

6<sup>th</sup> International Workshop - Advances in Cleaner Production

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# Sustainability and Performance in Organisations: an Analysis from the Triple Bottom Line Approach

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Academic Work

## Agenda

- Context
- Objective
- Sustainability in Organisations and the Triple Bottom Line (TBL)
- Sustainability Measurement from TBL approach
- Theoretical Propositions
- Sustainability-Oriented Organizational Performance (SOOP)
- Setting a Research Agenda
- Final Remarks

## Context

- Organisations recognise their broader role in society in sustainable development
- *Triple Bottom Line* (TBL) (ELKINGTON, 1999)
  - TBL as a conceptual basis for the study on organisational sustainability and performance
  - Critics to its operationalization: lack of consensus on measurement and comparison mechanisms; disconnection of the three dimensions.

## Objective

Discuss organisational performance regarding sustainability based on TBL.



# Sustainability in Organisations and the Triple Bottom Line

It has been no longer argued whether organizations will incorporate TBL or not, but there have been efforts to understand the reasons and the ways in which they will do so (Glavas & Mish, 2015).

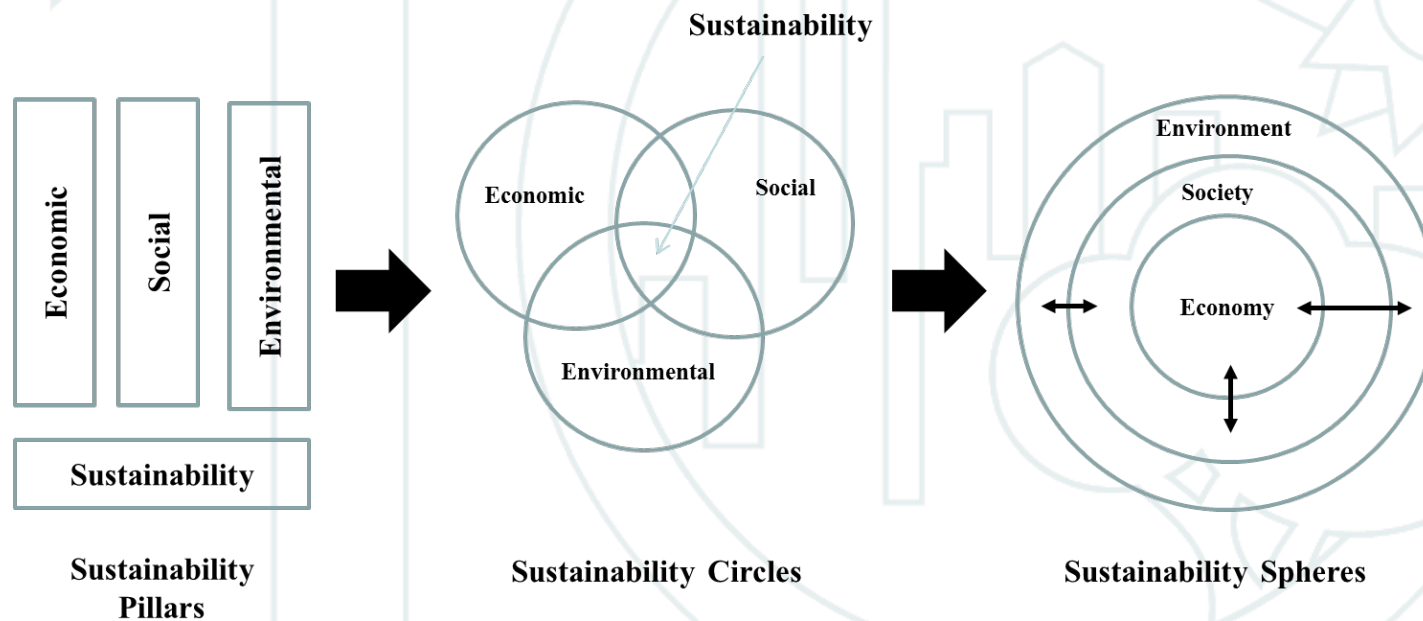


Figure 1: Sustainability graphical representation evolution

Source: Nunes et al (2014).

## Sustainability Measurement from TBL approach

- For those companies in search of sustainability, performance measurement has been fundamental to define the actual position of the organization towards sustainability itself (HART; MILSTEIN, 2003)
- **Numerous studies and approaches to the measurement of sustainability:**
  - Singh, Murty, Gupta and Dikshit (2009) identified 41 different initiatives; Vinodh (2011) listed about 20 methods for sustainability measurement in organisations; GRI; ISO; Dow Jones Sustainability Index; BM&Fbovespa Sustainability Index – ISE; and others.
- **HOWEVER**, the understanding of sustainability by the business community **has not yet been presented in a consolidated way**, which brings barriers to its operationalization, measurement and evaluation in organizations themselves (STUBBS, COCKLIN, 2008)

## Theoretical Propositions

- P1: **Sustainability-Oriented Organizational Performance** should consider, simultaneously and in an integrated way, economic, social and environmental aspects*
- P2: Considering the TBL approach, **Sustainability-Oriented Organizational Performance** will have different compositions between the three dimensions, economic, social and environmental.*
- P3: **Sustainability-Oriented Organizational Performance** will be defined differently for each different organization in each period of time.*

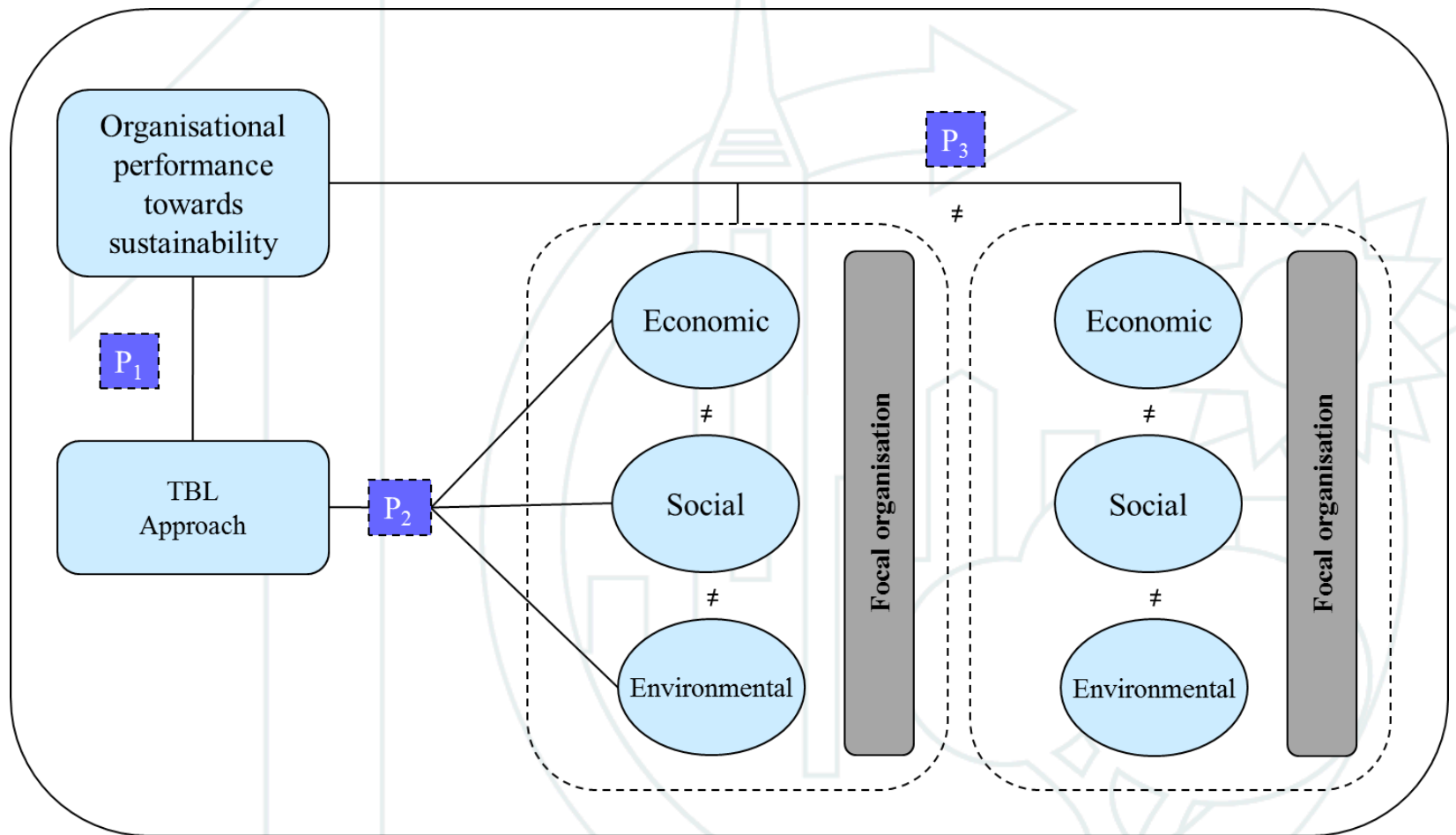


Figure 2 – Propositions and theoretical model.



## Sustainability-Oriented Organizational Performance (SOOP)

*The result identified by the set of indicators that measures and defines, in a simultaneous, integrated, joint and specific way, the performance of organisational activities in economic, environmental and social dimensions.*

- ✓ The goal of SOOP is to **monitor the organisation's progress** in sustainability.
- ✓ It allows its evolution to be **incorporated into the business development** itself.
- ✓ It is possible for a company to **register and disclose** the SOOP to internal and external stakeholders, in periodic reports.
- ✓ Consolidated information will serve as a basis for **decision-making**.
- ✓ Because it is a **contextual and dynamic measure**, particular to the strategic definitions, it is expected that the indicators and their weights, methodologies and application tools, or the analysis of the SOOP results will change and evolve over time.

## Setting a Research Agenda

<b>P1</b>	<p>→ To investigate within positively recognized companies (certified and/or rewarded) to their positioning about sustainability, focusing on the policies and practices associated with SOOP.</p> <ul style="list-style-type: none"><li>- Qualitative studies, based on the analysis of the content of secondary documents (sustainability reports, integrated reports and others).</li><li>- Quantitative studies, with larger samples, from correlations that could accept or refute the proposition.</li><li>- Comparative studies with companies negatively recognised.</li></ul>
<b>P2</b>	<p>→ To investigate in sectors and regions if the composition of SOOP is done in an equal way, both in terms of the quantity of indicators in each dimension and in terms of quality</p> <ul style="list-style-type: none"><li>- Qualitative or quantitative studies, based on the analysis of the content of documents;</li><li>- Quantitative studies, through surveys.</li></ul>
<b>P3</b>	<p>→ To investigate the contextual factors in SOOP definition.</p> <ul style="list-style-type: none"><li>- Comparative studies in the same sector or region</li><li>- Qualitative studies with content analysis of documents, with a view to categorization</li><li>- Quantitative studies, through surveys, to identify clusters.</li></ul>

## Final Remarks

Many uncertainties and limitations on the aggregate measurement of organizational sustainability performance remain.

Contributions to the academy: to advance scientific knowledge on the practice of sustainability, and to stimulate interdisciplinary approaches, initially within the area of Applied Social Sciences

Contributions to management: to disseminate the SOOP practices to organisations already recognised as a reference in the theme, as well as for organisations that are in the early stages in this process.

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**Thank you!**

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**Academic Work**