

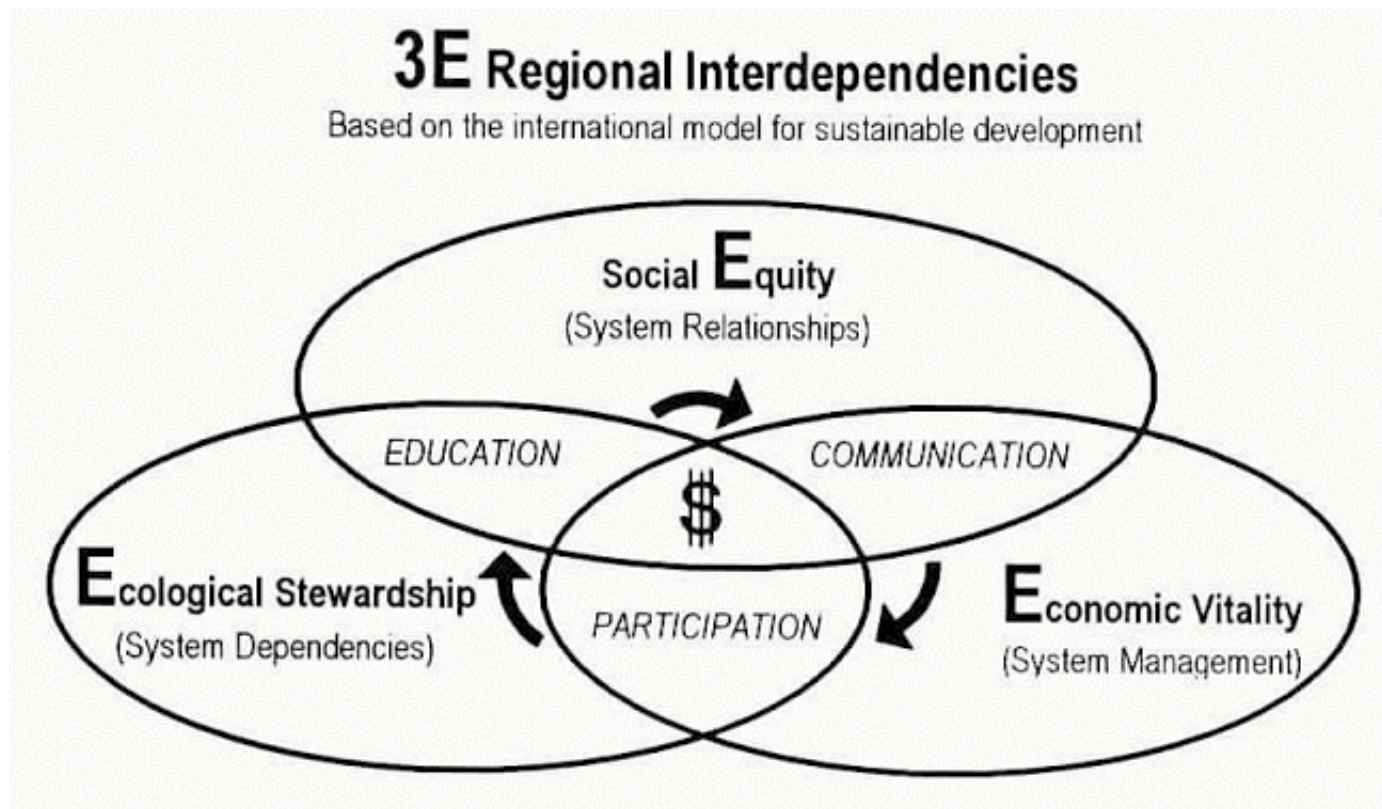


triple bottom line




The [triple bottom line concept](#) (3BL) focuses corporations not just on the economic value they add, but also on the environmental and social value they add – and destroy. At its narrowest, the term 'triple bottom line' is used as a framework for measuring and reporting corporate performance against economic, social and environmental parameters.


[Triple Bottom Line Organization, Sample Map](#)



Triple Bottom Line Measurements Matrix (A [Regenerative Commerce](#) Principle)

New frameworks for designing and aligning communities and businesses are emerging that offer sustainable solutions for a 21st century global system. Shifting from Stock-holders to Stake-holders.

STAKEHOLDER GROUPS	ECONOMY <i>FINANCIAL (flaw)</i> 1 \$ determine DEVELOPMENT impact and costs	ECOLOGY <i>ENVIRONMENT</i> 2 \$ determine COMMUNITY impact and costs	EQUITY <i>SOCIAL</i> 3 \$ determine ENVIRONMENTAL impact and costs	TOTAL MEASURED Summation of Costs 
SHARE-HOLDERS	ROI, STOCK VALUE, PROFITABILITY	RISK REDUCTION, USE OF RESOURCES	PUBLIC IMAGE, LEGAL AND ETHICAL PRACTICES	↓
FRANCHISEES SUBSIDIARIES	PROFIT OR PERFORMANCE POTENTIAL	"CLEAN" STRATEGY, IMPLEMENTATION SUPPORT	HONORABLE PRACTICES	
EMPLOYEES	TOTAL COMPENSATION	HAZARD LEVELS	PROFESSIONAL DEVELOPMENT, CORPORATE CULTURE	
CUSTOMERS	PRICING, QUALITY, VALUE-BASED PRODUCT OR SERVICE	ENV. SAFE & SUSTAINABLE PRODUCT OR SERVICE	ETHICAL PRACTICES, RESPONSIVENESS	↓
SUPPLIERS	PRICING, PAYMENT TERMS	SHARED ENV. STRATEGY & TECHNOLOGY	ETHICAL PARTNERSHIP	
INDUSTRY, COMPETITORS	COMPETITIVE, FREE- MARKET PRACTICES	SHARED STANDARDS & TECHNOLOGY	LEGAL & ETHICAL STANDARDS	
COMMUNITY	FINANCIAL STABILITY, PHILANTHROPY	RISK OR HAZARD LEVELS, ENV. IMPACT, HABITAT RESTORATION	LOCAL HIRING, COMMUNITY SERVICE, ENHANCED QUALITY OF LIFE	
PUBLIC, GLOBAL HUMANITY	ECONOMIC EQUITY & STABILITY, INTERNALIZATION OF EXTERNAL COSTS	STRATEGIES & PRACTICES TO BENEFIT BIOSPHERE	STRATEGIES TO BENEFIT COMMUNITIES AND CULTURES AROUND THE GLOBE	↓
	R & D FUNDING,	MIN. ENV. IMPACT,	SAFE, HUMANE &	

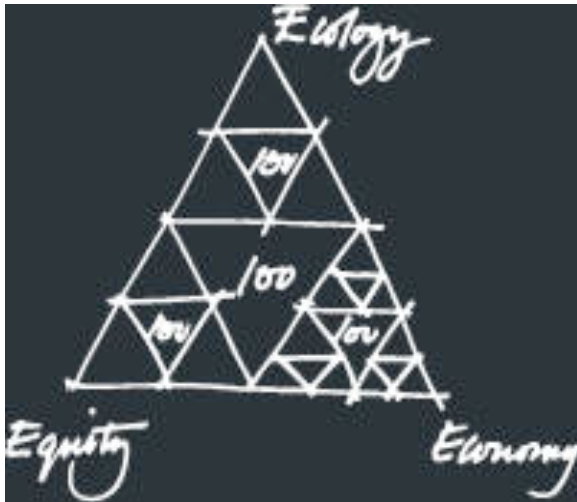
FUTURE GENERATIONS	RESPONSIBILITY INVESTMENT	HABITAT RESTORATION	SUSTAINABLE CULTURE	
NATURAL WORLD	RESTORATION FUNDING, INVESTMENT	SUSTAINABLE PRACTICES, NATURAL DIVERSITY	HUMANE TREATMENT FOR ALL LIFE	

TOTAL COST & PROFIT ACCOUNTING = (_____)

Another similar triple bottom line analysis model

<i>STAKE-HOLDER GROUPS</i>	<i>ECONOMY FINANCIAL</i>	<i>ECOLOGY ENVIRONMENT</i>	<i>EQUITY SOCIAL</i>
SHARE-HOLDERS	ROI, STOCK VALUE, PROFITABILITY	RISK REDUCTION, USE OF RESOURCES	PUBLIC IMAGE, LEGAL AND ETHICAL PRACTICES
FRANCHISEES SUBSIDIARIES	PROFIT OR PERFORMANCE POTENTIAL	"CLEAN" STRATEGY, IMPLEMENTATION SUPPORT	HONORABLE PRACTICES
EMPLOYEES	TOTAL COMPENSATION	HAZARD LEVELS	PROFESSIONAL DEVELOPMENT, CORPORATE CULTURE
CUSTOMERS	PRICING, QUALITY, VALUE-BASED PRODUCT OR SERVICE	ENV. SAFE & SUSTAINABLE PRODUCT OR SERVICE	ETHICAL PRACTICES, RESPONSIVENESS
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NATURAL WORLD	RESTORATION FUNDING, INVESTMENT	SUSTAINABLE PRACTICES, NATURAL DIVERSITY	HUMANETREATMENT FOR ALL LIFE

[McDonough 3BL Model](#)



Examining the Triple Bottom Line Concept

Environmental

- Energy, Water
- Materials
- Emissions & Waste
- Operational & Design Efficiencies
- New Product, Service Opportunities
- Life Systems Impact

Financial

- Revenue Growth
- Productivity
- Profit Margin
- Return on Investment
- Capital Costs
- Risk Management
- Valuation of Enterprise
- Appeal to Investors

Social

- Community & Social Impact
- Health & Safety
- Fair compensation
- Equal Opportunity
- Education
- Recognition

Return on Triple Bottom Line Investment

Revenue and Market Growth

- Increased market share (80% want “environmental” products, 25% will pay more for)
- Increased ability to penetrate new markets and ensure access
- Improved innovation and quality
- Increased competitiveness
- Improved customer and public relations

Enhanced Profits and Productivity

- Increased operational & design efficiencies
- Reduced materials, energy, and waste disposal costs
- Reduced redesign costs
- Reduced transportation, storage, and packaging costs
- Reduced penalties, insurance, and worker’s compensation costs
- Improved employee morale, productivity, and creativity

Improved Access to Capital

Perceived risk reduction, enhanced financial performance, and “doing the right thing” helps to:

- Attract shareholders
- Tap into “social and environmental investing” capital (est. \$5 billion)
- Access subsidies and weak loans through over-compliance

Reduced Capital Costs

- Reduced working capital through product, service, and operating cost reductions
- Reduced fixed capital through prevention and reduced containment requirements
- Reduced cost of capital through improved investor and public relations

Improved Organizational Function

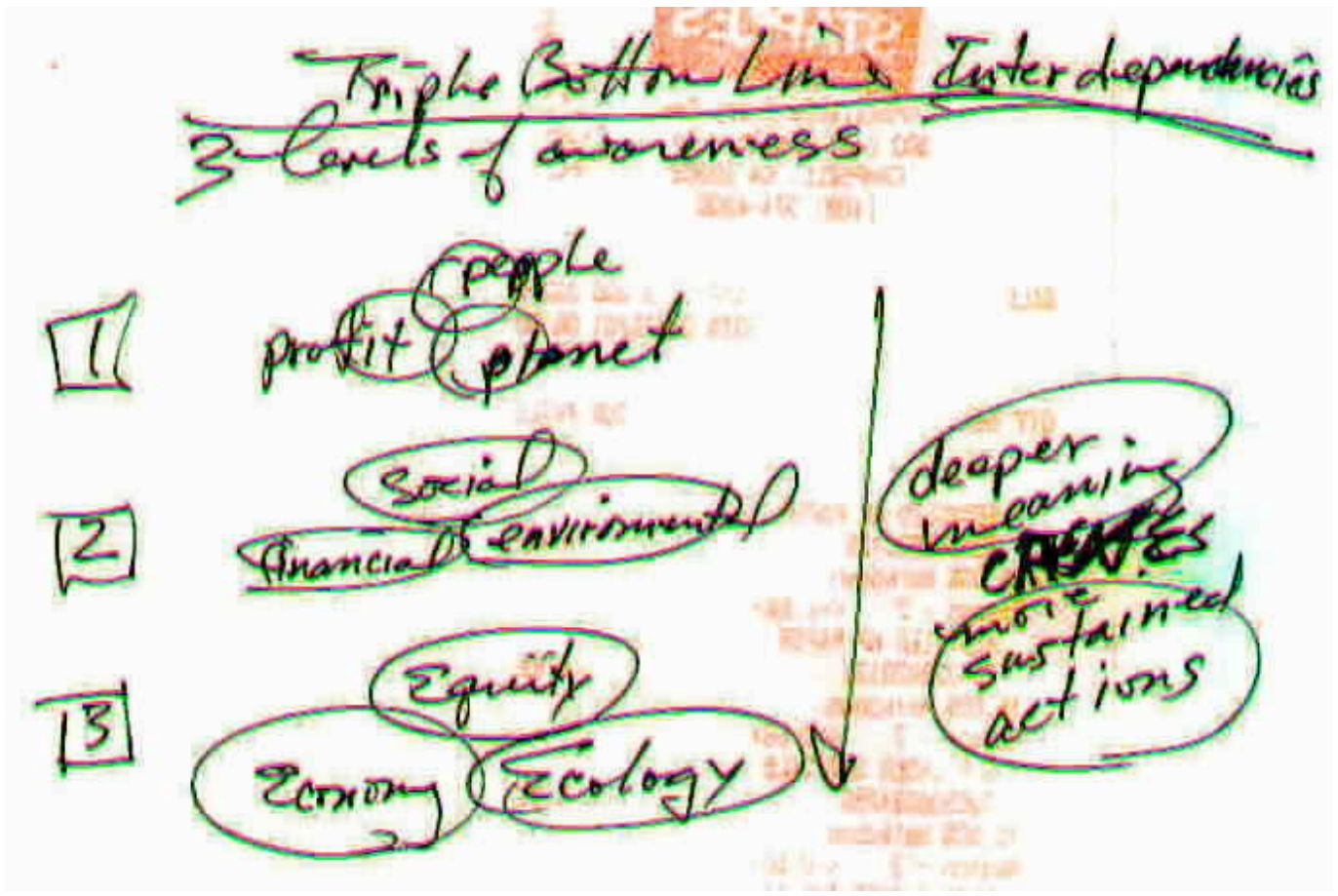
- Improved quality of information for decision-makers
- Clarified organizational responsibilities and accountability
- More stable and consistent operational and business processes
- Established continuous improvement program

Stages for Developing Sustainable Enterprise

1. Commitment to Change Process
2. Awareness & Assessment
3. Clarifying Vision, Mission, & Goals
4. Strategy, Planning, & Policy Development
5. Implementation of Work Plan
6. Evaluation & Review
7. Reporting to Stakeholders
8. Continuous Improvement & Education

Notes on using the 3BL Matrix:

- an organization is not its technology
- ^{what is} soul/ (Sole) purpose of org?
- highest objective of unknown rate \rightarrow heaven to earth
- present ^① total costs and ideal ^② cost
 - compare difference \rightarrow 3BL process
- ③ 3rd dimension is actions to get from 1 to 2 above
- 1st round: use ~~the~~ ~~AAA~~ $-10 \rightarrow 0 \leftarrow +10$



[inKNOWvate home](#)