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Quantifying the Social Dimension of Triple Bottom Line:
Development of a Framework and Indicators to Assess the
Social Impact of Organisations

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Key words: social dimension of triple bottom line reporting, quantitative indicators, corporate social responsibility, sustainability reporting.

Abstract

Triple bottom line (TBL) reports, outlining the economic, environmental and social impact of organisations, are increasingly viewed as a business requirement. Unfortunately, with no one established standard against which to evaluate or assess the social dimension, current social reporting is often disparagingly described as a public relations exercise with limited accountability, consistency or comparability. Global sustainability frameworks, whilst providing a valuable outline, do not provide quantifiable indicators or specific questions that enable the measurement and comparability of social impacts. The lack of valid, comparable and quantifiable social indicators diminishes the importance and value of the social dimension, with businesses able to make vague and unsubstantiated comments about their social value and impact. This article outlines the development of a generic TBL social impact framework and questionnaire designed to quantify an organisation's social impact. Based on valid pre-existing measures appropriate for organisations in the industrialised world, the proposed framework and questionnaire offers a comparable and objective social impact assessment tool for organisations. The aim is to prompt informed debate and discussion about current organisational social impact reporting, whilst providing organisations with

a tool which enables the identification, quantification, and comparability of social impact reporting.

This article outlines the development of a generic triple bottom line (TBL) social impact framework and questionnaire designed to objectively quantify an organisation's social impact. With no one established standard against which to evaluate or assess the social dimension, current social reporting is often disparagingly described as a public relations exercise with limited accountability, consistency or comparability. Thus, to enable the measurement and comparison of organisations social impacts, this paper describes the development of a social framework with valid, relevant and comparable social indicators that begin to compare with existing economic and environmental measures.

1. The Emergence of Triple-Bottom-Line as a business requirement

In 1995, John Elkington first coined the term triple bottom line (TBL) to reflect that organisations have economic, environmental and social impacts, consequences and responsibilities. The TBL concept, by emphasising and integrating the three key dimensions of sustainable development, 'profits, planet and people', forced corporations to widen their circle of responsibility and focus, for the first time, "not just on the economic value that they add, but also on the environmental and social value they add – or destroy" (Elkington 2004, 3)

In the decade since Elkington first defined TBL, the business community has increasingly accepted TBL, and associated concepts, such as social and ethical accounting, auditing and reporting (SEEAR), corporate citizenship and corporate social responsibility (CSR), as essential elements of business (Cramer 2003; Holme and Watts 2000). Indeed, Waddock et al. (2002) believe one of the greatest pressures on businesses today is to be socially accountable, with the international Millennium Development Poll on Corporate Social Responsibility finding that 45% of respondents believed that companies should “set higher ethical standards and help build a better society” (Birch 2002, 4-5). In response to these societal pressures and expectations, leading corporations are members of professional organisations that emphasise the importance of TBL and CSR, such as the World Business Council for Sustainable Development (WBCSD), the Prince of Wales Business Leaders Forum in Britain and Business for Social Responsibility in the United States, and are releasing TBL and sustainability reports addressing their economic, environmental and social performance.

2. The social dimension of TBL

Unfortunately, despite the growing popularity of CSR and TBL in the business community, there is currently a lack of clarity and consensus regarding what constitutes the “social” dimension of TBL. At a broad level, it requires measuring and assessing an organisation’s impact on the social systems in which it operates, at a local, national and global level (Elkington 1998) Yet, there remains vast disagreement about how best to define, measure and report on an organisation’s social impact (Suggett and Goodsir 2002). For example, at a recent Prince of Wales Business Leaders Forum, John Elkington scored the current state of social TBL reporting as a only 1 or 2/10, compared

with 3 or 4/10 for environmental accounting and 8/10 for financial accounting (as cited in Davenport and Low 2001). This comparatively low score for the social dimension reflects the difficulty businesses are having in understanding and assessing their social impact.

At a global level, there are several universal standards and guidelines designed to measure the social dimension of TBL. Labuschagne, Brent and van Erck (2005) thoroughly review the four most popular global sustainability frameworks that outline social category indicators and guidelines. These include the Global Reporting Initiative (GRI) which considers economic, environmental and social indicators, the United Nations Commission on Sustainable Development Framework (UNCSD; economic, environmental, social and institutional), Sustainability Metrics of the Institution of Chemical Engineers (economic, environmental and social; focus strongly on environmental) and Wuppertal Sustainability Indicators, which like the UNCSD approach noted above, develops a Corporate Development Index based on quality of industrial relations and labour conditions, maintenance of human capital (through education), and income.

However, whilst these global sustainability frameworks provide some broad direction in the types of issues relevant for the social dimension, they provide little practical guidance about how organisations should define or measure social issues. The current social indicators, with the emphasis on child labour, minimum wage and respecting human rights, may not be relevant to companies operating in developed countries. In addition, the indicators are vague in terms of clear or recommended measures of social

impact. That is, although the types of social issues organisations should focus on are outlined, organisations are not provided with a commonly accepted tool or method with which to measure these issues. The lack of a simple and feasible tool with which to measure social impact, and without an agreed set of quantifiable standards and targets, the reality is that the social component of TBL may prove to constitute little more than “good old-fashioned Single Bottom Line plus Vague Commitments to Social and Environmental Concerns” (Norman and MacDonald 2004, 256). For example, the GRI, which is the most widely accepted framework and the only recognised international initiative that focuses on reporting the sustainability of the entire organisation (Labuschagne et al. 2005), identifies four core social performance indicators but does not provide standardised questions and encourages business to develop their own measures of social impacts. Similarly, the Institute of Social and Ethical AccountAbility (ISEA, AccountAbility, 1999) has the AA1000 standard, which focuses on the processes through which organisations report on their impact (Adams 2004). Notably, whilst Labuschagne et al. (2005) have outlined four main social sustainability categories (internal human resources, external population, stakeholder participation and macro-social performance) and are in the process of developing specific indicators for manufacturing organisations, there is currently no clearly established quantifiable standard against which organisations can measure and evaluate the social dimension of TBL.

3. Limitations of current social reporting

From a theoretical perspective, two key limitations with the existing ad-hoc approach to the social dimension are validity and comparability. First, in terms of validity, as

organisations emphasise the elements and aspects of social impacts that best suit them, the majority of current social reports are often based on little more than selected case studies that inevitably favour the company. This popular story-telling approach, and the wide-spread misapplication of qualitative methods in TBL, cannot produce sufficiently valid, generalisable or credible information. Second, in terms of comparability, the lack of quantifiable and comparable social indicators means that organisations are able to make unsubstantiated comments based primarily on case studies demonstrating their “social successes” or pre-existing social, economic and demographic data. The lack of consistency and critical external evaluation ensures that current social reporting is often disparagingly described as little more than a clever positioning strategy and public relations exercise (Hedberg and von Malmborg 2003; Tschopp 2003) with Monaghan (2004) suggesting that “a lot of what is published is a waste of paper” (p147). Tellingly, (Norman and MacDonald 2004) argue that there needs to be a systematic way to calculate an organisations overall social performance;

For all the talk of the novelty of the TBL idea, and for the importance of taking all three “bottom lines” seriously, nobody (as far as we know) has actually proposed a way to use the data on social performance to calculate some kind of a net social bottom line (p249)...What is lacking in the ethical/social realm is an obvious, and obviously measurable, common “currency” (whether in a monetary or non-monetary sense) for expressing the magnitude of all good and bad produced by the firm’s operations (Norman and MacDonald 2004, 251-252)

This situation has led to the social dimension of TBL being described and dismissed as a vague concept that owes “more to rhetoric and ignorance to practice and transparency” (Gray and Milne 2004, 76). Subsequently, until a “common currency” for the social dimension is identified, along with the appropriate methods, indicators and benchmarks required to make reliable and valid claims about an organisation’s impact,

social reporting is likely to continue to be subject to these kinds of criticisms. Indeed, Kakabadse, Rozuel and Lee-Davies (2005) describe CSR as a woolly reality which lacks a commonly accepted framework, arguing that there is a real need to “establish standards and quantifiable indicators to measure and monitor performance on economic, social and environmental practices” (p297).

4. Facilitating social reporting in the business world

Essentially, for the social dimension of TBL to be meaningful and relevant in the corporate environment, it must meet certain key criteria and utilise a quantifiable approach. First, the measurement of the social dimension must be compatible with existing business practices. Second, to ensure accountability, social impact practices need to be valid, comparable and generalisable. Third, to facilitate both useability and acceptability of social reporting in the business world, the development of a standardised measure is desirable. Finally, with current global sustainability frameworks providing little practical guidance in terms of defining and measuring social impacts, there is an implicit demand for the development of an agreed set of quantifiable standards and targets;

By contrast to most of the environmental issues, we find that with social progress it is much more difficult to set targets and report progress. We do this, and you can read about it the BP ‘social report’ on the internet, but is accomplished much more by story telling than by quantification. And I think we are inherently less comfortable with this approach (Bulkin 2003, 8)

The development of a generic quantifiable measure for the social dimension of TBL would enable the measurement and comparison of social impacts, thereby facilitating the acceptance, uptake and validity of social reporting in the business world.

5. Developing a framework and questionnaire

The process of identifying appropriate quantifiable measures which assess the social impact of an organisation or industry is a challenging undertaking. However, as the key criticisms of existing social indicators centre around issues of validity, comparability and benchmarking (Norman and MacDonald 2004), utilising pre-existing international and national measures, although they may not have been developed specifically for the purpose of social TBL assessment, provides a strong conceptual and practical foundation. The key advantage of building on pre-existing measures is that they offer a benchmark and the establishment of future targets and social goals; comparisons to national or international standards and norms provide a basis for identifying certain problems or issues, and understanding where the industry or organisation might be producing negative impacts that need to be addressed and mitigated or positive impacts that need to be explored further. Notably, whilst the ability to make international comparisons is advantageous, it is essential that organisations first understand and quantify their impact on a national scale. Hence, although the majority of the proposed measures are internationally validated, some were selected primarily because of their appropriateness for the Australian setting and presence of existing norms (e.g., Quality of Work Life of Australian Employees Index). Organisations do not necessarily have to utilise identical measures when quantifying their social impact, and may rather choose to use comparable measures that are more culturally-appropriate or widely used in their country. The current measures, however, are proposed specifically for the Australian context and for the use of a large agricultural and food manufacturing industry. Importantly, as this is the first large-scale attempt to quantify the social impact of an

industry, we expect this framework and survey to prompt debate and be refined over time.

The first challenge is defining the social dimension of TBL and selecting the appropriate measures, scales and questions which accurately identify, measure, and evaluate this dimension. The reality is that developing a questionnaire that addresses every aspect of the social or the way in which a company may impact on society and communities would be nigh impossible, however some trade-offs and decisions need to be made to ensure that SIA is not forever condemned, patronised and sidelined, for the sake of it not being perfect or possible. Proponents of qualitative SIA, while their intentions are ultimately good, have often stalled its progress on the basis that the frameworks, models or approaches, are not adequate or holistic enough. For example, Vanclay, 2004) argues that:

TBL was meant to be a philosophy about corporate social responsibility, not a decision algorithm. This way of thinking should not degenerate into a simple set of indicators. A push to a language of accounting or economics is likely to ignore many of the truly social issues. The experience of SIA has shown that there needs to be a focus on the things that count, not the things that can be counted (Vanclay 2004, 74).

Whilst we believe qualitative SIA is preferable for development-orientated issues, we pragmatically accept that a quantifiable approach is essential to facilitate the acceptance, uptake and validity of social TBL reporting in the business world. Although is not reasonable or doable to expect an SIA to cover every possible impact resulting from business practice, current practice, which typically limits SIA to internal indicators (e.g., employee health and safety) or social philanthropies (e.g., donations to charity) does not fully capture the original wellbeing philosophy underpinning CSR and social

TBL. Moreover, in essence, the basis for any SIA is making decisions about what is most important to incorporate and measure. With that in mind, a number of scales and existing data were explored in order to identify the best and most widely accepted measures that coincided with the social dimension of TBL.

Crucially, when business refers to the social dimension, it is often broadly conceptualised and defined as social wellbeing (Elkington 1998). For example, corporate social responsibility is defined as the “commitment by business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life” (WBCSD 2002, 3), whilst Murray, Dey and Lenzen (2006) recently argued that:

the purpose of trying to assess the social impact of doing business is, presumably, to help understand and account for the consequences of doing business on the social well-being of communities affected by that business. This implies that with understanding comes action to maintain or improve social well-being for everyone (Murray et al., 2006, 6).

Given these definitions, the conceptualisation of social impact as “wellbeing” dominated the selection of measures and the development of this generic and quantitative social impact assessment tool. Notably, whilst an exact definition of social wellbeing is surprisingly elusive, in the academic literature wellbeing typically encompasses indicators of both individual quality of life and societal cohesion (Australian Bureau of Statistics, 2001).

The second challenge is to identify the key stakeholders; that is, the people who are potentially impacted by the organisations social practices. According to the University

of Greenwich Natural Resources Institute (2003), responsible businesses should hold themselves accountable to the three broad areas where they can have a positive impact: workplace, communities and the national economy. More recently, Labuschagne et al., (2005) identified four key social criteria, specifically internal human resources, external population, stakeholder participation and macro social performance. At a minimum, therefore, it can be argued that organisations have two levels of social impact; internal (i.e., employees) and external (i.e., customers, suppliers, local community and society). This distinction is critical, as whilst organisations have long acknowledged the value and importance of fostering employee satisfaction, only recently has there been a “paradigm shift of businesses taking responsibility for their social impacts on external communities” (Labuschagne et al. 2005, 382). Although, to date, the external dimension of social TBL is typically measured in terms of the dollar value of sponsorships and other community involvement activities or initiatives, there is increasing recognition that businesses must embrace the TBL and CSR holistic philosophy of promoting social wellbeing rather than “just” donating money to causes. Henderson (2001) captures the wider essence of the TBL philosophy, arguing that:

it identifies a new and enlarged responsibility for businesses today in contributing to both the well-being of society in general and the integrity of the natural environment. To emphasise 'social' responsibility in this way is not to neglect or disregard the interests of the business, but to place them in a wider context, to reassess them (p11).

6. The proposed social impact framework

The proposed framework and questionnaire outlined in Figure 1 below quantifies social impact as comprising of a standard socio-demographic profile and four key elements of social wellbeing; individual wellbeing (measured by the World Health Organisation,

Quality of Life scale, 1998); community wellbeing or social capital (measured by Social Capital scale, Onyx & Bullen, 2000; employment experiences (based on Quality of Work Life of Australian Employees Index, Considine & Callus, (2002); and organisational or industry impact. We view these four key elements as the minimum requirements for any organisational social impact assessment. The first two social impact categories, individual and community wellbeing, are an attempt to quantify the wellbeing aspect of social impact, at both an individual and community level. The last two social impact categories focus on the more traditional conceptualisation of social impact, capturing employee's experiences in their workplace and perceptions of the organisation or industry. Note that we have, at this time, excluded information that is readily available at a corporate level, such as specific employee-assistance programmes or financial donations to local, national or international causes. The primary focus of this measure is to define and capture the wellbeing dimension articulated in the definition of social impact which is, in our opinion, seldom quantifiably measured by business.

There are a minimum of two social impact levels, which we term internal (i.e., employees & suppliers) and external (i.e., customers & community). This external and internal dichotomy provides a simple way to conceptualise how social practices impact on key stakeholders, emphasising the dual responsibilities organisations have not only to employees and suppliers but to local communities and consumers affected by corporate practice. To date, the internal dimension of social TBL is most commonly measured, simply because most organisations already possess data on employee satisfaction, experiences and other aspects of health and safety. The extent to which

such information on work-related variables truly assesses the entire social dimension of TBL is debatable, however. Typically, the external dimension of social TBL is generally measured in terms of the dollar value of sponsorships and other community initiatives, which is not the intent in the original definitions. Hence, the proposed framework and questionnaire utilises measures of individual and social wellbeing. Figure 1 outlines the benefits of measuring these key social impacts at the employee and community level, as well as a possible outcome and the most obvious applications of the results.

INSERT FIGURE 1 ABOUT HERE

This proposed framework and survey offer an important first step towards developing a generic measure of an organisation's social impact that acknowledges and assesses the wider impact an organisation, and its employees, has on the character of a community. By investigating how employees and community residents perceive the organisation or industry, as well as their work experiences, individual and community wellbeing, this social impact assessment survey endeavours to capture the essence of social impact as originally defined in social TBL as social wellbeing (Elkington 1998). An outline of the content of the questionnaire, including several illustrative questions, is provided below. The questionnaire, which currently comprises of a total of 179 items (17 demographic, 26 individual wellbeing, 34 community wellbeing, 45 employment experiences and 57 organisational/industry impact), is currently being tested and will be refined over time. As this survey was designed to capture the social impacts of the food processing and manufacturing industry, several of the items in the industry/organisational impact

category are designed to capture the unique environmental impacts of this industry. Other organisations may wish to substitute or tailor those questions to assess their own industry-specific impacts. Note that we have purposely excluded organisational level information regarding donations to charity or community initiatives and employee health and wellbeing programmes, which is readily available and does not need to be assessed in a formal survey.

6.1 *Demographics*

Variables include basic demographic information, such as age, gender, ethnicity, education, marital and parental status, income, home ownership status and geographical location.

6.2 *Individual Wellbeing*

Individual wellbeing is measured through the World Health Organisation's (1998) 26 item Quality of Life-BREF scale. The QOL-BREF is an internationally validated measure of quality of life which focuses on four key domains: physical (e.g., to what extent do you feel that physical pain prevents you from doing what you need to do; how much do you need any medical treatment to function in your daily life), psychological (e.g., to what extent do you feel your life to be meaningful; how often do you have negative feelings such as blue mood, despair, anxiety, depression), social relationships (e.g., how satisfied are you with your personal relationships; how satisfied are you with the support you get from your friends) and environment (e.g., how safe do you feel in your daily life; how satisfied are you with your access to health services).

6.3 Community Wellbeing

Community wellbeing is measured through Onyx and Bullen's (2001) 36 item social capital scale, which has eight distinct elements or subscales as outlined in the table below. Social capital, succinctly defined as the social connectedness of a community, is described as a community asset repeatedly linked to social wellbeing and participation (Putnam 2000). Onyx and Bullen's (2001) social capital scale captures eight distinct elements and has been recently utilised in America (O'Brien, Burdsal & Molgaard, 2004).

INSERT TABLE 1 ABOUT HERE

6.4 Employment Experiences and Satisfaction

A total of 45 items currently measure the employment dimension. Basic work related variables, such as industry, occupation and structure of typical work day, will be measured by 12 questions based on Australian Bureau of Statistics (ABS) items. Variables include industry, occupation, workforce status, normal days and time of work, time in occupation and time in current job, number of full-time employees in organisation, number of hours worked each week, whether they would prefer to work same, fewer or more hours, and how much paid and unpaid overtime they typically do.

Thirteen dichotomous (yes/no) questions will assess differences in employee experiences and the conditions, procedures and policies provided by employers. Six questions will identify differences in union membership, work related illnesses or injuries, claims for worker compensation, sick leave for work related problems, whether

organisation has family-friendly work culture, and whether they would chose to work in this industry again. Seven questions focus on identifying what conditions, procedures and polices employers provided; paid maternity leave, home-based work, flexible start and finish times, family-friendly policies, health and safety policies and training, and in the last 12 months, training and development for them personally and donations or sponsorships to the local community. Job satisfaction is measured using Considine and Callus (2002) Quality of Work Life of Australian Employees Index. This 16 item measure assesses the quality of working life for Australians, specifically eight items measure general job satisfaction (e.g., promotion prospects, standards of health and safety, the amount of pressure experienced at work and work-life balance) and eight items measure experiences at work (e.g., how interesting work is, experiences of harassment, trust in management, comparability of pay). Two items measure organisational pride and commitment, specifically the extent to which employees are willing to put in a great deal of effort, beyond that normally expected, in order to help this organisation be successful and the extent to which they are proud to tell others they are part of this organisation. Finally, in two open-ended questions, employees will be asked to indicate what they like and dislike most about their job and workplace.

6.5 Organisational or Industry Impact

To measure organisational or industry perceptions and impact, a multidimensional index that combines 57 key variables was created. First, to assess connection to the industry, respondents indicated whether, over the last five years, they personally, a family member or friend/acquaintance had worked in the industry. If yes, they indicate the role (employee, farmer or service supplier). Next, they will be asked if they currently work

for a company, and if so, to indicate the location. Perceptions of the industry will be assessed via 38 variables, grouped in seven key categories: general knowledge and interest (three items); general industry perceptions (five items); industry and local economy (five items); factory and employment (five items), environment, amenity and responsibility (five items), the community (ten items) and them personally (five items). To assess specific environmental impacts of the industry, 12 potential impacts are listed (e.g., noise, air quality/dust; odour, water use) and participants indicate how satisfied they were with how the industry manages and mitigates each impact. Two questions assess the economic impact and contribution of the industry to the community, with participants asked to indicate the percentage of businesses in their community who were reliant on the industry for their survival. They will also indicate whether they, or their employer, had provided services, materials or products to the industry, and if so to indicate the type of business, service provided, most recent contact and frequency of business. Finally, participants will be asked to indicate the extent to which they wanted the industry in the community and, in two open-ended questions were they were asked to think of both the positive and negative, participants described how the industry impacts on them personally and on their community.

6.6 Participants

As noted earlier, we believe there are a minimum of two social impact levels, internal (i.e., employees & suppliers) and external (i.e., customers & community). Ideally, an organisation should administer the survey at both of these levels, thereby measuring their social impact on employees and local community residents. The external dimension should involve a survey of local residents or consumers, ideally utilising

random sampling techniques. If it is difficult either financially or practically to measure their external social impact, however, organisations may choose to easily measure their internal social impact on employees or suppliers through an online survey. The advantage of utilising pre-existing measures is that organisations may then make comparative judgments about the wellbeing for their workforce, comparing the average scores of employees with the norm for their country.

6.7 Statistical Analysis Plan

As well as understanding immediately how industry employees and local community residents score on each of the domains compared to pre-existing national and international data, a series of factor analyses will be conducted for each of the four key domains. The factors that explain the most variance for each key domain (individual wellbeing, social wellbeing, employment, industry/organisational impact) will be inserted into a new final factor analysis, which identifies the key items and domains. This final factor is the score, with the score translated into a meaningful scale to illustrate the organisational social impact at employee, community and other levels. Further analyses, examining specific inter-relationships within and among domains, are planned using data mining techniques where applicable and a range of statistical tests.

7. Applications and Implications

By providing an uncomplicated, non-technical and freely-available survey to assess social impact, this questionnaire provides organisations with the tools needed to assess the social impact and wellbeing of their workforce and local community. Ideally, as indicated in Figure 1, organisations would use this survey to measure both the opinions

of employees and non-employees to generate a full initial profile of their social impact at a community level. Then, the wellbeing of employees and non-employees can be explicitly compared. If that is not feasible, however, pre-existing measures have been purposively selected so that organisations can compare how their employees score on each dimension with the average “Australian” (or “American”). Comparisons and judgments can be made about how employees (and communities) compare to the “average Australian” in terms of demographics (age, gender, income, family and marital status), individual wellbeing (i.e., quality of life), social capital (i.e., community wellbeing and interconnectedness), employment experiences (i.e., satisfaction, remuneration) and, at a broader level, perceptions of industry impact and reputation (i.e., current perceptions of industry and contribution compared to reality). The value of this approach, compared to current initiatives, is that it is evidence-based, facilitating both accountability and comparability. Hence, if employees or local residents score lower on one dimension than the national average, organisations can implement interventions or facilitate access to appropriate services.

The value of this survey is that it facilitates the measurement and tracking of social impacts, with the findings informing company policy and development in terms of the social dimension. For example, the demographics category defines issues relevant to the organisation; if home ownership rates are significantly lower amongst company employees than the local community or national average, then the business may prioritise the provision of interest-free loans to employees or investigate the viability of other incentives, such as facilitating meetings with financial planners. For large organisations, knowing that the majority of their workforce has children might

positively influence their decision to provide childcare facilities or educational scholarships, decisions which will impact on the attraction and retention of staff and their reputation in the community. Similarly, the individual wellbeing section, where the WHO-QOL BREF measures psychological, physical, social and environmental wellbeing, allows organisations to identify dimensions on which their employees may need support. For example, if employees scored lower on the psychological wellbeing subscale than local community residents or the national average, organisations could facilitate the introduction of “mental health days” or offer counselling services. The impact of an organisation’s social actions or inactions can then be tracked and monitored over time; after identifying areas for improvement and implementing interventions, organisations can document the extent to which employee scores on the psychological wellbeing measure increase.

The community wellbeing section, where eight different dimensions of social capital are measured, allows organisations to quantify the participation and contribution of their employees to the community. For example, organisations may find that their employees score higher on measures of community engagement and involvement than the average ‘Australian’ or ‘American’. The fourth section, employment, systematically addresses work satisfaction and experiences, allowing organisations to proactively identify and address any issues. Scores on this section will allow employers to measure employee satisfaction with their job, in terms of promotion prospects, health and safety, and work-life balance, as well as documenting daily work experiences in terms of how interesting the work is, trust in management and experiences of harassment. Responses to the open-ended questions asking employees to identify the one thing they like and dislike most

about their job and workplace will also potentially guide the development of initiatives designed to improve the workplace and employee morale.

Finally, the fifth section, industry impact, is essentially a performance evaluation for organisations, allowing them to measure the degree of goodwill towards them in the community and from their own employees. Feedback from the community provides insight and information that will help improve the image and social acceptability of the business or industry, whilst completing the survey prompts residents to think about impact and value of industry to their community, enhances their relationship with local community by inviting honest feedback and allows organisations to identify and track residents' opinions about the industry. For larger organisations, in particular, the ability to develop a database that measures, monitors and evaluates the social contribution of their organisations will allow them to comment on their "social" contribution and impact. Potentially, such findings could be used to quantify their social worth to their country, with organisations providing social information that could potentially counter policy changes or contribute to policy development. As the literature on developing quantifiable indicators for the social dimension of TBL is in its infancy, this framework and survey must be viewed as the first initial steps towards conceptualising, operationalising and measuring the social impacts of organisations, businesses and industry. Thus, whilst the model we are proposing may require improvement and refinement over time, it is designed to encourage feedback, debate and discussion regarding what aspects of social impacts can be quantified and should be measured.

8. Conclusions

In conclusion, although TBL is an acknowledgement of organisation's ripple effect (Masden and Andriof, 1998), to date, the standard of TBL reporting is "rather poor" (Chapman and Milne 2004, 246) with little agreement about how to assess the social dimension. As the key criticisms of existing social indicators centres around issues of validity, comparability and benchmarking, we believe that the development of objective and comparable standards is essential if the social dimension is to be advanced and have the same credibility as economic and environmental dimensions. We view this social impact survey as the first crucial step towards quantifying the social dimension of TBL, allowing organisations to quantify, assess and evaluate the social impact they have on employees and communities. Importantly, with organisations currently struggling to understand, define and measure their social impact (Suggett and Goodsir 2002), we hope that the development of a standard, objective and valid measure of an organisation's social impact will prompt informed debate and discussion over whether, how, why and what social impacts should be quantified. The aim of this framework and survey is to remove the vagueness and ambiguity surrounding current organisational social impact reporting and enable organisations to identify, quantify, compare and improve their social impact. Improving the transparency, consistency and comparability of TBL reporting, particularly in terms of developing a widely accepted measure for the social dimension, is this millennium's challenge. And, as the man who first coined the term TBL, argued: "to refuse the challenge implied by the triple bottom line is to risk extinction...To accept the challenge is to embark on a process which is likely to be both intensely taxing and, potentially, highly rewarding" (Elkington 1998, p2).

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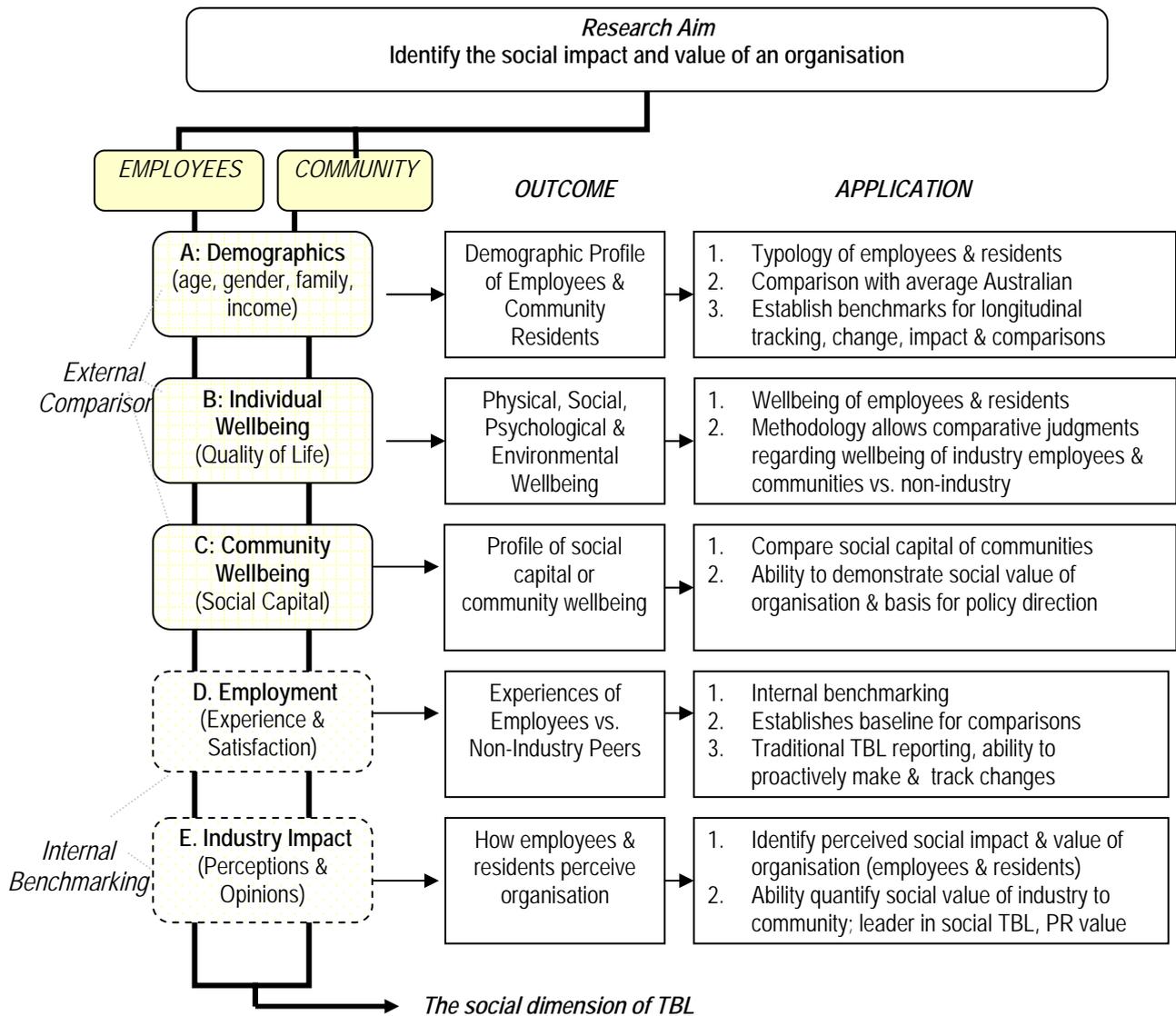


Figure 1: A Generic and Quantifiable Model for the Social Dimension of TBL

Table 1: Eight Social Capital Factors and example indicative question

Eight Social Capital Factors	Indicative Question
Participation in Local Community	Do you help out a local group as a volunteer?
Proactivity in a Social Context	Do you go outside your local community to visit your family?
Tolerance of Diversity	Do you think that multiculturalism makes life in your area better?
Value of Life	Do you feel valued by society?
Feelings of Trust & Safety	Do you agree that most people can be trusted?
Neighbourhood Connections	Have you visited a neighbour in the past week?
Family & Friends	Can you get help from friends when you need it?
Work Connections	Are your workmates also your friends?