

# TRIPLE BOTTOM LINE PERFORMANCE

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Dr. Dorothy Paun

University of Washington

dap@uw.edu

<http://courses.washington.edu/sustains/>

206.685.9467

# What Is Sustainability?

Various definitions exist, but all share a common understanding of managing financial, environmental, and social responsibility elements in order to meet the needs of people today without compromising Earth's capacity to provide for future generations.

# The Triple Bottom Line Is...

- ✧ The “bottom line” refers to net income or profit because it is the last, or bottom, line on the income statement. Profits are essential because an organization is unsustainable without it.
- ✧ Sustaining the planet and humanity over the long term depends on three bottom lines. The “triple bottom line” refers to integrating and measuring the performance of financial, environmental, and social responsibility practices.
- ✧ Think of it as balancing the three Ps: Profit, Planet, and People.

# My Triple Bottom Line Research

- \* Goals: To investigate potential relationships among environmental and social responsibility practices and profitability.
- \* Method: Financial, environmental, and social data was extracted and analyzed from annual financial reports and annual sustainability/ environmental /corporate social responsibility reports (different labels for the same thing).

# Environmental Indicators

A sample of environmental variables that might relate to *facilities management* at your organization:

- Environmental certifications
- Energy and water conservation
- Supplier screening based on their environmental performance
- Protection and enhancement of the natural environment
- Environmental violations and fines avoided
- Minimized environmental impacts
- Environmental investments
- Waste recycled

# Social Responsibility Indicators

A sample of social variables that might relate to *facilities management* at your organization:

- Customer and employee health and safety
- Emergency preparedness
- Community engagement and development
- Supplier screening based on their social performance
- Management diversity
- Workplace violations and fines avoided
- Minimized employee turnover
- Employee volunteerism

# My Triple Bottom Line Research

“What goes around comes around.” My research revealed positive correlations among environmental performance (EP), social responsibility performance (SP), and financial performance (FP). More specifically, higher environmental performance and social responsibility performance can lead to higher financial performance.