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Trend towards triple bottom line reporting is undisputed. Especially for many public corporates, there is always a separate sustainability reporting when releasing the annual reports. For small and medium businesses, there is also information about social and environmental effects in annual reports, provided to stakeholders. But there are still many challenges, which impede businesses addressing triple bottom line reporting. This essay will briefly discuss the major challenges of triple bottom line implementation in agribusiness sector. Non-alignment between triple bottom line reporting and business strategy and objectives As well known, the strategic direction of a business and the need for competitive advantage from being transparent in reporting TBL performance indicators are the major factors, which drive the preparation and publishing of triple bottom line report. The information released in triple bottom line reporting should comply with the business strategy and objectives of a company, which could ensure the value of triple bottom line reporting and its longevity.

However, such alignment between triple bottom line reporting and business strategy and objectives could be more easily achieved in big business. For example, in triple bottom line reporting of Wesfarmers, there is detailed information about the efficiency of energy saving and target of energy saving in certain period (Wesfarmers, 2014). In other words, there are specific introductions about how much the energy savings by Wesfarmers could contribute to the overall profits of the company and what the energy savings target of Wesfarmers in the following period. The major reason that big business could easily achieve such alignment is that big business has enough funds to support technology innovation to save resources, which not only protects the environment but also improves the business efficiency or market reputation (Gettler, 2007). Meanwhile, in long term, the value of business efficiency improvement and market reputation definitely excesses the cost of new technique innovation, which complies with the long-term business strategy and objective of the business.

Thus, big businesses always like implementing triple bottom line reporting essentially but not formally. However, for small businesses, its objective is to survive in the competitive market and enlarge business and market in short term and they always do not have abundant funds to support a technology innovation program which may gain benefits in long term. So, these businesses focus on customers but not other stakeholder such as social community. Thus, their triple bottom line reporting just complies with the guidance of GRI in form but not essentially. With comparison of triple bottom line reporting of Wesfarmers, Only Organic, DIDI’s Food Adventures and Raw Materials, which are also suppliers of foods, do not have separate sustainable reporting. They only disclose part of relevant information about environment protection on their website. Not information about social impacts is disclosed. In their business strategy and objectives, there is also no description about improving social community environment (DIDI’s Food, 2014). Awareness shortage of triple bottom line by stakeholders

In fact, judgment of stakeholder is a key factor to improve the quality of triple bottom line reporting of a business. Stakeholder’s attitudes and opinions definitely affect the decision of business strategy and objective. If the major stakeholders of a business only pay attentions to economic profits but not social and environment responsibility, the business is possibly to emphasize the social and environment responsibility but not the economic performance, because it needs shareholders’ support and it needs capital. As well known, agribusiness sector heavily lacks capital supports. Thus, most of businesses have to cater for the interest of investors. They need to focus on the economic performance firstly to bring a higher return to shareholders. In addition, most of customers only care about whether the foods are organic but not how much water it costs. What they really care is the data in the financial reporting but not the sustainability reporting. Without their supervision, triple bottom line reporting is just a kind of formalism to cope with relevant regulations.

Thus, awareness of triple bottom line by stakeholders is the key challenge, which affects the implementation of triple bottom line reporting. If the major stakeholders of a business all have deep awareness of triple bottom line, their evaluation will encourage the improvement of triple bottom line reporting quality and make it essentially an important thing just like economic performance. Measurement of key aspects of triple bottom line performance Another challenge of triple bottom line reporting in Australia agribusiness sector is the measurement of triple bottom line performance, which is also the common challenge of sustainability reporting in Australia. There are key aspects for each line in the triple bottom line. According to GRI indicator matrix, there are kinds of performance indicators respectively for economic performance, social performance and environment performance.

The advantages of referring to these performance indicators are not only comprehensively disclosing relevant information about economic, environmental and social performances and activities of a business but also effectively measuring the improvement of economic, social and environment performances. Wesfarmers Plc is a good example to implement the triple bottom line reporting by referring to GRI guidance. The triple bottom line reporting of Wesfarmers is prepared according to the aspects and relevant indicators listed in the GRI indicator Matric (Group 100, 2003). Wesfarmers discloses specific information about each aspect every fiscal year. This is conveniently for stakeholder to do vertical comparison of Wesfarmers’ economic, social and environment performances. However, there is a fair amount of businesses, which do not follow the GRI indicator matrix to do full disclosure in their sustainability reporting.

For example, Woolworth’s sustainability reporting is not as completed as Wesfarmers. The aspects covered in the sustainability reporting of Woolworth are incomplete. There is no disclosure about human rights society performance, but only information about environmental impacts such as energy, water and forest protection. In addition, the aspects disclosed in different fiscal years were also different (Woolworth, 2014). Thus, it is hardly for stakeholders to do vertical comparison of economic, social and environment performances of Woolworth. Especially in the sector of agribusiness, environment has close relation to the agribusiness. But the social responsibility and impact should not be ignored in reporting. There should be complete measurement of key aspects for all economic, social and environment performances, which could ensure the continuity and comparability of the triple bottom line reporting. Conclusion

As noted above, there are still many challenges in implementing triple bottom line reporting in the sector of agribusiness. Alignment between triple bottom line reporting and business strategy and objective and the awareness of triple bottom line reporting could be in favor of making the triple bottom line reporting essentially become a big thing for businesses but not only a kind of formalism. Accurate measurement of key aspects for all economic, social and environment performances could ensure the continuity and comparability of the triple bottom line reporting.

Reference

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