

How Does Business Address the Social Justice Dimension of Sustainability?

Seattle University, Center for Environmental Justice & Sustainability 2013-14 grant -- April Atwood, PhD

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Project Background and Description:

Currently, the term 'sustainability' encompasses social impacts and resulting justice implications as well as environmental impacts and long-range implications, but in the realm of 'Sustainable Business,' the perspective is usually very different. The 'Triple Bottom Line (TBL)' framework posits that the success of a company is measured not just in terms of the traditional, financial 'bottom line,' but also in terms of its social and environmental impacts, resulting in three different 'bottom lines' or measures of success and impact of the organization. The social, or 'people,' dimension of the TBL framework encompasses fair and beneficial business practices toward labor forces (employees at all levels of the supply chain) and toward local and regional communities in which a company carries out its enterprise. In practice, the social dimension has been only recently recognized and has been relegated to a distant third in much corporate reporting, though there are steps being taken toward recognizing, understanding, and measuring social actions and impacts by businesses, including:

- publishing a Corporate Social Responsibility (CSR) report, which chronicles the corporate activities with respect to various stakeholders.
- adopting a structured reporting systems, so that sustainability activities are recounted in more than anecdotal form
- qualifying for a certification of some sort—there are many different certifications and certifying organizations, each with their own set of standards and requirements
- applying an alternative (nontraditional) company organization and governance options to the business: one organizing framework recently that is gaining traction in many states is the B Corp

Project Scope:

The work on this project has included:

- undertaking a review of published documents and sources including the CSR reporting practices of dozens of companies listed on various 'top socially responsible companies' lists worldwide
- researching and reviewing the various reporting systems and frameworks that businesses are using to describe their company efforts
- researching and reviewing the certification programs and schemes that are relevant to assessing social impacts of businesses
- reviewing published reviews and assessments of attempts to benchmark best practices in business social impact reporting

Project Update:

Findings to date include:

- there is little overlap between the lists of 'top' companies with regards to social impact reporting, which points to a need for further research and assessment of the criteria used by these list-producing organizations, especially as these lists are used to provide guidance for company strategy as well as for investors
- some reporting systems have been updated and new ones are coming into use; an interesting area deserving of further research is the relationships and partnerships between and among the various reporting systems that are in use now; the reporting system 'landscape' has undergone significant

change during the year of this research, with a few systems gaining widespread recognition, if not use, and many more narrowly-focused systems working to achieve recognition

- there is considerable ‘turmoil’ in the marketplace for ‘socially responsible’ certification programs; companies working to determine how to demonstrate their socially responsible actions are faced with a greater challenge than ever, both in terms of the proliferation of certification programs and symbols on the one hand, and in terms of greater consumer confusion and skepticism on the other hand
- many efforts in the social sustainability-reporting research field are becoming dated; the field of social impact reporting has grown significantly more complex in recent years and even in the past year

Output to date:

- academic presentation—Seattle University community, CEJS gathering, spring 2014
- academic presentation—‘Just Sustainability’ conference, summer 2014
- academic presentation—‘Business & Social Justice: Review & Analysis,’ Association for the Advancement of Sustainability in Higher Education, October 2014
- support of a graduate research fellow, Victor Gan, during a portion of the academic year

Continuing work:

The research to date has uncovered more holes and areas for further investigation than anticipated—it is good to know more about what I need to know! Data generated during this initial project are not yet sufficient for a substantive scholarly journal article, though that remains the ultimate outcome for this grant work. Next steps to be completed in preparation for the scholarly publication include:

- Conduct a deeper dive into the ratings approaches used by publishers of ‘top 10’ or ‘top 50’ lists, with greater consideration of how the guidance provided by these list-makers is used by the investment community
- Continue to develop a framework for describing the reporting system ‘ecosystem’ that is robust enough to maintain its meaning and insights in the face of continuing changes and developments
- Update the reviews of reporting systems with recently-released new reports
- Conduct informal interviews with business practitioners engaged in assessing corporate social impacts to test the usefulness and insights provided by the developed frameworks
- Draft this expanded research project’s activities and findings

It is expected that these steps will continue through this current academic year, with an initial journal submission to be completed by June 2015.

Closing thoughts:

I once again extend my sincere thanks to CEJS for the fellowship support I received this past year. The opportunity to learn about the sustainability work of others here at Seattle University was an unexpected bonus for me.....I appreciate the Center’s support of cross-discipline discussions and perspectives. I will continue the work I was able to begin with the Center’s support and I will continue to advocate for broader and deeper consideration of sustainability issues both within and outside of classrooms here at Seattle University.