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Exploring the Effect of the Ruggie Framework for Human Rights

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Introduction

In June 2011, the UN Human Rights Council endorsed the 'Protect, Respect, and Remedy' Framework (also referred to as the Ruggie Framework), which marked the ending of the six-year mandate of John Ruggie as the UN Secretary-General's special representative for business and human rights. The framework rests on three pillars:

1. The state duty to protect against human rights abuses by third parties, including businesses, through appropriate policies, regulation, and adjudication;

2. The corporate responsibility to respect human rights, which means to act with due diligence to avoid infringing on the rights of others; and

3. The state duty to create access to effective remedies, judicial and non-judicial, for victims.

This paper will focus on the responsibilities of companies. As stated by Dovey and Morrison, "we are entering an interesting and important time in the development of human rights in business. Real progress has been made….Very few businesses would state 'human rights are not our concern,' and a growing number are actively engaging the issue" (2007, 8). This paper will also address how and why Danish companies embrace the corporate responsibility of respecting human rights according to the second pillar. A human rights due diligence (DD) process is proposed as a means for companies to become "aware of and address the human rights harm they cause"

(Ruggie 2010). A DD process will differ across sectors and according to the size of the company, but should, according to Ruggie, contain at least the following four elements: 1) human rights policy, 2) assessing impacts, 3) integration, and 4) tracking performance.

This paper will address three research questions:

- What institutional pressures affect the Danish corporate approach to human rights?
- How can different contingencies contribute to explaining the behavior of different firms in their approach to human rights?
- How responsive are Danish companies in terms of implementing the Ruggie framework?

Theoretical perspective

Institutional theory is one of the building blocks of this paper, as it is useful in explaining how companies react to demands for human rights issues in the institutional environment. The theory departs from the assumption that institutionalized practices are adopted in order for an organization to gain legitimacy in the market place. "Institutionalization involves the process by which social processes, obligations, or actualities come to take on a rule like status in social thought and action" (Meyer and Rowan 1977, 341). By ruling on (permitting) some actions and ruling out (forbidding) others, the institutional setting is important in defining what is considered to be legitimate (Ostrom 1991; Pedersen et al. 2012). A distinction is often made between three types of isomorphic pressures defined as "a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions," (DiMaggio and Powell 1983, 149). In coercive pressure, the main argument is that organizations must respond to the external demands, rules, and regulations in order to ensure political influence and legitimacy. The pressure to conform stems from regulating bodies and holders of critical resources. Mimetic processes are an organizational response to uncertainty in which organizations imitate each other. An organization will often look to an industry leader or a successful peer when faced with insecurity about an issue. Normative pressure stems from professionalization of the organization, i.e. similar educational background, training, and job functions, leading to similar company structures and practices (DiMaggio and Powell 1983).

Institutional theory has often been applied in studies of corporate social responsibility (CSR) (Doh and Guay 2006; Pedersen et al. 2012; Matten and Moon 2008). Matten and Moon (2008) argue that there are important national

differences in CSR approaches, depending on the institutional context; as part of their argument, they discuss implicit and explicit CSR.

In Europe, the welfare state or government has been perceived as the prime provider of social welfare and benefits (Matten and Moon 2008). This has, according to the authors, contributed to a situation where European companies have been more reluctant to explicitly claim social responsibilities. Implicit CSR is therefore dominant in Europe, whereas explicit CSR is dominant in the United States, because of the different role of the government. However, they argue that there has been a recent rise in explicit CSR in Europe, which is a response to changes in the institutional environment.

The four steps in the DD process suggested by Ruggie will be used in the analysis (Ruggie 2010). These will be combined with the four steps outlined by Mamic (2005) in his study of global supply chain management. Mamic has a managerial perspective, proposing a management system for implementing a Code of Conduct (CoC). The combination of Ruggie (2010) and Mamic (2005) therefore enables a framework, rooted in the UN framework and the human rights DD process and combined with the necessary managerial steps for corporate management of implementation, which will be relevant when assessing the current state of human rights in Danish companies.

Similar to Ruggie's DD process, Mamic (2005) presented four steps to ensure efficient implementation and management of a CoC: 1) creating a shared vision, 2) developing understanding and ability, 3) implementing code in the organization, 4) feedback, improvement, and remediation. However, the second step in each of the respective models differs in scope and makes it necessary to split this step into two. This implies that assessing impacts (Ruggie) and developing understanding and ability (Mamic) will be respectively applied as prioritize and building capacity. Figure 1 presents the theoretical framework. The title of each step (i.e. setting the tone, prioritize, building capacity, walking the talk, and knowing and showing) is derived from the Business & Human Rights Initiative's DD guiding tool (2010).

Step 1: Setting the tone

The first key step is to develop a statement or policy (Ruggie 2010). This should clearly communicate the company's commitment to all stakeholders (Business & Human Rights Initiative 2010). At this point, it should also be considered how the policy should be implemented in the organisation: if it should be part of the company's mission or value statement, a stand-alone policy, or part of the CSR/sustainability policy.

Human rights are not an isolated part of CSR, and will most likely influence various issues such as working conditions, community relations, corruption, and environmental considerations (Buhmann et al. 2011). Ruggie (2010) emphasizes that no rights should be judged as inferior prior to an impact assessment; however, for the context of this paper, human rights will include both human rights and labor rights. The reasoning behind this is rooted in the close connection between the two. In the UN Global Compact (UNGC), human and labor rights are treated as separated entities, however, this separation is often difficult to make, as the two are highly interrelated. Labor rights are basically human rights applied to the workplace. Thus, in this paper, human rights are defined as including the four principles of labor rights from the UNGC: the freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced and compulsory labor, the effective abolition of child labor, and the elimination of discrimination in employment and occupation, as well as general working conditions (hours, wages, safety).

Mamic's first step, creating a shared vision, entails the process of demonstrating a commitment and is an overall aim of the CoC, much similar to formulating a human rights policy. Stakeholder consultations and involvement—especially of suppliers or contractors who will have to carry out the standards—are central to this development. Stakeholder involvement is emphasised as a means to facilitate problem-solving and consensus building (Freeman 1984), and interested stakeholders play an active role in setting the norms, and should therefore be consulted to determine their expectations and how companies can meet them.

The conceptualisation of CSR—and human rights—and in particular, stakeholder involvement, is therefore vital in this phase. Companies undoubtedly already have many existing polices addressing human rights e.g., hiring schemes, health and safety, product safety. This initial step will, in most cases, not mean a complete overhaul of systems, but rather an assessment and systematisation of existing policies (Ruggie 2010).

Step 2: Prioritize

The second step in the human rights DD process is about assessing impacts, which means identifying the business areas where the company has an impact on human rights (Business & Human Rights Initiative 2010). The framework is very explicit about not deeming any human rights inferior prior to a risk assessment, but identifying the risk areas and prioritizing actions to mitigate

them. The UN framework uses the concept 'sphere of impact,' arguing that a company's responsibility is valid whenever its activities have a potential or actual impact on human rights. Ruggie outlines three factors that determine the scope of the responsibility to respect human rights: the company's own activities, the company's relationships (with suppliers, contractors, customers, and governments), and the country and local context of operation (and its social, economic, and political factors) (2009).

Companies cannot be responsible for all human rights violations, but should thoroughly assess the contingent factors: its activities and industry, its supplier relations, and the context of its operations, to ensure that the risk areas will be addressed by the policy. A contingency approach seems valid in determine the relevant factors (Husted 2000; Galbraith 1973) and the different contingencies will be elaborated later in this paper. The impact assessment is crucial as a means between creating the human rights policy and setting up the appropriate systems for compliance.

Step 3: Capacity building

Resting on Mamic's second step, developing understanding and ability, this phase is about disseminating awareness, understanding, and implications of the human rights policy to all relevant internal and external stakeholders. It is thus about building internal capacity through communication and training of the relevant parties (Mamic 2005). Besides merely disseminating the content and principles of the policy, the implicated parties should also gain an understanding of why the issue is being addressed, what the implementation will mean for the specific employee, and how senior management has committed to it.

This step therefore encompasses the importance of building capabilities and knowledge throughout the company, in order for the policy implementation to be efficient and effective (ibid.). Due to the focus on companies' capabilities for taking on a more systematic approach to their work with human rights, it is relevant to introduce the resource-based view (RBV) of the firm (Wernerfelt 1984; Penrose 1959; Barney 1991). RBV argues that sustainable competitive advantage derives from resources and capabilities that are valuable, rare, imperfectly imitable, and nonsubstitutable (Barney et al. 2001). These resources can be viewed as bundles of both tangible and intangible assets.

Building capacity and ensuring training and communication throughout the company on a continuous basis ensures that the new policy will be disseminated to all relevant parties. It further ensures that all relevant parties

have the sufficient knowledge and capabilities to act in accordance with the human rights policy.

Step 4: Walking the talk

This is the actual implementation step, where the human rights policy and its priority areas are put into practice. This is ultimately about assigning responsibility and resources to the different business operation and functions, and setting up relevant systems for compliance. Assigning responsibility to a specific person or department and having them drive it through the organization can be an initial starting point for a full corporate integration (Business & Human Rights Initiative 2010).

Although there might be some overlap between capacity building and integration in terms of dissemination, the difference lies in disseminating knowledge and training—i.e. capabilities—and disseminating the actual policy and systems for this. The capabilities mentioned above are therefore a necessary prerequisite for disseminating the policy and having people adhere to, comply with, and execute it. Coherent with the contingency argument above, Mamic (2005) reveals some features upon which the appropriate structure is contingent: size of company, existing reporting arrangements, budgets, organizational structure, and history and culture of the company. Creating a company culture that adheres to this new policy also involves a consideration of aspects such as recruitment, hiring practices, and incentive and appraisal systems, in order to ensure compliance through all functions—regardless of their individual risk level (Ruggie 2010).

Step 5: Knowing and Showing

Finally, in order to account for how the companies address their human rights impacts, they should be prepared to communicate this externally. This is especially evident for companies whose operations or operating contexts pose risks to human rights, and it is recommended that they report formally on how these risks are addressed (Human Rights Council 2011). It is therefore useful to revisit the impact assessment in determining what to report, as it highlights the highest risks to human rights, which will most likely be the area of greatest interest to various stakeholders (Business & Human Rights Initiative 2010). Internally, compliance and monitoring of performance in relation to the policy are critical for its functioning and effect. Without a proper data collection system the company will not be able to discover and act upon noncompliance incidents (Mamic 2005).

Hess introduced the three pillars of social reporting: disclosure, dialogue, and development. Through stakeholder dialogue the corporation identifies the necessary changes, alters its behavior and responds appropriately, and discloses new information reflecting the advanced corporate behavior, which starts the process over again (2008).

It is essential that the data collected is representative of the risk areas of the company and thus in coherence with the human rights impacts. The performance of a company is not only relevant for internal compliance, but constitutes an increasingly important factor in the external stakeholder dialogue and evaluation of a company. Reporting, and reporting on all relevant aspects—not just the favorable ones—is critical in order to provide a full picture of the company, and it further encourages stakeholder interaction and ultimately corporate moral development.

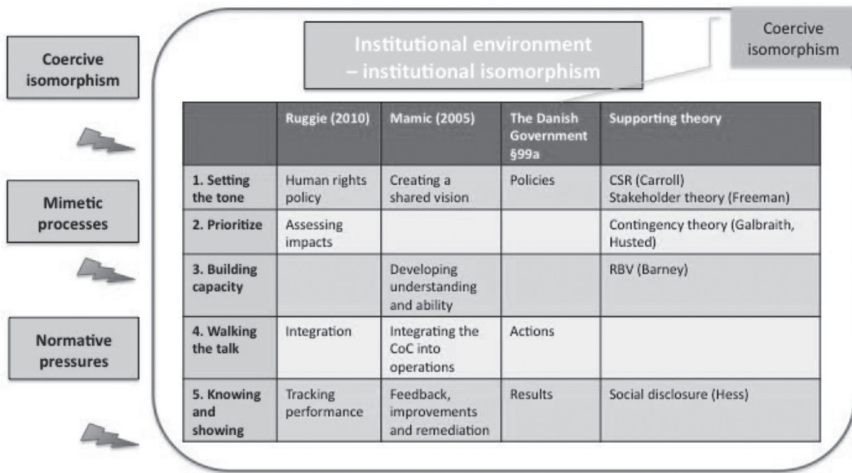The theoretical framework is summarized in figure 1.

	Ruggie (2010)	Mamic (2005)	The Danish Government §99a	Supporting theory
1. Setting the tone	Human rights policy	Creating a shared vision	Policies	CSR (Carroll) Stakeholder theory (Freeman)
2. Prioritize	Assessing impacts			Contingency theory (Galbraith, Husted)
3. Building capacity		Developing understanding and ability		RBV (Barney)
4. Walking the talk	Integration	Integrating the CoC into operations	Actions	
5. Knowing and showing	Tracking performance	Feedback, improvements and remediation	Results	Social disclosure (Hess)

Figure 1 Theoretical Framework

Methodology

The research has been designed as mixed methods research, combining both quantitative and qualitative techniques (Johnson and Turner 2003).

The primary qualitative data set is composed of two groups of interviews. The first is composed of explorative interviews with Amnesty International and The Danish Confederation of Danish Industries (DI), which served to supplement the analysis of the institutional environment. Amnesty was chosen due to its status as an influential NGO focusing on human rights, and

could therefore provide the more critical aspects on the current corporate approach to human rights. DI provided the business angle on human rights. As a strong industry organisation, DI also guides and assists companies on CSR issues—among these human rights. DI was therefore useful in highlighting the challenges and concerns businesses have regarding human rights. The interviews were semi-structured.

The second qualitative dataset was interviews with four selected companies, which provide a deeper understanding of the considerations and influences behind their human rights approach, and broaden the focus to include other potential factors contributing to the specific focus on human rights. The companies were selected as best in class from the sample of reporting companies (see below).

A quantitative survey of a selected sample of Danish companies' human rights reporting provides a representative picture of the current reporting practices and approaches to human rights. In December 2008, the Danish parliament introduced an amendment to the Danish Financial Statement Act, obligating all private as well as public enterprises to include information about their work on CSR in their annual reports. The law took effect with the 2009 financial year. The law applies to all companies in accounting class D (approx. 175 companies), which have securities traded on a regulated market in EU/EEA member states. Companies in accounting class C (approx. 1,250) shall report if they exceed at least two of the following criteria (DCCA 2010):

- Total assets/liabilities of 19.2 million Euro
- Net revenue of 38.3 million Euro
- An average of 250 full-time employees

Companies must account for CSR in three ways (DCCA 2010):

1. Policies: The company must disclose information on standards, guidelines, strategies, etc., that describe the company's work on CSR.
2. Actions: The company must describe how the CSR policies are translated into action and related management systems, evaluations, certification schemes, etc.
3. Results: The company must provide information on the achievements from the CSR work, as well as expectations for the future (if any). However, the company is not required to assess the financial results of CSR.

The quantitative analysis is based on a sample from a survey on CSR reporting for the first year of mandatory reporting (Neergaard and Peder-

sen 2010). The sample constitutes 10 percent of large Danish companies in accounting class C (125 companies) and D (17 companies). The companies were randomly sampled from the gross lists of the Danish Commerce and Companies Agency's list of those accounting classes (for more information on the methodology see Neergaard and Pedersen 2011).

In 2011, a similar study was made, but with a focus on tracking the changes and improvements. In order to ensure a longitudinal study, this report is based on the same sample of companies as in 2010 (Neergaard and Pedersen 2011). From 2009 to 2010, 5 companies dissolved and another no longer falls under the legal requirement due to a decline in its turnover. The total population of the 2011 survey is therefore 136 companies (Neergaard and Pedersen 2011). Of the 136 companies, 119 reported on CSR, meaning that 17 companies did not comply with the law. Of those 17 companies, 15 do not work with CSR, bringing the number of companies working with and reporting on CSR down to 104 companies. Among these, 74 had policies on CSR and 31 had policies regarding human rights. These 31 companies compose the sample for the second part of the analysis—the quantitative analysis of the companies' current human rights approach.

In order to explore the effect of contingencies explaining the behavior of companies, the 31 companies are grouped into two, depending on the risk level of the operational context. One group—the low risk—(13 companies) operates primarily in Denmark or Western Europe. The other group—the high risk—(18 companies) operates globally and in developing countries associated with a higher level of human rights risks.

Findings

The findings will be reported according to the research questions addressing the institutional pressure, the contingencies explaining the behavior of different firms, and how responsive Danish firms are in terms of implementing the Ruggie framework.

Institutional pressure

The most compelling institutional pressure in terms of broader CSR issues was the Financial Act §99a, which sought to make companies conscious of the responsibility they hold and seems to have encouraged a more structured, extended, and explicit approach to CSR. Reports on its effect showed an increase in both the quantity and quality of social reporting and also in terms of human rights reporting. According to a global survey conducted by KPMG, CSR reporting among the hundred largest companies in the thirty-four coun-

tries studied has increased from 53 percent in 2008 to 64 percent in 2011. For Denmark alone, the development over the three years showed a remarkable increase from 24 percent to 91 percent (KPMG 2011). This drastic increase can be attributed to an increased public attention to CSR, but more likely to the effect of the Financial Act. Looking at human rights and labor standards alone, there is a significant increase in companies reporting these actions. These figures have increased from 16 percent in 2009 to 38 percent in 2010 for human rights, and from 16 percent to 35 percent for labor standards. Thus, as the figures for both the quantity and quality of the reports are increasing, this could indicate the positive influence and effect of the act.

The four company interviews further confirmed the influential character of the act, as three of them had found it necessary to strengthen and elaborate on their (partly) existing initiatives. The act has therefore not only been coercive in terms of companies disclosing CSR information, but also in terms of advancing the foundation of the disclosures. This is perceived as a vital element in a more explicit CSR approach (Matten and Moon 2008). The UN framework, despite its incorporation and support from both national and inter-governmental institutions such as the Danish Government, DI, Amnesty, the EU, and OECD, was not perceived as a distinguished external pressure by the companies interviewed. This can be ascribed to the newness of the framework and the fact that the businesses were unsure what compliance would entail. The trend among Danish companies in terms of human rights has hitherto been highly standardized and generic, this is also confirmed through the analysis of the human rights reporting (see next section).

Through mimetic processes and normative pressures, the UNGC has reached an almost mandatory role when working with CSR. In 2009, 13 percent of the companies studied were members of UNGC. In 2010, the number increased to 20 percent (DCCA 2011). Despite its six principles concerning human rights, these rights are primarily interpreted as pertaining to the working environment and health and safety. This implicit approach to the 'core' human rights is rooted in the regulative Danish context, where the state has strongly enforced these rights, and where company initiatives have not been needed. Both Amnesty and DI further emphasised that there is a resistance among Danish companies to explicitly claim social responsibilities and that the companies would rather ensure their own house is in order without necessarily having extensive systems or procedures in place and without explicitly having to report these activities. The act, and now the UN framework challenge this, as greater efforts are required to disclose

the activities, and more importantly, to be fully aware of and control the impacts of their business. Nonetheless, although Danish companies are more inclined to implicitly work with human rights—whether by not disclosing information or by the lack of formal policies in place—the UN framework has now imposed on all companies that through DD they must be capable of documenting their impacts and actions. As this advances, it is most likely that these efforts will be included in the social disclosures, which will serve as an inspiration for other companies that will then mimic the efforts, and the UN framework will slowly become institutionalized.

How different contingencies contribute to explain company behavior

From the analysis of the samples reporting on human rights, it quickly became apparent that the extent of human rights efforts varies greatly. By dividing the sample into two groups (risk and non-risk), depending on the geographical context of their business operation, it was possible to draw some general patterns and differences in how human rights are approached.

The entire risk group had a human rights statement (step 1), whereas this was only the case for approximately 40 percent of the companies in the non-risk group. Without exception, working environment and health and safety were the most frequently mentioned issues for both groups. From the analysis it is apparent that the human rights work is highly contingent upon the industry and geographical context. This implies that some of the risk-group companies were more explicit about the first six principles of the UNGC and listed these in terms of the company's commitment. The non-risk group is not facing issues regarding freedom of association and collective bargaining for employees or eliminating child labor, as these are ensured through national legislation. This group therefore placed less emphasis on explicating how the issues were connected to their business.

Stakeholder dialogue is essential in order to target efforts and gain feedback and knowledge from stakeholders concerning specific issues. The ability to determine the expectations of the stakeholders is important to companies. An open dialogue was emphasised by a larger part of the risk group than by the non-risk group (61 percent and 23 percent) and was for the latter primarily dealt with in terms of employees. This can be seen as a reflection of the 'safe' environment of operation in the non-risk group, where the understanding of standards of business conduct is more even across the business and stakeholder groups.

In terms of assessing impact, building capacity, integrating and involving management, and implementing the necessary systems and procedures to

ensure policy execution, the risk group was leading the way (steps 2–5). The risk group generally showed a more tailored and integrated approach to all five steps of the analysis, through company-specific tools, various training methods, and a higher degree of transparency in terms of reporting on results. Given the context of their operations there is also a much higher urgency for these companies to take on a more proactive and extensive human rights approach than for the companies in the non-risk group. A few companies in the risk group stand out, those who have systematically assessed and defined their risk areas; have created extensive human rights policies; have numerous systems, procedures, and actions in place; and who openly report about their progress and performance.

The nature of human rights makes reporting results and achievements a more complicated matter than, for example, environmental issues, which have been on the public agenda for several years, and which might be more tangible and easier to collect data about (step 5). Yet, when looking closer at the sample, the majority of the companies were able to report on their results. The reported results generally adhered to the described policies and actions, but depending on the industry and context of the company, however, they primarily included a narrow range of indicators concerning occupational injuries and accidents. The limitation of primarily reporting and dealing with accidents means that a large group of stakeholders are not receiving the information they are most concerned about, and have no chance of engaging in a constructive and fact-based dialogue with the company. Thus, a more explicit focus and dedication—especially from the risk group—concerning other human rights perspectives that they face in the global world (child and forced labor, unionized employees, etc.) would provide a clearer and more correct presentation of the company, and will also be required by the UN framework. As Hess and Dunfee (2007) argue, when information is left out, stakeholders might get the impression that the company is trying to hide something, thus, although it might be difficult, the companies should strive towards including *all* information on *all* the initiatives and actions they take, even if these have not yet proved successful. The risk group should focus greater attention on addressing their policies towards the governance gaps that exist between the states, i.e. the non-enforced laws or regulations concerning freedom of association, child or forced labor, working hours, etc. As the risk group works in a remarkably different context than the non-risk group, this should be clearly reflected through their reporting, too. Although, as we have seen, differences do exist between these two groups, there is definitely room

for improvement and greater focus on measuring the effect of the numerous manuals and policies the risk group have in place. That being said, the analysis showed that a few of the leading companies are actually very far ahead in terms of having addressed their risk areas, developed tools for mitigating the effect of these areas, and the ablility to track their performance.

Thus, Ruggie's claim that most companies already work with human rights without necessarily being aware of it and that a human rights DD process does not necessarily force companies to start from scratch, is confirmed in this analysis. However, there is still a significant need for a more systematic approach to human rights, and to fully recognise the areas impacted. The use of risk evaluations and impact assessments were only seen in a few cases, however, with mandatory reporting on CSR, it is most likely that the companies will work towards improving their reports from year to year, and seek inspiration from some of the leading companies. The wide use of the UNGC could also positively affect the number of companies explicitly claiming human rights responsibility, as the compulsory UNGC Communication of Progress (COP) report ensures that progress and initiatives are described.

How responsive are Danish companies in terms of implementing the framework?

Respecting human rights have, prior to the effectuation of §99a, been an implicit notion of how Danish companies do business, but §99a was able to foster a more explicit approach to overall CSR, and herein also to human rights (Matten and Moon 2008). However, as mentioned, the human rights issue is still primarily interpreted as working environment and safety, and as such does not explicitly target the various other rights. The interviews with the front runner companies disclose that only one company planned to initiate a DD process in 2012, the remaining companies had no concrete plans as to when and how to address the framework. It seems to be rooted in a common misinterpretation of the framework as something companies sign up for or choose to embrace if it is applicable to their activities. There also seems to be a general level of confusion concerning its extent, and the intimidation of suddenly being held accountable for a much broader range of human rights issues than those previously considered. The hesitance towards the framework can further be seen in the context of the general assumption that it might not be relevant to the specific business area, or that human rights are already managed through the focus on working environment and safety. This reinforces the implicit approach to human rights, and the perception that by virtue of the Danish regulatory environment, the companies are well

aware and familiar with how to deal with human rights. However, this is not the case, and especially the risk group must recognize the distinct conditions they operate under, where the corporate responsibility in some cases is the only institution protecting human rights. The indecisiveness towards implementing the framework is therefore a response to uncertainty, to a lesser extent due to how this task should be accomplished, but more in terms of what it will imply. Only one company is ready to embrace the framework in 2012 due to normative pressure. Thus, the responsiveness and preparedness for Danish companies are relatively low at this point but it is evidently rooted in insufficient knowledge of the content and scope of the framework.

Conclusion

No doubt, human rights are important for Danish companies to respect and it has always been a concern which they have inherently dealt with. The unfamiliarity with having to explicitly and actively target issues such as employees' right to organize and collectively bargain and forced labor and child labor can be attributed the Danish or European origin of a state-regulated system enforcing these rights.

However, as the playing field is changing and an increasing amount of companies operate globally, there is a need for a more managed and explicit approach. As the situation is now, the companies are not particularly concerned about the UN framework, and a precondition for changing this seems to be the creation and expansion of a normative base that can build the necessary capacity to fully comprehend the framework's implications. Particularly, it is important to change the perception of the framework as something that should be adopted, to what it really is: a common baseline for companies' human rights responsibility. The institutional field of CSR in Denmark is currently changing towards a more explicit notion, and in line with this, the UN framework has created an expected standard of conduct where companies worldwide are obliged to take a more explicit responsibility for human rights. The UN framework does not imply that companies should improve or advance on human rights disclosure, however, in light of §99a and the increasing transparency of companies' CSR activities, a few frontrunners of disclosure can potentially inspire and guide other companies' internal work with human rights, and as thus be a step towards institutionalising the full palette of human rights issues that companies have an impact on. As both Danish and national initiatives are currently encouraging and integrating the UN framework in common guidelines and institutions, its presence will be

indisputable, and eventually win over the hesitating Danish companies in its institutionalization.

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