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Social Reporting & NCAA

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Abstract

The National Collegiate Athletic Association (NCAA) has produced an effective model at delivering and managing college athletics in the United States. The NCAA has faced overarching criticism about the business model that is implemented by its member institution athletic departments; a business model that focuses solely on revenue generation and neglects the attributes of participation and academic achievement (Gaul, 2015). The rise of non-financial reporting in Europe, especially France, presents a model of non-financial reporting that could be followed by the NCAA. The French Grenelle II Act framework is adapted to the NCAA in this paper for its relevant possibility to increase transparency in business actions for stakeholders (R. Eccles, 2012). The one-report reporting format is introduced as an effective, means to be communicate to stakeholders because of its diversified use of multiple communication mediums (R. G. Eccles & Krzus, 2010). The use of social media by athletic departments could present a strategic advantage for athletic departments in the sharing of information with stakeholders. The purpose of this paper is to introduce a framework that can be applied to the NCAA to enhance the stakeholder communication and enhance organizational ethical practices.

Keywords: Corporate Social Responsibility, NCAA, Transparency, Social Impact, Governance

College athletics in the United States has become a big money business with the National Collegiate Athletics Association (NCAA) producing over $1 billion dollars annually, generated predominantly from the Men's basketball tournament. Individual member institutions of the NCAA are amassing millions annually with some generating over $100 million, according to the United States Department of Education Equity in Athletics database. In early 2014, the five largest conferences at the NCAA Division-I level, according to financial performance, were granted autonomous freedom from some of the rules of the NCAA, in an effort to control their own financial futures. The five largest conferences at the NCAA Division-I level were named the "Autonomous-Five" because they sought autonomy over their ability to make decisions, protecting their financial and governance interest (Bennett, 2015).

The NCAA has created a culture of compliance amongst its member institution athletic departments (athletic departments) through the rigid enforcement of policies that govern collegiate sport in the United States. Each athletic department contains a compliance officer, who is responsible for self-reporting infractions to the NCAA and ensuring compliance of NCAA policies at the athletic department level. The compliance programs in the NCAA have been found to be effective but greater attention must be paid to expanding personal integrity and ethics of individual actors in the athletic department (Marsh, 2014).

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The calls for enhancing ethics training for individual organization actors has been expressed outside of the NCAA in the business environment, calling for increased integrity amongst employees and the creation of an effective organizational culture (Linda K. Trevino & Brown, 2004). The rise in business status of college athletics makes it appropriate to apply business models to athletic departments.

In a time when it is necessary to expand the ethical ground in college athletics, the application of business ethics to college athletics is applicable. The purpose of this paper is to apply the French Grenelle II Act (Act) to athletic departments to increase non-financial reporting and greater transparency for stakeholders. Stakeholders are critical to the overall success of the athletic department as well as any other form of business, argued by Singh and Bussen (2015) as being the most powerful component of a company; stakeholders have the ability to impose direct or indirect sanctions on the company.

The paper is the first attempt in the literature to apply an existing non-financial reporting framework to the NCAA member institution athletic department. The French Grenelle II Act is the ideal model to utilize in applying to athletic departments due to the extensive touch points that are measured in non-financial reporting; it also was the precursor to the newly adopted European Union non-financial reporting law (Doucin & Besse, 2013; Morris & Baddache, 2012). The application of the Act to athletic departments is essential because it emphasizes a unified and integrated reporting method for both financial and non-financial metrics (R. Eccles, 2012). The introduction of a unified reporting system athletic department will be composed in congruence with stakeholder theory; especially the element of stakeholder management in the Enterprise Strategy introduced by Freeman, Harrrison, and Wicks (2007). Framing the new model for integrated reporting in athletic departments around stakeholder theory will ensure that the model meets stakeholder's needs for information regarding their athletic department.

The application of non-financial reporting has been shown to increase transparency from the firm to its stakeholders, especially when it is tied to executive compensation (Bodolica & Spraggon, 2009; Dhaliwal, Li, Tsang, & Yang, 2011). Applying additional measures to the compensation structure of executives can impact the overall organizational culture of a firm, due to the executive creating the tone from the top for internal stakeholders and shape public perception to external stakeholders (Schein, 2010). The need for increased reporting standards is evident from the confusion that exist from stakeholders of athletic departments who do not understand the massive amounts of capital that are consumed for college sport.

Sport presents a unique business environment for managers to work in due to the societal pressures that can govern daily operations(Simon, Torres, & Hager, 2014). It is not to say that societal pressures to not govern operations of traditional businesses, but the director of the athletic department must employ the full-range leadership style to adapt to the ever changing landscape of society that can impact the labor force of their athletic department (Scott, 2014). The athletic director manages an organization where the primary means of generating revenue is through the production of an entertainment service, which when their teams are not displaying positive results on the field or court are likely to see a large decrease in revenues into the athletic department. The stakeholders of the athletic department have reported displaying a large level of attribution and self-identity with the athletic department and will quickly cut attribution ties to preserve their perceived self-value (Campbell Jr, Aiken, & Kent, 2004; Kwon, Trail, & Lee, 2008). While the stakeholder of the athletic department may not consciously consider the full makeup of the athletic department when they are a fan, positive mediation and reporting of ethical actions could impact their tendency to cut attribution ties and no longer be a stakeholder of the athletic department (Wann & Branscombe, 1990). The need for increased reporting of non-financial actions of the athletic department could be an effective tool to manage stakeholder attribution to the athletic department.

Stakeholders of Athletic Departments

Stakeholders of an athletic department vary in their interaction, interest, and influence over the organizational outcomes of an athletic department. Scholars have provided a guide for understanding stakeholder influence and interaction with an athletic department, providing a framework for understanding stakeholder salience. In the paper, we rely on the framework provided by Freeman, Harrison, & Wicks (2007) to understand stakeholder influence and interaction with athletic departments.

Freeman et al.'s (2007) framework breaks stakeholders into four groups: Swing, Cooperative Potential, Cooperative Threat, and Hold. A stakeholder that was classified at Swing could either be benefical or detrimental to the organization, often conceptualized as governmental agencies or rule making bodies.

Cooperatifve Potential stakeholders are those that have the potential to be adversaries to an organization, but with the organization works with the adversary stakeholders it can lead to innovation and advancement for the adversary stakeholders and the organization. Cooperative Threat stakeholders are those who do not want an organization to change, conceptualized as supporters or cheerleaders of the organization.

Hold stakeholders are conceptualized as those who do not fall into the other categories at a given momement, but are able to jump to either category depending on the actions of the organization. An athletic department can have a wide variety of stakeholders, the following display is our attempt to provide a rationalization of where stakeholders would fall based on our experience and interaction with college athletics. Table 1 provides a breakdown of where we conceptualize stakeholders aligning with an athletic department. The table is a gernalization of stakeholders for an athletic department, each athletic department is unique and their own stakeholder anlaysis could be differnet from this representation.

The dynamic of college athletics presents a wide varity of stakeholders that can be increasingly difficult to understand different segments in a stakeholder group can demand different things from the athletic department. It is reflected in Table 1, where local community members could either be Cooperative Potential, Cooperative Threat, and Swing stakeholders. We intend this representation to be a guide for the reader in understanding how non-finanical reporting could be utilized by various athletic department stakeholders.

Table 1

Classifying Stakeholders to the Athletic Department

Stakeholder Group	Swing	Cooperative Threat	Cooperative Poteential	Hold
University Faculty			X	
University Administration		X		
University Students		X		
University Staff		X		X
NCAA	X			
Athletic Department Boosters		X		
Sports Media			X	
Local Community Members		X	X	X
United States Department of Education	X			
Athletic Department Sponsors		X		

A Review of Financial Reporting in the NCAA

Annually, each athletic department that receives funding from the Federal Government must produce a report detailing athletic participation, staffing, and revenues and expenses, by men's and women's teams; submitted to the United States Department of Education (U.S. Department of Education, 2009). The information is required by the Equity in Athletics Disclosure Act and is intended to provide information to Congress on the gender equity in college athletics. It is the only means by which stakeholders can access the financial reporting of the athletic department outside of submitting a Freedom of Information Act notice to retrieve the full report from the athletic department. The information that is reported by the United States Department of Education in the Equity in Athletics database is the total figures for the categories listed above and does not provide detailed information regarding revenues and expenses. The lack of transparency displayed by athletic departments and the NCAA governance structure has prompted critiques of the financial reporting displayed by the athletic departments.

The calls for increased financial reporting and updated accounting standards for athletic departments center around the quality of information shared with stakeholders. Stakeholders are often left befuddled as to how athletic departments fail to report a positive net income annually with the large sums of money that are being introduced to athletic departments through multi-year billion dollar television contracts (McEvoy & Morse, 2013). In 2010, it was reported that only the top 6% of schools produce a net income annually, an analysis in 2014 displayed that the top 20% of schools in the FBS division of the NCAA produce a net income (Lawrence, Gabriel, & Tuttle, 2010; Schlereth, Scott, & Berman, 2014).

Athletic departments are generating revenue with profit margins of up to 60 to 75%, but the most common business practice is to spend more than is produced, leaving the majority of athletic departments operating in the red(Gaul, 2015). The reporting that exists for athletic departments is one that is done to comply with Title IX requirements, but does not provide detail in the financial actions of the athletic department. Due to the athletic departments falling under the United States Department of Education, they are not held to the same reporting standards as other publicly traded corporations as laid out by the Security and Exchange Commission. Athletic departments are left to manage their finances according to their parent university guidelines, which can lead to confusion amongst stakeholders.

The advocacy group, "Drake Group," took efforts to work with Congress to develop legislation to create a Presidential Commission on College Athletics; advocating for many changes but one of note for this paper is increased financial reporting, but not providing a means to disseminate this information to stakeholders who sought this information (Gurney, 2016).

The One Report model is the conceptual framework that will be utilized in this paper to propose a new reporting standard for athletic departments (R. G. Eccles & Krzus, 2010). The model of social reporting as laid out by the Act will be the model that provides the framework for non-financial reporting by athletic departments.

French Grenelle II Act

The French Grenelle II Act provides a practical and proven model for the NCAA member institution athletic departments to follow in creating a model for social reporting. The Act was the benchmark for the European Union in its ability to established a non-financial reporting standards for the entire EU (Business & Human Rights Resource Centre, 2014; European Union, 2014). Since 2001, French listed companies had to report on a comprehensive framework that includes environmental, social, and governance indicators (Doucin & Besse, 2013; R. Eccles, 2012). The Act was groundbreaking in that the non-financial information that is reported must be embedded into the annual management report, approved by the board of directors, and audited by a third party body (R. Eccles, 2012).

The model initiated a one-report method for reporting all data about the firm, furthermore it enacted audited verification of the material being reported by the firm. The reporting indicators of the Act provide an encompassing perspective of a firm's non-financial behavior.

The Act's indicators include those that cover environmental, social, and governance. The three indicator categories provide through examinations of a firm's social behaviors, by measuring 46 sub-indicators included in the three overall categories (Morris & Baddache, 2012). The main purpose of the indicators is to increase the level of transparency from firms while imposing overall indicators to display the firm's behaviors, but does not require specific details; an example is the firm's requirement to report "frequency and seriousness of incident" but does not require a reporting of the Lost Time Incident Rate (R. Eccles, 2012). The vagueness of the reporting structure should encourage firms to be compliant and increased transparency for stakeholders. The reporting structure of the Act has been tied to CEO compensation in French firms, leading to an increased participation rate and increased quality of data reported by the firms (Doucin & Besse, 2013). Linking the reporting to CEO compensation is a novel concept but has its drawbacks in that investors and stakeholders could be hesitant to accept the report as face value because of the "pay-for-performance" structure; it was suggested to have a means to authenticate or audit the report to ensure authenticity of the data (Brown-Liburd & Zamora, 2015). The goal of reporting non-financial aspects of the firm is to increase the overall transparency to investors and stakeholders.

The increased transparency for stakeholders is achieved through the numerous indicators that are included in the Act. The framework consists of 46 sub-indicators, which enhance the three overall categories. The environmental category contains categories that are pertaining to overall environmental policy of the firm, pollution and waste management, sustainable use of resources, climate change, and biodiversity preservation.

The social category of the Act framework contains categories such as: employment, organization of work, labor relations, occupational health & safety, training, and equal treatment. The governance section of the framework contains categories such as: regional, economic, and social impact created by the activity of the company, stakeholder relationship, subcontracting and suppliers, fair operating practices. The sub components of each category provide detailed guidelines, which aid in the level of transparency for stakeholders.

Increasing the overall level of transparency for stakeholders is describe to be an effective means of managing various stakeholder viewpoints and issues (Freeman, Harrison, & Wicks, 2007). Transparency is a critical component of managing stakeholders, the transparency generated by the Act provides stakeholders with the increased knowledge necessary to understand the firms actions (Morris & Baddache, 2012). The non-financial reporting conducted by the firm using the Act as its framework grants that ability to be compared with other firms from its industry.

Critics of the Act have described it as toeing the line between compliance and ethics, calling for balance in reporting; highlighting the need for issues to be linked to indicators provided in the Act (Morris & Baddache, 2012). The reporting style of the Act is a critical component because it is the means in which the data is consumed by the stakeholder; the formatting must be one that grants them with the information they desire in an easy to access format.

The attempt to increase the overall level of transparency can be done through a one-report format of reporting. The one-report format was introduced by Eccles and Krzus (2010), and highlights the ability of the format to effectively communicate non-financial and financial data in one concise report for stakeholders. The main focus of this format for reporting is to increase the overall transparency to stakeholders. One Report Style of Reporting

The one-report style of reporting is a concise report that contains all pertinent information presented in accordance with recognized accounting standards from the Financial Accounting Standards Board and International Accounting Standards Board for financial information. Eccles and Krzus (2010) in their book *One Report* define one-report as combining a firm's financial and non-financial reports into an integrated report in the firm's annual report. The authors stressed the fact that it does not have to be one document but a means of providing enhanced narratives and the use of other mediums such as the internet to increase overall transparency to stakeholders. The overarching criticism of non-financial reporting is the lack of a universal standard for reporting; the United Nations has implemented the Global Reporting Initiative and UN Compact, but critics still demand greater modes for materiality in reporting (R. G. Eccles, Krzus, Rogers, & Serafeim, 2012; Perrini, 2006; Skouloudis, Evangelinos, & Kourmousis, 2010)

A lack of a central regulatory and audit standards leaves the door open for fraud in reporting non-financial data; the understanding that if fraud is present in the report, it could damage the relationship with stakeholders. Persons (2006) in an analysis of corporate non-financial reporting found the likelihood of non-financial reporting fraud to decrease in the firm when the following conditions exist: 1. The Board of Directors has a large proportion of outside directors, 2. The Chief Executive Officer and the director of Board of Directors are not the same person, 3. The Board of Directors is small, 4. The CEO tenure on the Board of Directors is long, and 5. Profitability is high. The demand for the common accounting practices for non-financial reporting are essential for the overall effectiveness of the one-report method of reporting (R. G. Eccles & Krzus, 2010)

Financial reporting is a very complex process that many people do not fully understand unless they are an accountant or are immersed in the financial industry. The ability to effectively communicate with stakeholders is an essential component of managing stakeholders, it was found that when stakeholders are examining financial reports, the seek clarity, messages backed up by evidence, plain speaking, plain English, good table of contents, clear linkages between narrative section and financial statements, and integrated structure (Price Waterhouse Cooper, 2006). The linkage between financial and non-financial reporting is the exploration and discussion of intangible assets; non-financial reporting is described as reporting the intangible assets that account for 25 to 35 percent of a firm's market value but are not included in the balance sheet for the firm (R. G. Eccles & Krzus, 2010).

Intangible assets play a critical role in the reporting of non-financial actions, as they are assets that are non-physical and have the potential to create value. Examples of intangible assets are human capital, intellectual capital, brand, and customer loyalty (Cohen, 2011). Wyatt (2008) provided a framework for addressing what is intangible stating that research and development related to intellectual property, human capital, advertising and brands, customer loyalty, competitive advantage, and goodwill satisfy intangibles for the firm. The term intangible asset from 1989 to 2008 saw an increase of under a 1,000 mentions in printed periodicals in 1989 to over 30,000 in 2008 (R. G. Eccles & Krzus, 2010). The increase in word appearance could be a correlational indicator to the increase in attention paid towards increased accounting of non-financial actions.

The one-report model, introduced by Eccles and Krzus, takes liberty in suggesting that external reporting is an extension of stakeholder theory as introduced by Freeman's 1984book *Strategic Management.* It is the belief of the author that the position of Eccles and Krzus on external reporting is an extension of Freeman's *Strategic Management*, because in the 2007 book *Managing for Stakeholders* by Freeman, Harrison, and Wicks, a detailed outline is given on how to effectively manage stakeholders in the organization based on four categories (Hold, Cooperative Potential, Cooperative Threat, and Swing). The term stakeholders has seen a drastic rise in appearance in printed periodicals from 1989 to 2008, with the significant increase coming between 2000 to 2008 with an increase of 80,000 appearances.

The increasing appearances of stakeholders in the periodical publications also serves as a correlational indicator to the increased attention being given to organizational stakeholders that exist both internal and external to the organization. The one-report model serves as vessel in which the Act can be distributed to the various organizational stakeholders for the athletic department. The integrated components allow for the rapid distribution and dissemination to the stakeholders. The beginning of this paper provided the theoretical framework that will be utilized in the remaining aspects of this paper to apply the Act and the one-report model to athletic departments.

French Grenelle II Act & Athletic Department Reporting

The French Grenelle II Act was selected for use as a framework for athletic departmentsdue to its inclusive nature and nearly 50 indicators. Since this is the first attempt to apply such frameworks to the athletic department or sport in general in the United States, the selection of a proven method that influenced the European Union's model for non-financial reporting appeared to be an adequate framework to use in this paper. The United States does not currently have any standards for non-financial reporting and tends to take a laissez-faire approach to capitalism. The application of a framework from a more socialistic society has the potential to spur greater interaction with stakeholders and the other members of society. The increasing scrutiny of college athletics as a revenue generating machine that does not act in an ethical manner towards its student-athletes has increased the need for a means to report non-financial actions (Gaul, 2015; Weaver, 2015).

The increase in media coverage of college athletics has translated into increased dissemination of athlete misconduct on local, regional, and national media sources, publicizing a negative image of college athletics. The NCAA has a strong compliance program that is effective at providing guidelines, rules, adjudication, and punishment for acts that are against the rules and policies of the NCAA (Marsh, 2014). An effective compliance program is useful at delivering punishment and guidelines, whereas an ethics program can enhance the ethical actions in the athletic department. The increased transparency that is delivered by the Act has the ability to shape the ethical action of the athletic department internal stakeholders as well as enhance the overall perceptions of ethics in college athletics from external stakeholders (Zwetsloot, 2003). Table 2 provides a presentation of each category discussed in greater detail throughout the rest of this paper, providing specific indicators related to each category. Each section is provided into indicator themes followed by individual indicators. The indicator themes are italicized and serve as a grouping mechanism for overall organization. In the development of specific metrics for the measurement of each indicator, the sub-categories could be utilized to tabulate the scores for the specific sections.

The Act contains three main categories: environmental, social, and governance. The three main categories each are relevant to the athletic department and have the ability to inform stakeholders on the overall actions. Each of the three categories will be explained in detail for their relation to the athletic department

Table 2

Environmental Information	**Governance Information**	**Social Information - Community & Social Involvement**
Environmental Policy	***Employment***	***Regional, Economic, and Social Impact Created by the Activity of the Athletic Department***
Organization of athletic department to take into account environmental concerns	Total Employees & Student Athletes	Social Partnership Development with Community Small Businesses
Training and information towards employees on environmental protection	Employees and Student Athletes broken down by gender	Impact of philanthropic actions on the community
Budget dedicated towards environmental protection and environmental risk mitigation	Employees and Student Athletes broken down by age (yrs. in school)	Impact on local and neighboring communities
Pollution and Waste Management	Compensation structure for employees	***Subcontracting & Suppliers***
Prevention, reduction, and fixing of air/water/soil emissions	Compensation by gender	Integration of social and environmental issues within sourcing policy
Prevention, recycling and cutting waste	***Organization of Work***	***Fair Operating Procedures***
Noise pollution and other types of pollution	Actual work time of employees	Actions implemented to prevent any kind of corruption
Sustainable Use of Resources	Absenteeism	***Social Policies and Practices***
Water supply considering local resources	***Occupational Health & Safety***	Incentive structure for coaches to allow athletes to participate in community service hours
Measures to improve energy efficiency and better use of renewable energies	Health and safety conditions at work	Incentive structure for employees to reward for philanthropic actions.
	Frequency and seriousness of incidents	***Stakeholder Relationship***
	Training	Conditions of the dialogue with people or organizations
	Policies implemented regarding training	Philanthropic actions and community involvement
	Trainings implemented on ethics and compliance	Total number of community service hours performed by employees and student athletes
	Total number of training hours	Breakdown of community service hours by athletic team and employment departments
	Equal Treatment	Number of large community service projects done by athletic team or employment department (whole team or department doing one project)
	Measures promoting gender equality	
	Measures promoting the employment and integration of people with disabilities	
	Policy against discrimination	

Environmental .

The environmental category contains the following sub-categories: the environmental policy, pollution and waste management, and sustainable use of resources, climate change, and biodiversity preservation. The proposed model will include all of the following sub-categories except climate change and biodiversity preservation. The two sub-categories are omitted because the athletic department does not provide a product or service that is applicable to these categories. Environmental sustainability has been an increasing researched topic in sport, with great emphasis placed on environmental sustainability and recycling from athletic events and facilities (Casper, Pfahl, & McSherry, 2012; Mallen, Adams, Stevens, & Thompson, 2010).

The environmental category of the framework includes topics such as water and energy consumption, consumption of raw materials, training and information regarding environmental protection, and budget allocation for risk mitigation of environmental issues. The environmental category of the framework is applicable to the athletic department and serves a means to educate stakeholders on the environmental actions of the athletic department. The environmental indicators utilized in the Act framework have relevance to the athletic department. Athletic departments will partner with the solid waste department or sustainability office at their university to aid in the development of a sustainability plan.

Athletic departments are aware of environmental sustainability actions due to the cause related marketing of "green" games or zero waste games (Schlereth et al., 2014). Water use has become increasingly important due to the water shortages that exist in some climate zones in the United States, especially in the Southwest. Stakeholder's awareness of water consumption has the potential to be influential as the price of water continues to rise from local municipalities.

The rising cost associated with utility usage from an athletic department has the ability to increase the demand for an increased budget, just to remain at current levels of energy consumption. Professional stadiums in the United States tend to be renovated or new after approximately 15 years, college stadiums do not follow the same funding structure as professional stadiums and are utilized for many years, often without major renovations (Howard & Crompton, 2014). The increased age of the facilities of the athletic department poses the question of the facilities utilizing more resources due to the lack of energy efficiency. A lack of energy efficient facilities increases the need for allocating greater resources to maintain the facilities. The stakeholder group who should provide the greatest scrutiny of these indicators is the student body of the university, due to the increased fees often levied onto the students to cover increasing athletic department budget line items (Denhart, Villwock, & Vedder, 2010; Grasgreen, 2013; McEvoy & Morse, 2013; Mixon Jr & Ressler, 1995; Thelin, 2000). The indicators in the framework have the potential to provide stakeholders with a working knowledge of the environmental policies and actions of the athletic department.

Governance

The governance category of the Act framework contains the following sub-categories: employment, organization of work, labor relations, occupational health and safety, and training, equal treatment. The sub-categories are all applicable to the athletic department due to the increasing scrutiny of critics relating to diversity in college athletics. A recent report stated that the 2011 to 2012 football season marked an all time low in diversity, but with great pressure from critics, the overall percentage of minority coaches rose 4.4 percent in the following year (Lapchick, 2015). Diversity is not limited to minority coaches and student-athletes, the lack of females in administrative positions in athletic departments has also brought scrutiny of athletic departments (Parnther, Deranek, & Michel, 2015). The governance category of the framework includes wage breakdown among employees, the organization of work time, health and safety conditions at work, policies and training programs, and measures of gender equality. The governance category of the framework seeks to expand the stakeholder knowledge of the internal operations of the athletic department. The governance segment of the Act framework allows for the communication of critical areas such as diversity and gender equality, both areas of concern to scholars. A concern of the authors of this paper is that women's sports are being coached by men, a practice that was common in the early days of college sports (Lapchick, 2015; Simon et al., 2014).

The glass ceiling has been found in the corporate sector but with a large portion of athletic leadership positions occupied be men, the opportunity for advancement in athletic department administration appears to be limited for women (Cunningham, 2009). The leadership style of women has been found in the literature to be one that is often appealing to all organizational stakeholders due to the increased level of emotional intelligence that is displayed, often resulting in women being rated higher than male counterparts at the same jobs (Eagly, Johannesen-Schmidt, & Van Engen, 2003; Scott, 2014). Leadership is a critical component of any organization, with the leadership of the organization serving as the keeper of the organizational culture.

The organizational culture of an organization is integral as it provides the logic and means by which employees know how to react to situational problems (Hinings, 2012; Schein, 2010). The organization and its culture have been described as the barrel in which the employees reside, which can have implications on the behavioral ethics of each employee (Kish-Gephart, Harrison, & Treviño, 2010).

The governance section of the Act framework for athletic departments contains an indicator on ethics and compliance training for employees as well as the overall policies towards training. It is intended to provide the stakeholder with information regarding the ethics and compliance training by including the breakdown of the training delivered. The indicators in this component of the framework present a high level of data to the stakeholders relating to the governance policies that lead to the operation of the athletic department.

Social

The social section of the Act framework includes the following sub-categories: regional, economic, and social impact created by activity of the company; stakeholder relationship; and subcontracting and suppliers. As previously mentioned, there is a growing need for increased attention towards the social initiatives of the athletic department. Athletic departments participate in various social initiatives such as community service and cause related marketing but often do not do an exemplary job at communicating this to stakeholders (Schlereth et al., 2014). Table 3 includes the proposed outline for the adaptation of the Act framework to the athletic department.

The social category of the Act provides a guideline that will allow for the expression of the intangible assets accumulated by the athletic department. The indicators present in this section of the framework present the means by which the athletic department interacts with its stakeholders. As Singh and Bussen (2015) reiterated the point made by Freeman (1984), stakeholders are critical components to any business but especially to the athletic department. The building of relationships with stakeholders is a critical component of stakeholder management and is addressed in the framework with the indicator that focuses on the dialogue with individuals or groups. Freeman et. al (2007) presented the four categories of stakeholders, which serves as a useful tool for athletic department in recognizing critical stakeholders to enter into dialogue with concerning the department.

Athletic departments participate in community service in their local communities but often this data is hard to find and is buried within the athletic department website (Schlereth et al., 2014). The framework in this category presents four indicators to report on this topic to allow stakeholders to be fully aware of the community service efforts of the student-athletes. Student-athletes should not be the only individuals of the athletic department involved in community service, the employees of the athletic department should be doing the same, as to set an example for student-athletes. The reporting of incentives for employees and coaches are two indicators that could work to establish a means to create a social impact on local and neighboring communities to the athletic department. The literature lacks models for this relationship but the cable network, ESPN presents an interesting model that is a proven model of utilizing sport to create a social impact in the local community around its headquarters in Bristol, Connecticut but also around the world in area like Rio de Jeniero, Brazil. The use of sport as a model for enhancing social impact is a novel concept, especially since sport has the ability to decrease the likelihood of childhood obesity (Nemet et al., 2005).

The impact of the athletic department on its local community has the potential to be enhanced through the creation of social partnerships with small businesses. Small businesses are integrated within the local community and often are supported by passionate community members. A partnership with small businesses outside the traditional sponsorship agreement could be geared toward increased philanthropic activity, aiding the small business with associated name recognition, and the partnership could develop into opportunities for student-athletes to enhance their employment opportunities in the local economy. According to the NCAA, only 1.6% of football players and 1.2% of men's basketball players will get drafted into professional leagues, so this leaves a need for employment opportunities for student-athletes (NCAA, 2013). The indicators in this category provide an understanding of the intangible assets of the athletic department in relation to the social and community impact associated with athletic department activities.Table 3 provides an overview of the overall community and social involvement indicators in reporting.

The Act has instituted a new trend in non-finance reporting that benefits all stakeholders by increasing the level of transparency that is available pertaining to the athletic department (Morris & Baddache, 2012). The framework that is utilized in this paper allows for comparability against not only other athletic departments but to general business that generate comparable revenue as the athletic department. In the lack of a common non-financial accounting standard from the Federal Accounting Standards Board, adopting this framework creates the ability to have comparability against other firms.

The Act provides a framework for non-financial reporting, the critical component to obtain the greatest benefit from the Act by linking issues that impact the athletic department to that of the indicators that report on this topic. The tables display the linkage of the issues in athletic department to the indicators present to report the non-financial actions. The use of the Act provides a framework that can be adapted to the athletic department due to its wide range of indicators that provide a through understanding of the athletic departments non-financial behaviors and policies. The Act has served to be effective in France at increasing non-financial behavior as well as producing fewer ethical mishaps from firms since the Act's enactment (Brown-Liburd & Zamora, 2015; Doucin & Besse, 2013). The framework provided by the Act is a tool that can possibly enhance the stakeholder relationship in college athletics.

One Report & Athletic Department Reporting

The One Report would be collected by the NCAA and the U.S. Department of Education. One Report would incorporate the financial and non-finanical reporting, not making it an increased burden for either the Department of Education or the NCAA to collect this information.

Information would be disseminated on the U.S. Department of Education's Equity in Athletic Database. Since the NCAA recently has taken steps to try and address sexual assault on campus, this information could be pertinent to NCAA continually working to improve their image and brand (Wilson, Kirkland, & LeBanc, 2014). The NCAA places a great deal of emphasis on their member institution's athletic departments to enact and enforce policies.

Athletic Departments are the crucible for this reporting to work. The athletic department would be tasked with the increased burden of sharing this information with the NCAA and U.S. Department of Education, but also with sharing the information in a manner that their stakeholders would benefit from the increased information. Since the athletic department is the one with the closest connection and relationships with their stakeholders, they could utlize a variety of means to share the information; social media, reports, speaches and data sharing with the faculty senate, town halls with season ticket holders and/or major donors, or whatever means they would see fit to share the information with their stakeholders. Each athletic department is unique and it would be hard to replicate a hypothetical example of how the One Report would look in this paper. Since each athletic department is unique, steps must be taken to be open and transparent with the data so that stakeholders can keep the department accountable in social aspects instead of purely athletic achievements. A pivitol question arises, "would stakeholders care about this information, due to sport being a zero sum game and people only caring about the results of competition?"

The question is an important one to address because it often appears that most stakeholders often perceive an athletic department as a vessel for producing sporting acheivements, and do not often focus on social matters of athlete development or athlete academic achievement. It is our belief that if more information is made available to stakeholders, it could do two things: 1. Give stakeholders the opportunity to care more about the whole athletic department and not just their team, building an enhanced level of commitment to the athletic department when teams do not perform as expected, 2. Enable stakeholders to hold the athletic department accountable socially, not enforcing sactions, but enabling the athletic department to work with stakeholder to advance the athletic department in a more socially acceptable manner. The information in the non-finanical reporting component of the would vary from that of public relations departments because it addresses more areas than player/team statistics and athlete news. The public relations department of the athletic department would play a role in the dissemination of the information best to stakeholders, but the information in the non-finanical component of the One Report will speak to an overall view of the social apsects of the athletic department.

A critical question that could be asked by skeptical stakeholders is how do I know the information in the reports is accurate and trustworthy. The lack of accounting standards for athletic departments reporting their financials annually to the NCAA and U.S. Department of Education raise this question, because if one were to look on the Equity in Athletic database, they would see schools that perfectly matched their revenues and expense, without explanation that often the schools must draw from institutional reserves to pay for their shortfalls. One would have to get their hands on the actual report given to the NCAA and U.S. Department of Education that displays a transfer from institutional funds. A beneficial component would be an audit of financial and non-finanical statements of the athletic department.

The NCAA could be a driving force in the United States, deriving a policy that would force their membership to have audited financial and non-finanical statements making up their One Report. Since the United States does not have any current standards for requiring firms to produce non-finanial reports or how those reports should look, guidance from the NCAA could possibly be guidance for the federal government in regulation of non-finanial reporting. Overall the athletic department plays a critical role in the development of One Report in an ethical manner to openly disclose the information provided to stakeholders in an attempt to be open and transparent about all of their actions.

Conclusions

Non-financial reporting is an area that has yet to be defined in the United States by the Federal Accounting Standards Board, but is being increasingly demanded from stakeholders of many firms (Perrini, 2006). The same has been said of the athletic department and college athletics with critics demanding increased attention be given to non-financial aspects of their business operations.

When the athletic department does not communicate its social actions and only shares its financial data, which is required by law, it leaves itself open to others creating the narrative of college athletics and disseminating this to cause influence over the athletic department stakeholders (Gaul, 2015)

The use of the Act as the proposed framework for non-financial reporting serves as an adequate framework for use in this paper. The Act is an encompassing framework and includes the categories of environmental, social, and governance. The sub-categories or indicators are the soul of Act that leads to the dissemination of the non-financial behaviors of the athletic department. The framework allows for transparency to the stakeholders when the athletic department links its critical issues and issues raised by stakeholders to the indicators of the report (Morris & Baddache, 2012). The act of linking the critical issues such as diversity, environmental sustainability policies, ethics training, and policies regarding service towards their local communities; all topics that have been raised by critics of the athletic department business model (Casper et al., 2012; Cunningham, 2009; Doherty & Chelladurai, 1999; Schlereth et al., 2014). The area where the Act framework and reporting has the greatest potential to impact college athletics is in its role to create transparency for athletic departments, which can have a residual affect on ethical actions toward stakeholders.

Ethics in college athletics has come under scrutiny due to recent scandals including academic fraud and athlete misconduct. The nature of athletics and competition present an environment where some philosophers have described sport as not being able to be held to the same ethical standards of society; claiming that sport should be held to the deep conventionalist ethical approach (Simon et al., 2014). The proposed double standard for ethics in sport holds some merit in competition, but it appears that administrators in athletic departments manage by this same ethical position, which should not exist when reflected on the literature from business ethics. The academic scandals which have impacted college athletics could be reflected as a case of bad barrels shaping the actions of its employees (Kish-Gephart et al., 2010). The use of the Act framework and one report style of reporting has the potential to increase the overall transparency allowing the stakeholders to demand better actions from their athletic department.

The internal stakeholders could have the largest to gain from the increased transparency granted by the framework due to external pressure placed on administration in the athletic department to manage in an ethical manner. Athletic Directors are faced with complex decisions that impact a great deal of stakeholders, but no decision has a larger impact than the ones that impact the student-athlete. The athletic departments were recently faced with increasing criticism regarding compensation for student-athletes, including a lawsuit regarding use of an athlete's likeness without compensation (Lederman, 2013; New, 2015). Pressure from stakeholders has caused the NCAA to allow athletic department to cover the full cost of attendance for their student-athletes (Prisbell, 2014). The pressure from stakeholders enabled this reaction from the NCAA and was due in part to the publicity of litigation against the NCAA. The publicity that was gained from the litigation against the NCAA raised stakeholder attention towards this topic. The methodology of the one-report includes a structure to not only create the report but also disseminate the report out to stakeholders. One-report does not necessarily mean all the information in one document, but means composing the document in a process where the information is easily located in the document, as well as communicated in a means for all stakeholders can easily obtain the report (R. G. Eccles & Krzus, 2010).

The use of social media and the active participation of athletic department stakeholders have the potential to be a competitive advantage for athletic departments in sharing the report with all stakeholders. The use of social media is a valuable tool for the athletic department because it allows for the control of the narrative being shared with stakeholders. The classic form of communication was dependent on the reporter from a news outlet to disseminate news out to stakeholders.

The creation of the Internet, which allowed for each athletic department to establish their own website along with various social medial platforms has allowed the athletic department to eliminate the bias that can be caused by the media (Stoldt, Dittmore, & Branvold, 2012). Social media allows for intimate sharing and connection with others or organizations, the passionate nature of sport mixed with social media allows for rabid following of their favorite topic as well as actively engaging with the organization through social media. Overall, the purpose of this paper was to introduce a new framework toathletic departments for reporting non-financial data from the organization. Currently no regulations exist in the United States for non-financial reporting, so adopting the French Grenelle II Act for non-financial reporting is acceptable for this paper. The paper was intended to be an introduction and proposed model that could be applied to athletic departments to participate in non-financial reporting. The NCAA must institute this onto its member institution athletic departments; the resulting residuals of this relationship could impose positive benefits for the NCAA, athletic departments and stakeholders.

Future Directions

The purpose of this paper is to start the dialogue and provide a model that could be implemented by the NCAA for non-financial reporting of its member institution athletic departments. In moving forward with this topic, further research should be conducted on the effectiveness of non-financial reporting and its potential benefit to increasing ethical actions of the athletic department, as stakeholders to care more about the athletic success of their teams as opposed to their social impact on society. The overarching ability to increase organizational ethics is a major milestone that has been sought by scholars for years, with little progress being made and only theoretical foundations being laid (Carroll & Buchholtz, 2014; Linda K. Trevino & Brown, 2004; Linda K. Trevino & Youngblood, 1990; Linda Klebe Trevino & Victor, 1992).

Greater work needs to be done to provide models and best practices to ensure an advancement of organizational ethics. The framework presented in this paper is an initial to provide indicators which can be measured in a reporting framework for an athletic department. Further research could work to complete the proposed framework by including metrics that could measure the indicators introduced in this paper. The use of frameworks such as the Act could provide the basis for the advancement of organizational and business ethics.

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