' has little accountability value on its own. Readers need to know which area was affected, why engagement took place, who participated, which issues were raised, what changed, and what remains unresolved. Whenever a percentage is reported, the denominator should be clear and definitions should remain stable enough for comparison over time.

6.2 Balance, specificity, and evidence

Balanced reporting includes difficult results. Missed targets, adverse outcomes, and implementation problems deserve space alongside achievements. Specificity also matters: where confidentiality permits, reports should identify responsibilities, timelines, locations, and decision rules. Evidence might come from monitoring data, assurance work, meeting records, grievance logs, procurement records, or proof that a corrective action was completed. The form of evidence will differ by claim. The purpose is not to create paperwork for its own sake, but to make important statements checkable and correctable.

6.3 Responsiveness and closure

Responsiveness is the point at which engagement becomes organizational action. It can be observed through acknowledgment time, decision time, completion of corrective action, and the proportion of significant issues receiving a documented response. Not every issue can be closed quickly. Environmental restoration, infrastructure changes, or livelihood concerns may require several years. In those cases, credible reporting does not pretend that the problem is finished; it states the current position, next action, responsible owner, dependencies, and expected review date.

Layer	Metric	Definition	Decision supported
Materiality	Community impact coverage	Material community impacts with documented evidence and stakeholder input / material community impacts identified	Are important local impacts entering the report?
Disclosure	Commitment specificity	Commitments with owner, target, date, and evidence / commitments disclosed	Can progress be verified later?
Dialogue	Response coverage	Significant stakeholder issues receiving documented organizational response / significant issues logged	Does voice reach decision makers?
Grievance	Resolution cycle time	Median days from accepted grievance to documented remedy or formal closure	Where are accountability bottlenecks?
Learning	Recurrence reduction	Change in repeat incidents or complaints for previously addressed issues	Are corrective actions working?
Relationship	Commitment reliability	Completed commitments / commitments due in the reporting period	Is the organization dependable over time?

Table 4. Minimum linked scorecard for reciprocal sustainability reporting.

Measurement should start with a baseline and a clearly stated reporting boundary. Changes in trust or community outcomes should not be attributed to reporting alone when other interventions are taking place at the same time. Future empirical work could combine document analysis with stakeholder surveys, grievance records, process tracing, interviews, and longitudinal performance indicators. Using several forms of evidence would make it easier to see whether reporting practices are actually associated with better relationship outcomes or merely coincide with them.

7. PROPOSITIONS FOR EMPIRICAL TESTING

The framework leads to six propositions that can be examined empirically. They are not presented as confirmed findings. Each one also includes a condition that may limit, weaken, or in some cases reverse the expected relationship.

Proposition 1 - Impact-centered materiality

When evidence of community impacts is incorporated into materiality assessment before priorities are fixed, sustainability disclosure should be more relevant to local concerns and more likely to be recognized as such by stakeholders. The expected effect is weaker when consultation occurs only after material topics have effectively been decided, or when participation is limited to the most visible groups.

Proposition 2 - Accessible disclosure

Disclosure that is specific, understandable, and locally interpretable should improve stakeholder understanding and create a better basis for later dialogue. This effect is likely to be smaller when reports rely on broad corporate indicators that cannot be linked to a local impact, responsible unit, or time horizon.

Proposition 3 - Traceable response

Trust and perceptions of procedural fairness should improve when significant stakeholder issues can be traced to an organizational decision and an explained response. Simply recording issues is not enough. The expected relationship may turn negative when cases are repeatedly closed without remedy, explanation, or a credible route for escalation.

Proposition 4 - Commitment reliability

Public commitments are more likely to support trust when they are completed on time or transparently revised. Completion should therefore be positively associated with willingness to participate in future engagement. The relationship becomes less reliable when targets are vague, deadlines are repeatedly moved, or responsibility cannot be linked to a named organizational unit.

Proposition 5 - Balanced reporting

Balanced disclosure should contribute to credibility when stakeholders can see achievements, adverse impacts, missed targets, and corrective actions in the same reporting system and can verify the underlying evidence. The effect is likely to weaken when negative information appears only in broad aggregates or is disclosed without an accompanying response plan.

Proposition 6 - Inclusion and voice

Engagement processes that deliberately reduce participation barriers and offer more than one channel should bring a wider range of issues into materiality and grievance processes. That benefit is likely to diminish where a small group of representatives dominates participation or where people face explicit or implicit risks for speaking openly.

Proposition	Primary mechanism	Reporting outcome	Community relationship outcome / moderator
P1	Impact-centered materiality	Higher relevance	Recognition of significant local concerns
P2	Accessible disclosure	Greater comprehension and comparability	More informed dialogue
P3	Traceable response	Visible decision linkage	Procedural fairness and trust
P4	Commitment reliability	Verifiable follow-through	Dependability and participation
P5	Balanced reporting	Higher credibility	Trust conditional on evidence
P6	Inclusive engagement	Broader issue coverage	Voice across diverse stakeholder groups

Table 5. Summary of propositions and measurement direction.

The propositions operate at different levels and over different periods, so a multilevel research design would be appropriate. Response times may change within weeks, commitment reliability may need several months to observe, and trust or institutional legitimacy may shift much more slowly. Researchers should define their main outcomes before analysis and resist the temptation to highlight only the measures that improved after implementation.

8. A STAGED IMPLEMENTATION PATHWAY

Organizations do not need to begin by publishing more indicators. A better starting point is one material community impact and one accountability problem that both managers and stakeholders can recognize. Working at this smaller scale makes it possible to test whether records are reliable, whether people can access the information, and whether concerns are actually reaching decision makers before the reporting system is expanded.

Stage	Core work	Minimum evidence before progression
1. Diagnose	Define affected community, material impact, current commitments, grievances, information gaps, and decision owners	Agreed impact boundary; baseline evidence; named internal owner
2. Standardize	Align definitions for impact, stakeholder category, commitment, grievance status, target, deadline, and evidence	Sample records reconcile; staff can explain the workflow
3. Engage	Test accessible disclosure and multiple two-way engagement channels with affected groups	Issues logged; participation barriers reviewed; response responsibility assigned
4. Respond	Connect significant issues to decisions, corrective actions, or explained non-adoption	Decision log; owners; deadlines; evidence requirements
5. Report and learn	Publish progress, unresolved issues, missed commitments, and corrections; review lessons	Repeat-cycle evidence; updated materiality; clear scale/redesign decision

Table 6. Five-stage pathway for reciprocity-based sustainability reporting.

8.1 Choosing the first pilot

A practical pilot should involve a visible impact, a manageable scope, identifiable stakeholder groups, and data that can be collected without creating excessive burden. Possible examples include traffic or noise around a facility, local procurement commitments, access to a community service, restoration of a shared environmental asset, or repeated complaints about project communication. Scope should be stated carefully. A limited pilot should not accidentally be presented as a promise to solve every issue raised by the community.

8.2 Governance before publication

Before publication, teams need agreement on basic governance: who owns the data, who verifies it, who approves disclosure, how privacy is protected, when community consent is needed, how grievances are escalated, and how corrections will be made. The highest governance body, or an appropriately delegated committee, should understand the material community issues being reported and the reasons for major boundary choices. It should also be clear who can revise a target, what evidence is required, and how a missed commitment will appear in the next disclosure. These arrangements keep reporting connected to operational accountability.

8.3 Capability building as operating work

Community-facing reporting draws on capabilities spread across many functions, including sustainability, operations, finance, human resources, procurement, legal, public affairs, and local liaison teams. Training works best when it is attached to recurring tasks rather than delivered as a one-off session. Staff may need to classify grievances consistently, explain a materiality judgment, verify evidence for a commitment, document a response, or prepare a summary that local readers can understand. The real test of capability is whether these routines can be performed consistently without depending on one specialist.

8.4 Scale, redesign, pause, or discontinue

Each review point should end with a real decision: continue and scale, redesign, pause, or discontinue the reporting mechanism. Scaling makes sense when data quality, accessibility, response coverage, and commitment reliability meet agreed thresholds. Redesign is more appropriate when participation remains narrow or when reporting still fails to connect with decisions. A pause may be necessary when data integrity or community safety is uncertain. Discontinuing a weak reporting mechanism can also be responsible, provided the organization does not use that decision to avoid its underlying obligation to address the impact.

For smaller or resource-constrained organizations, the governance rhythm can remain uncomplicated. A monthly review of issues and grievances, quarterly tracking of commitments, a materiality review when significant changes occur, and an annual public update may be sufficient. Consistent follow-through is more important than a sophisticated dashboard that nobody uses.

9. DISCUSSION

Seen through this framework, sustainability reporting is less a periodic product than part of the infrastructure of a relationship. Its value comes from the connection between evidence of impacts, stakeholder voice, organizational decisions, and later follow-up. This interpretation is consistent with the move from one-way information toward stakeholder involvement described by Morsing and Schultz (2006) and with GRI's emphasis on meaningful, ongoing engagement (GRI, 2021c). It also gives critical reporting research a practical point of entry: the distance between a public claim and organizational action becomes something that can be traced and measured.

9.1 Theoretical implications

The framework has three theoretical implications. First, it broadens the outcomes usually associated with sustainability reporting. In addition to adoption, disclosure quantity, quality, market effects, or legitimacy, reciprocity draws attention to procedural fairness, traceable response, commitment reliability, and community voice. Second, stakeholder engagement is treated as part of the reporting mechanism itself rather than as a separate preparatory exercise. Materiality, dialogue, response, and follow-up are connected steps. Third, reporting quality is viewed as relational as well as informational: disclosure becomes useful when affected people can interpret it, connect it to local experience, and observe what the organization does next.

9.2 Managerial implications

For managers, one useful exercise is to map the life of a community issue from the first piece of evidence to public follow-up. The map often exposes breaks that a conventional reporting calendar hides: complaints that never reach decision makers, commitments with no owner, targets changed without explanation, or local information absorbed into a corporate total. Those handoffs deserve management attention. If concerns are being heard but not assigned, the problem is response governance. If commitments are clear but evidence is weak, data control needs attention. If a technically strong report cannot be understood by affected groups, accessibility is the priority.

9.3 Implications for policy and community institutions

Regulators, funders, local governments, and community institutions should be cautious about treating document submission or a standards label as evidence of accountability. A stronger assessment looks at whether material local impacts are covered, whether participation is reasonably inclusive, whether commitments can be traced, and whether grievance and corrective-action data enter the reporting process. Community organizations can help reach groups that are otherwise missed, but no intermediary should automatically be treated as the voice of an entire community. Multiple channels and transparent representation rules remain important.

9.4 Limitations and research agenda

Several limitations need to be kept in view. This is a conceptual synthesis, not a causal study, and the literature was selected purposefully rather than exhaustively. The framework may also need adjustment across sectors, cultures, legal settings, and different forms of community organization. Trust, voice, reciprocity, and procedural fairness are context-dependent concepts. Future studies could validate the proposed measures with community members and practitioners, compare reporting systems across organizational forms, examine whether commitment reliability predicts trust over time, and explore how power differences shape participation. Longitudinal mixed methods are particularly suitable because reciprocity develops through repeated interactions, not through a single publication event. A useful next step would be to follow the same community issues across consecutive reporting periods rather than compare reports only at one point in time. That approach would show whether an organization learns from repeated grievances, whether the same groups remain excluded from engagement, and whether commitments become more precise after earlier difficulties. Comparative case studies could also help explain why similar reporting standards produce different relationship outcomes under different governance arrangements.

Discussion synthesis

Across the framework, reporting quality is relational as well as technical. The strongest process connects local impact evidence, inclusive stakeholder participation, traceable decisions, and reliable follow-up. This shifts attention from publication volume toward whether reporting improves accountability routines and the durability of community-business relations.

10. CONCLUSION

Sustainability reporting can contribute to stronger community-business relations when it is treated as a reciprocal accountability process rather than a one-way disclosure exercise. The framework developed in this article links impact-centered materiality, accessible disclosure, two-way dialogue, documented response, and follow-up learning. In that cycle, communities contribute knowledge and voice, while organizations provide information, explain decisions, and demonstrate action. A later report then shows whether earlier commitments were completed, revised, delayed, or left unresolved.

The most practical place to begin is with one significant community impact and one accountability pathway that can be followed from evidence to response. From there, an organization can improve definitions, test accessible engagement, connect issues with decisions, report supporting evidence, and expand only the parts of the process that remain credible. Reciprocity does not require agreement on every issue. It requires a process in which affected people can see that their concerns were considered and in which the organization can show what it did, or why it did not act, in response. In practical terms, the quality of reciprocity can be checked by following a small set of questions across reporting cycles: Was the impact described in a way that local stakeholders could recognize? Were affected groups able to respond? Did that response reach a named decision owner? Was the resulting action, non-action, or revision explained? And did the next report return to the issue with evidence? These questions keep the framework anchored in observable practice rather than in the appearance of participation.

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