

Monitoring system qantas assignment



While the world economy and population grow rapidly, the planet resources necessary for the economy and population functioning is not practically growing at all (Meadows, 1998). It causes two important questions (Ibid, p. 11): 1. How can we provide sufficiency, security, good lives to all people? 2. How can we live within the rules and boundaries of the biophysical environment? The first question is related to the development issue, the second one - to the sustainability issue.

As Meadows (1998) considers these words taken together - " sustainable development" - " may seem contradictory but nevertheless must be achieved" (p. 12). In this paper we intend to discuss a few current approaches to the sustainability development, in particular in the enterprise (or institutional) context; to investigate briefly a method of measuring and monitoring organisational sustainability; and to give an example of a sustainability monitoring system for a specific enterprise, namely for Qantas Airlines.

Defining sustainability and sustainable development Initially the term " sustainability" came from agriculture and ecology sciences, where it is understood as the " sustainability of natural ecosystems" and is defined as " the dynamic equilibrium between natural inputs and outputs, modified by external events such as climatic change and natural disasters" (Fresco & Kroonenberg, 1992, cited in Bell & Morse, 2008, p. 10).

Today the definition of sustainability is generally applied to various socio-economical systems and includes " the capacity of a system to maintain output at a level approximately equal to or greater than its historical

average, with the approximation determined by the historical level of variability” (Pearce & Turner, 1990, cited in Bell & Morse, 2008, p. 10). As for the sustainable development, it is a “ development that meets the needs of current generations without compromising the ability of future generations to meet their needs and aspirations” (Brundtland, 1987, cited in Bell & Morse, 2008, p. 0). This definition has promoted a developing the Triple Bottom Line concept, which is based on the understanding of sustainability as a “ dynamic balance among three mutually interdependent elements: 1. protection and enhancement of natural ecosystems and resources; 2. economic productivity; 3. provision of social infrastructure such as jobs, housing, education, medical care and cultural opportunities” (Dominski et al, 1992, cited in Bell & Morse, 2008, p. 79). The Triple Bottom Line concept The Triple Bottom Line concept (see Fig.) was coined by the sustainable business consultant John Elkington (2004) for the framework used to measure success of organisations, regions or societies taking into account three dimensions of performance: financial, social and ecological. The framework is also widely known as “ TBL” or “ Three Pillars” (People, Planet, and Profit). [pic] The Triple Bottom Line concept serves as a basis for many quantitative metrics of sustainability measurement and monitoring, which allows businesses and governments to be informed better about the current stage of sustainability, and make better decisions in management of sustainability.

As Dalal-Clayton and Sadler (2009) point out, today’s sustainability measurement and monitoring systems use the TBL concept successfully integrating environmental, social and economic factors through a number of interdisciplinary approaches, e. g. ecological and resource economics, or

the Happy Planet Index. It is important to note that in today's sustainability measurement and monitoring methods a society or an enterprise is seen as a complex dynamic system: "A system is a perceived whole whose elements "hang together" because they continually affect each other over time and operate toward a common purpose. the structure of a system includes the quality of perception with which you, the observer, cause it to stand together" (Senge et al, 1994, p. 90). Thus, Bell and Morse (2008) suggest the six major features of systems, which should be taken into consideration when monitoring sustainability (p. 112, Table 4. 1): 1. Identification of a system boundary – this feature defines the system as distinct from its environment. 2. Interaction with the environment – the environment is not the system itself since it is outside; but it does affect it. . Being closed or open – concerns the interrelation of the system with what lies beyond its boundary. 4. Goal-seeking – a system is capable of changing its behaviour to produce an outcome. 5. Being purposeful – systems select goals. 6. Exerting control – a true system retains its identity under changing circumstances. This set of features in its turn enables to formulate important starting points for measuring and monitoring sustainability (Ibid. p. 133): • Sustainability is a qualitative property of a system. Subjectivity on the part of the stakeholders in understanding the sustainability of any given system is unavoidable. • Subjectively derived measures of sustainability are nonetheless useful aids to planning. [pic] Figure 2. Concept of measuring and monitoring sustainability (Source: Bell & Morse, 2008, p. 28). Figure 2 shows the idea of the sustainability measuring and monitoring, where information about a system is collected according to several aspects, called sustainability

indicators (SI). Then the value of each SI is gauged, the overall result is interpreted and used.

Undoubtedly, sets of sustainability indicators differ between systems and depend on systems characteristics. One of good examples of SIs is the Norwich City Council sustainability indicators that were developed for an urban centre in 1997 and 1998 (see Appendix A) with a clear intention to connect economics figures with ecological and human (social) indices within a local area. A significant feature of the Norwich list of SIs is that it was developed in a so called “ top-down” manner, mainly because it was derived from the central UK government set of indicators.

In contrast with this approach, there is an institutional (or corporative) approach when an organisation (corporation, institute) develop its own set of SIs referred to its institutional sustainability. Institutional sustainability indicators For each particular context, sustainability indicators are used to provide a helpful supporting mean for achieving particular goals. In an organisational context Perrini and Tencati (2006) suggest focusing SIs “ on the financial, operating, marketing, environmental, social, cross-cutting (e. g. ith regard to the eco-efficiency and the socio-efficiency of the organization...) aspects of business management” (p. 304). Taking into account an importance for organisations of the “ ongoing assessment of its performance and of the related quality (i. e. degree of sustainability) of the relationships with its stakeholders” (Ibid.), Perrini and Tencati (2006) represent a framework for SIs development, which is based on different stakeholder categories (employees, members/shareholders, clients/customers, suppliers,

financial partners, state, local authorities and public administration, community, environment).

This framework consists of three levels (Ibid. p. 304):

- categories, stakeholder groups that are specifically affected by clusters of indicators;
- aspects, thematic areas monitored by groups of performance indicators related to a given category of stakeholders;
- indicators, measurements that supply information related to a given aspect. They can be used to check and demonstrate organizational performance. The information can be qualitative, quantitative (physical and technical) or economic-monetary.

Boulanger (2008) introduces another approach to the construction of indicators that was identified by Lazarsfeld (1958) at first (see Fig. 3). [pic]
Figure 3. Successive phases of the construction of indicators (Source: Boulanger, 2008, p. 47). The figure shows that at the first phase different dimensions (environmental, economic, technological, social, political, psychological, etc.) composing the main concept are identified and selected; then the dimensions are broken down into indicators, which can be gauged, weighting and aggregating (if it is possibly) into a synthetic indicators.

It is not easy, however, because indicators may be measured in different scales and with different levels of precision. So, a synthetic index can be well replaced by the resulting chart of indicators (Boulanger, 2008). There is a general awareness among researchers about difficulties to determine and select an appropriate set of effective indicators for measuring sustainability (Meadows, 1998; Bossel, 1999). This shortcoming even caused the formulation of the Bellagio Principles as “ guidelines for practical assessment

of progress toward sustainable development” (Bossel, 1999, p. 5) (see Appendix B). According to Meadows (1998) a good indicator should be: clear in value, clear in content, compelling, policy relevant, feasible, sufficient, timely and appropriate in scale, democratic, supplementary, participatory, hierarchical, physical, leading and tentative. Obviously, as Meadows (1998) emphasises: “ It’s not easy to find indicators that actually meet these ideal characteristics” (p. 18). But one should try to find the most practical indicators that are of great importance from the point of view of particular objectives’ achievement.

Description of the enterprise Today the Qantas Group – the Australia’s largest domestic and international airline – is the world’s second oldest airline that was founded in the Queensland, Australia in 1920. According to Qantas Airways Limited (2010) the Qantas Group currently “ employs approximately 35, 000 people and offers services across a network spanning 173 destinations in 42 countries (including those covered by codeshare partners) in Australia, Asia and the Pacific, the Americas, Europe and Africa” (p. 1).

The main business of the Qantas Group is the transportation of passengers that carried on under two complementary brands – Qantas (grouped the best premium airlines Qantas and QantasLink) and Jetstar (grouped the low fares airlines Jetstar, Jetstar Asia and Jetstar Pacific). Besides the airline businesses the Qantas Group comprises a diverse range of portfolio and service businesses: Qantas Engineering, Qantas Aviation Services, Qantas Airports, Qantas Catering Group, Qantas Freight Enterprises, Qantas Holidays,

Qantas Group International divisions (Asia, UK and Europe, Americas, New Zealand and Pacific, Southern Africa), etc.

According to official returns of the Qantas Airways Limited (2010, p. 2):

- Domestically, Qantas, QantasLink and Jetstar operate around 5, 300 flights a week serving 59 city and regional destinations in all states and mainland territories. Jetstar also operates nearly 170 domestic flights a week in New Zealand. Internationally, Qantas and Jetstar operate more than 900 flights each week serving 173 destinations in 42 countries.
- At 1 March 2010, the Qantas Group operated a fleet of 246 aircraft, comprising Boeing 747s, 767s, 737s and 717s, Airbus A380s, A330s and A320s, Bombardier Dash 8s and Bombardier Q400s. For the full year ended 30 June 2009, Qantas reported a profit before tax of \$181 million - 87 per cent decrease on the full year to 30 June 2008. Net profit after tax was \$123 million. The Qantas Group explicitly states about the comprehension of the importance of the sustainability in its daily operations and promotes continuous improvement in this area (Bachoo et al. , n. d). For some last years Qantas has provided different initiatives joint under the general Sustainable Future Programme.

In 2007 the first Qantas Group Annual Sustainability Report was produced to demonstrate that sustainability became a part of everyday operations of the corporation. In 2009, the Sustainability Report was presented as a microwebsite (<http://annualreport.qantas.com.au>). Geoff Dixon, the Chief Executive Officer of the Qantas, says: " We know that the sustainability agenda is about much more than just the viability of the individual businesses. It's about how we shape our collective destiny as a society. At Qantas we accept the urgency of the challenge" (Qantas Airways <https://assignbuster.com/monitoring-system-qantas-assignment/>

Limited, 2008, p. 1). So, the most important sustainability issues that face the Group and its stakeholders are announced as follows[1]: 1. Uphold the highest standards of safety and customer service in the air and on the ground. 2. Protect the health and welfare of Qantas employees through a continued reduction in injuries at work, to create work/life balance opportunities and to encourage participation in health and wellbeing programs. 3. Create and sustain a diverse and talented workforce and be considered an “ employer of choice”. 4.

Minimise environmental impacts and, in particular, reduce the impact of climate change through a comprehensive environment program. 5. Support socioeconomic development in Australia by encouraging business links, supporting freight and tourism, nurturing family ties, charitable giving and a variety of community initiatives. The Qantas Group is an initiator of a series of programs and events “ Sharing the Spirit”, many of which are closely connected to sustainability issues, e. g. Qantas Award for Excellence in Sustainable Tourism, Qantas Workplace Giving program, Qantas Reconciliation Programs, etc.

In 2008/2009 Qantas for the first time was also included in two social responsible investment indexes: • Dow Jones Sustainability Index (DJSI) Asia Pacific • FTSE4Good Global Index and Australia 30 Index It is clearly demonstrated a high level of Qantas’s performance in the sustainability area. Sustainability Dimensions In spite of the Qantas Group has developed a sustainability measurement and monitoring system, which is constantly revised and modified in accordance to the relevant business objectives (see

Appendix C), we intend to elaborate our version of the sustainability monitoring metrics for the Qantas Group.

We will base our designing process on the Triple Bottom Line (TBL) approach discussed above and on recommendations of the Global Reporting Initiative (GRI), namely on the following Reporting Practices Guidelines: • A Snapshot of Sustainability Reporting in the Airports Sector (GRI, 2009) • GRI Logistics and Transportation Sector Supplement (GRI, 2006) Sustainability Reporting Guidelines (GRI, 2000-2006) We suggest organising measurement and monitoring the Qantas sustainability indices in terms of economic, environmental, and social performance (the TBL model), because it is the most widely used and well-approved sustainability approach today. We agree with some critiques that this approach does not enable to think about all three categories in integrated manner (GRI, 2006), but nevertheless, it serves as a comprehensive starting point into a complex area of corporate sustainability. Economic performance aspects

GRI (2000-2006) introduces economic performance aspects and indicators mainly as expected to illustrate the flow of capital amongst different stakeholders. That's why it seems understandable that the best way to define aspects in economic performance dimension for the Qantas Group is to determine groups of stakeholders, for each of which it is possible further to set relevant sustainability indicators. Taking into a consideration that the Qantas Group deals with a large and diverse range of stakeholders[2] both in Australia and around the world, we can range them as followings: •

Customers • Suppliers Employees • Providers of Capital (shareholders, investors, banks, financiers) • Strategic Partners • Public sector (regional

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communities, NGOs, media) • Australian Government It should be noted that in a case of the Qantas Group the Australian Government is a key stakeholder, and “ in July 2008 the Qantas Group made a wide-ranging submission to the Government’s Aviation Green Paper, calling for flexible and forward-looking aviation policy settings that support a sustainable and efficient Australian aviation industry, capable of attracting investment to support growth, and operating on a fair and nternationally competitive footing” (Qantas Airways Limited, 2009). Economic performance indicators data is also show the economic impacts of the corporation throughout society (GRI, 2000-2006). Thus, in relation to direct economic impact there are categories of stakeholders’ groups that reveal economic performance aspects on our monitoring system. But, in addition one more aspect is considered to be useful – Indirect Economic Impacts. It plays a role of an agent in socio-economic changes, mainly in relation to local communities and regional economies.

Environmental performance aspects The environmental dimension of sustainability relates to the impact of an organisation on various natural systems (both living and non-living) – air, water, ecological systems.

Environmental aspects cover organisational performance related to inputs (e. g. , material, energy, and water), outputs (e. g. , emissions, effluents, waste), biodiversity, environmental compliance, environmental expenditure and the impacts of products and services (GRI, 2000-2006).

For such corporation as the Qantas Group, which deals with air transportations, airports, and aviation services, the environmental problems of reducing the emissions intensity, measurement of carbon footprints, fuel

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efficient aircrafts, water conservation and consumption improvement, air quality and so on are extremely important and should be managed.

According to Qantas Airways Limited (2008), “ environmental performance is a key consideration of the Group’s fleet strategy” (p. 2). Using the latest technologies in airframes and engine designs (e. g. in A380, the B787

Dreamliner and the Bombardier Q400) Qantas obtains substantial reductions in carbon and noise emissions, as well as significant improvements in fuel efficiency. We consider including in the Qantas Group sustainability

monitoring metrics the following environmental aspects, which are relevant to the operations of the corporation (see Table 1): Table 1. Environmental

performance aspects. Aspect | Relevance to the Qantas Group operations | |

Materials | The aspect reflects the input of materials used by the corporation

| | (material consumption), helps to monitor material efficiency and cost of |

| | material flows | | Energy | The aspects reflects the input of energy used by the corporation, helps to | | monitor energy consumption efficiency

(including different kinds of energy | | - direct, indirect, intermediate,

renewable, etc. | | Water | The aspect reflects the input of water used by the

corporation (water | | consumption), helps to monitor the efficient use of

water and water | | consumption costs | | Noise | The aspect relates to

airports activities that impact a level of noise | | around them | | Biodiversity

| The aspect relates to airports activities that impact natural resources | |

and environment, it helps to develop a strategy to mitigate such impacts | |

Emissions and Waste | The aspect reflects the output – standard releases to

the environment that | | are considered to be pollutants (gas emission, solid

waste, etc. , it | | helps to develop a strategy to reduce emissions and waste

| | Product and Services | The aspect reflects an organisational impact on

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environment through its | | | products and services | | Transport | The aspect reflects a significant environmental impacts of transportation | | | used for logistical purposes and airport surface access | | Overall | The aspect reflects a total environmental protection expenditures and | | | investments, it helps to assess the efficiency of organisational | | | environmental initiatives |

Social performance aspects

GRI (2006) relates the social dimension of sustainability to “ an organisation’s impacts on the social systems within which it operates” (p. 31). It suggests to measure social performance through an analysis of the organisation’s impacts on stakeholders at the local, national, and global levels. In addition, social indicators can be connected to such organisation’s intangible assets, as human capital and reputation. For the Qantas Group, “ safety is the first and unwavering priority”[3] and one of the most important social performance aspects. We suggest seeing this aspect from two perspectives – safety for employees (operational) and safety for customers.

The Qantas Management System also for the most part focuses on occupational health and security, competency development and equal opportunities for employees. Giving complexity and considerable quantity of different social performance aspects GRI recommends implementing two-level structure of Key Social Performance Aspects, at the first level of which are Labour Practices & Decent Work, Human Rights, Society and Product Responsibility. It is important to note that aspects for Labour Practices & Decent Work, as well as for Human Rights, were developed by the GRI according to a number of existing internationally recognised standards and conventions. In relation to the Qantas Group we designed the social

dimension as follows (see Table 2): Table 2. Social performance aspects.

Aspect | Relevance to the Qantas Group operations | | Labour Practices and Decent Work | | Employment | The aspect reflects a size and structure of organisational workforce, it helps to | | | understand an impact of human resources on an implementation of the corporation's | | | strategy | | Labour/Management Relation | The aspect reflects an stakeholder engagement and an organisational contribution to a | | | stable society | | Occupational Health & Safety | The aspect reflects a level of an organisational health and safety culture and helps | | | to facilitate it. | Training & Education | The aspect reflects a scale of an organisation's investments in maintaining and | | | improving human capital, as well as in contributing to employee satisfaction in | | | relation to skill development needs | | Employees Diversity & Opportunities | The aspect reflects a level of diversity and equality of remuneration within an | | | organisation | | Human Rights | | Investment & Procurement Practices | The aspect reflects an organisation's integration of human rights into its external | | | business relationship and economic decisions | | Forced & Compulsory Labour | The aspect reflects an organisation's capacity enabling it to effectively address | | | human rights' issues in forced or compulsory labour incidents | | Freedom of Associations | The aspect reflects an organisation's capacity to support rights to exercise freedom | | | of association and collective bargaining | | Non-discrimination | The aspect reflects an organisation's capacity enabling it to effectively address | | | human rights' issues in incidents of discrimination | | Indigenous Rights | The aspect reflects an organisation's capacity enabling it to effectively address | | | issues in incidents related to basic aspects of human rights | | Security Practices | The aspect reflects a level of security

personnel training concerning human rights | | | aspects relevant to operations | | Society | | Community | The aspect reflects social impacts of organisational operations, both negative and | | | positive.

It helps to manage these impacts across the communities in which the | | | corporation operates | | Bribery & Corruption | The aspect reflects organisational efforts to manage reputational risks arising from | | | corrupt practices | | Product and Services Responsibility | | Customer Health and Safety | The aspect reflects organisational efforts to address customers' health and safety | | | protection across the life cycles of its products and services | | Compliances | The aspect reflects an organisational ability to ensure that its operations conform | | | to certain performance parameters, it helps to reduce financial risks occurring | | | through fines or reputation | | Advertising & Marketing Communications | The aspect reflects a level of adherence to generally accepted ethical and cultural | | | standards of organisational marketing programmes (including advertising, promotion, | | | sponsorship) | | Consumer Privacy | The aspect reflects organisational efforts to address protection of customer privacy | | | and losses of customer data | Sustainability Indicators

After the sustainability dimensions and appropriate aspects were chosen, we defined a set of measures (sustainability indicators) best suited to each of aspects. In our work we related upon recommendations of the Global Reporting Initiative (GRI): • A Snapshot of Sustainability Reporting in the Airports Sector (GRI, 2009) • GRI Logistics and Transportation Sector Supplement (GRI, 2006) Recent Qantas Sustainability Reports (Qantas Airways Limited, 2008, 2008) were also taken into consideration. A summary <https://assignbuster.com/monitoring-system-qantas-assignment/>

of all sustainability indicators matching to the aspects listed in the previous section is presented in Table 3. Table 3. Sustainability indicators of the

Qantas Group Aspect	Indicator	Measurement unit	Comments
Economic performance indicators	Customers	Monetary flow: Net sales	Net sales equal gross sales from products and services minus returns, discounts, and allowances
	Geographic breakdown of markets:	%	For each product/service or national market share by country
	Suppliers	Monetary flow: Cost of all goods, materials and services purchased	Supplier breakdown by organisation % of total cost
	Employees	Monetary flow: Total current payroll	Incl. ages, pension, other benefits, and benefits and redundancy payments
	Providers of Capital (PoC)	Monetary flow: All financial payments	made to PoC
	Strategic Partners	Monetary flow: dividends on all classes of shares	Public sector (unions, regional
	Infrastructure built outside the corporation boundaries (e. g. schools, hospitals, etc.) for local communities	Total spent on non-core business	\$M
	Voluntary contributions and investments of funds	\$M	Incl. donations
	Australian Government	Monetary flow: Total sum of taxes of all types paid	Subsidies received
	Indirect Economic Impact	The corporation's indirect economic	\$M or qualitative
	Externalities associated with the corporation's products and services		
Environmental performance indicators	Materials	Total materials use other than water,	Tones, kgs or other volumes
		Incl. raw materials, process	by

type | | materials, etc. | | Energy | Direct energy use segmented by | Joules |
Breakdown acc. to type of energy, | | | primary source | | type of using (for
services, for | | | | infrastructure, etc. | | | Initiatives to use renewable
energy | Numbers of initiatives | Description of initiatives | | Water | Total
water withdrawal by source | Litres | Volume of water used from any water | |
| | | source directly or through water | | | | utilities | | | Initiatives to use
water recycled and | Numbers of initiatives | Description of initiatives | | |
reused | | | | Noise | Objectives and programmes for noise | Numbers of
objectives and | Description of objectives and | | | management/abatement |
programmes | programmes | | Biodiversity | Location and size of land owned,
| Hectares | Mainly in relation to the Qantas | | | leased, or managed in | |
airports | | | biodiversity-rich habitats | | | | Objectives and programmes for |
Numbers of objectives and Description of objectives and | | | protecting
native ecosystems and | programmes | programmes, as well as impacts on |
| | species | | biodiversity | | Emissions and Waste | Greenhouse gas
emissions by using in | Tones | For each gas - total direct and | | | aviation
and ground vehicles | | indirect emissions | | | NOx and other air emissions by
type | Tones | - | | | and weight | | | | Total amount of waste by type and |
Tones | Hazardous and non-hazardous waste for | | | disposal method | | each
of the disposal methods | | | Significant spills of oils, fuels or | Tones,
hectares and other volumes | Significant is defined in terms of | | | chemicals
in terms of total volume | | both size of the spill and | | | and total number | |
environmental impact | | Product and Services | Initiatives to mitigate
environmental | Numbers of initiatives | Description of initiatives and | | |
impacts of products and services | | impacts in relation to materials use, | | | |
| water use, emissions, noise, waste | | Transport | Significant environmental

impacts of | Different volumes | Incl. energy use, emissions, | | | transporting products and materials | | effluents, waste, noise, spills, etc. | | | used for the corporation's operations | | | | and transporting employees | | | Overall |

Total environmental protection | \$M | It can be generally broken down by | | | expenditures and investments by type | | waste disposal, emissions treatment | | | | and remediation costs; and prevention | | | | and environmental management costs | | Social performance indicators | | Labour Practices and Decent Work | | Employment | Total workforce by employment type, | Number of people | - | | | corporation's business type and | | | | region | | | | Total number and rate of employee | % | - | | | turnover by corporation's business | | | | and region | | | | Total number and rate of employee | % | Total and segmented by region / | | | turnover by age group and gender | | country | | Labour/Management Relation | Percentage of employees covered by | % | Total and segmented by region / | | | collective bargaining agreements | | country | | Occupational Health & Safety | Percentage of total workforce | % | Total and segmented by region / | | | represented in formal joint H&S | | country | | | committees | | | | Rates of injury, occupational | % | Total and segmented by region / | | | diseases, lost days etc. | country | | | Total number of work-related | Number of fatalities | Total and by region / country | | | fatalities | | | | Education, training, prevention and | Number of programmes | Description of programmes | | | risk-control programmes in place to | | | | assist employees and their relatives | | | | regarding diseases | | | | Training & Education | Average hours of training per year | Number of hours | By employee category and region | | | per employee | | | | Programmes for skills management and | Number of programmes | Description of programmes | | | lifelong learning to assist employees | | | |

career management | | | | Percentage of employees receiving |% | By employee category and region | | regular performance and career | | | | development review | | | | Employees Diversity & | Breakdown of employees per category | - | - | | Opportunities | acc. o gender, age group, minority | | | | group membership, and other | | | | indicators of diversity | | | | Ratio of basic salary of men to women|% | By employee category and region | | Human Rights | | Investment & Procurement | Total number of investment agreements| Number of agreements | Descriptions of agreements | | Practices | that include human right clauses | | | | Employee training on policies and | Number of hours and employees | Total number of hours, number of | | | practices concerning human rights | | employees trained, description of | | | issues in operations | | trainings | | | Policies, guidelines, corporate | - | Description of all evidences | | | structures, procedures deal with | | | | human rights aspects | | | | Forced & Compulsory Labour | Policies, guidelines, corporate | - | Description of all evidences | | | structures, procedures to prevent | | | | forced and compulsory labour | | | Freedom of Associations | Freedom of association policy and | - | Description of all evidences | | | procedures / programmes | | | | Non-discrimination | Policy and procedures / programmes | - | Description of all evidences | | | preventing all forms of | | | | discrimination in operations | | | | Indigenous Rights | Policies, guidelines, corporate | - | Description of all evidences | | | structures, procedures addressing the| | | | needs of indigenous people | | | | Security Practices | Human rights training for security | Number of hours and security | Total number of hours, number of | | | personnel | personnel | security personnel trained, | | | | description of trainings | | Society | | Community | Policy and procedures / programmes | - | Description of all evidences | | | that

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assess and manage the impacts of | | | | the corporation operations on | | | |
 community | | | | Bribery & Corruption | Policy, procedures / programmes and
 |- | Description of all evidences | | | compliance mechanisms addressing | | | |
 bribery and corruption | | | | Total number of business units | Number of
 units |- | | | analyzed for risks related to | | | | corruption | | | | Employee
 training on anti-corruption | Number of hours and employees | Total number
 of hours, number of | | | policies and procedures | | employees trained,
 description of | | | | trainings | | | Total number of incidents of | Number of
 incidents | With description of action taken in | | | corruption | | response | |
 Product and Services Responsibility | | Customer Health and Safety | Policy
 and programmes for preserving |- | Description of all evidences | | | customer
 health and safety during use| | | | of the corporations” products and | | | |
 services | | | | Total number of incidents of | Number of incidents | With
 description of action taken in | | | non-compliance with regulations conc. | |
 response | | | H&S | | | | Compliances | Monetary value of fines for |\$M |- | |
 non-compliance with laws and | | | | regulations concerning use of | | | |
 products/services | | | | Advertising & Marketing | Policy, programmes and
 compliance |- | Description of all evidences | | Communications | mechanisms
 for adherence to standards| | | | related to advertising | | | | Consumer
 Privacy | Policy, programmes and compliance |- | Description of all evidences
 | | | mechanisms for consumer privacy | | | Conclusion Perrini and Tencati
 (2006) argue that during the last 10 years, interest in Sustainability
 Development Indicators systems was raised drastically.

The main reason of this phenomenon is that organisations and governments
 throughout the world have “ increasing need for improved quality and

regularly produced information with better spatial and temporal resolution” (Ibid. p. 304). More and more companies become involved in the Sustainability Development Programmes in order to create a stable set of indices that provides a more comprehensive perspective on development than single economical measures such as GDP. Today there are already a number of prominent, well-approved indices (see Appendix D). In our work we were based mostly on the recommendations of the Global Reporting Initiative (GRI) and its Sustainability Reporting Framework. It enabled us to expand substantially the existing Key Performance Indices used by the Qantas Airways for Sustainability Measurement.

Taking into account that the Qantas Group is in the very beginning of its sustainability measurement and monitoring process, we hope the corporation will include more aspects and indicators, significant for business, in its metrics. In this relation we agree with the International Institute for Sustainable Development (IISD) that describe sustainability as: “ Sustainable development is not a “ fixed state of harmony”. Rather, it is an ongoing process of evolution in which people take actions leading to development that meets their current needs without compromising the ability of future generations to meet their own needs” (Bell & Morse, 2008, p. 170).

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The Norwich City Council 21 set of SIs. [pic] [pic] [pic] Source: Bell & Morse, 2008, p. 82 Appendix B. Bellagio Principles. Guidelines for Practical Assessment of Progress Toward Sustainable Development. 1. GUIDING VISION AND GOALS

Assessment of progress toward sustainable development should:

- be guided by a clear vision of sustainable development and goals that define that vision.

2. HOLISTIC PERSPECTIVE Assessment of progress toward sustainable development should:

- include review of the whole system as well as its parts;
- consider the well-being of social, ecological and economic subsystems, their state as well as the direction and rate of change of the state, of their component parts, and the interaction between parts;
- consider both positive and negative consequences of human activity in a way that reflects the costs and benefits for human and ecological systems, both in monetary and non-monetary terms.

3. ESSENTIAL ELEMENTS

Assessment of progress toward sustainable development should:

- consider equity and disparity within the current population and between present and future generations, dealing with such concerns as resource use, overconsumption and poverty, human rights, and access to services, as appropriate;
- consider the ecological conditions on which life depends;
- consider economic development and other non-market activities that contribute to human and social well-being.

4. ADEQUATE SCOPE Assessment of progress toward sustainable development should:

- adopt a time horizon long enough to capture both human and ecosystem time scales, thus responding to current short-term decision-making needs as well as those of future generations;
- define the space of study large enough to include not

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only local but also long distance impacts on people and ecosystems; • build on historic and current conditions to anticipate future conditions: where we want to go, where we could go. 5. PRACTICAL FOCUS

Assessment of progress toward sustainable development should be based on: • an explicit set of categories or an organizing framework that links vision and goals to indicators and assessment criteria; • a limited number of key issues for analysis; • a limited number of indicators or indicator combinations to provide a clearer signal of progress; • standardizing measurement wherever possible to permit comparison; • comparing indicator values to targets, reference values, ranges, thresholds or direction of trends, as appropriate. 6. OPENNESS Assessment of progress toward sustainable development should: • make the methods and data that are used accessible to all; • make explicit all judgments, assumptions and uncertainties in data and interpretations. 7. EFFECTIVE COMMUNICATION

Assessment of progress toward sustainable development should: • be designed to address the needs of the audience and set of users; • draw from indicators and other tools that are stimulating and serve to engage decision-makers; • aim, from the outset, for simplicity in structure and use of clear and plain language. 8. BROAD PARTICIPATION Assessment of progress toward sustainable development should: • obtain broad representation of key grassroots, professional, technical and social groups, including youth, women and indigenous people to ensure recognition of diverse and changing values; • ensure the participation of decision-makers to secure a firm link to adopted policies and resulting action. 9. ONGOING ASSESSMENT

Assessment of progress toward sustainable development should:

- develop a capacity for repeated measurement to determine trends;
- be iterative, adaptive and responsive to change and uncertainty because systems are complex and change frequently;
- adjust goals, frameworks and indicators as new insights are gained;
- promote development of collective learning and feedback to decisionmaking.

10. INSTITUTIONAL CAPACITY Continuity of assessing progress toward sustainable development should be assured by:

- clearly assigning responsibility and providing ongoing support in the decision-making process;
- providing institutional capacity for data collection, maintenance and documentation;
- supporting development of local assessment capacity.

Source: Bossel, 1999, pp. 15-16 Appendix C.

Qantas Sustainability Indicators in 2008 [pic] [pic] Source: Qantas Airways Limited, 2008, pp. 38-39 Appendix D. Some useful Sustainable Indicators 1.

ISEW, the Index of Sustainable Economic Welfare, is a monetary index correcting GDP on a certain number of points, in particular taking into account the social and environmental costs ensuing from income inequalities, mobility, road accidents, air and water pollution, noise pollution, the loss of natural ecosystems, the depletion in reserves of non-renewable resources, the fight against global warming and the erosion of the ozone layer. On the other hand, unpaid household work and public health and education expenditure are integrated as positive contributions to welfare.

2. GPI, the Genuine Progress Indicator, has been calculated since 1995 by the Californian institute “Redefining Progress”, for the United States.

It is directly derived from the ISEW which it slightly modifies, particularly by introducing the positive contribution of voluntary work, consumer durables

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and transport infrastructures, but subtracting some supplementary expenditure, such as the cost of family breakdown, unemployment, loss of leisure time, loss of natural areas, etc. 3. MDP, the Measure of Domestic Progress, is derived from the ISEW and close to the GPI, of which it is a kind of British version. It is specific in that in particular it takes into account defensive expenditures by households for health and education as well as some improvements in the calculation of environmental costs. 4.

The Index of Economic Well-being created by Sharpe and Osberg consists of a weighted average of four basic indicators, themselves synthetic, of consumption flows in the broad meaning of the term; wealth stocks (economic, human and environmental); economic inequalities and poverty; economic insecurity (a highly original dimension taking into consideration economic risks imposed by unemployment, illness and single-parent families). Economic and social dimensions play a very important role, in particular as regards environmental issues. 5. HWI, the Human Well-being Index, is one of the indicators (with the EWI—the Ecosystem Well-being Index) proposed by Prescott-Allen in his book entitled *The Wellbeing of Nations* (2001). It is made up of several basic indicators, relating to health (life expectancy) and family life (family stability), income and