

Triple bottom line concept



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Between Mr . Utilitarian, Miss Ecofeminism and Deep Ecology:

A View of The Triple Bottom Line

Fibriyani Nur Khairin

Abstract

The issue of environmental degradation presents complex ethical issues, especially for businesses. Due to “allegations” are directed to the company upon the occurrence of these condition. The emergence of triple bottom line concept strives to provide a way out for the company to more attentive to all stakeholder’s interests, including the nature. And the company’s implementation of triple bottom line concept could be seen in sustainability repoting to comunicate it to public. This paper subsequently offers a conceptual framework by using extended Fairclough’s critical discourse analysis. Then, the framework will use to reveal the views of several ethical perspective that underlies the implementation of company’s triple bottom line concept which reflect in sustanability reporting. Based on critical discourse analysis, the data will be used in the study is sustainability repoting as a text form to analyzed. And the three ethical perspectives that proposed to use as part of analysis in the study are utilitarian ethics, ecofeminism and deep ecology ethics, which have characteristics and strengths of each when it implemented in business.

Keywords : Triple bottom line, sustainability, utilitarian, ecofeminism, deep ecology, critical discourse analysis

1. Introduction

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Triple bottom line concept was initiated by Elkington in his *Cannibal with the Fork: The Triple Bottom Line of 21st Century Business* (1997) describes the company's attention to the necessity of wider stakeholder. Since it was considered not sufficient if the company only focusing on profit as the single bottom line. So, in order to maintain the sustainability of its business, the company also obliged to pay attention to social and environmental aspects, known as 3P, profit, people, planet. Therefore, the task facing companies today is how to balance the different interests of the various stakeholders for company's sustainability (Porter and Kramer, 2005; Riordan and Fairbass, 2014). The spirit of the triple bottom line (TBL) is then also led to the company's attention to corporate social responsibility (Kearney, 2009; Scott, 2012).

Nevertheless, there are issues become spotlight in recent years, which is the impact of business decisions and measures taken by the company in the process of achieving their objectives. That is about environmental and social issues which are considered to be "victims" of business in order to gain an advantage. As the case with residents of Sidoarjo, and PT. Lapindo in mid-2006, which up to now the area is still submerged in the mud, in Indonesia this case known as Lapindo mudflow. Furthermore, another story experienced by Pekanbaru-Riau residents as well as Kalimantan and Sumatra are exposed smoke from forest fires in 2015, in which this situation could affect many aspects of life and the economy both in Indonesia and internationally (Kompas, 2015). Not to mention other effects to society and the environment as a result of deforestation. So, that one of the parties blamed to be the cause of social and environmental issues is a business

process that do companies, especially those operating around the neighborhood.

In addition, discourses related to environmental ethics are at the level of empirical research (Caldwell, 2006; Windsor, 2006; Freeman, et al., 2007; Huang and Watson, 2015), further clarify the amount of attention the entire community on these issues. However, the question today is, if indeed the TBL concept already implement as corporate bottom line, then why social and environmental damage still occurs? Is TBL only become a jargon? Is it true that there are no ethical considerations in business decision-making? Even Weiss (2009: 17) pointed out one of myth in business ethics, when the ethics juxtaposed with business ethics, both of these seemed to be in a different world. When it comes to business, it is deemed inappropriate to discuss ethics in the same room. Then, this article aims to offer the conceptual framework to reveal the views of several ethical perspective that underlies the implementation of company's triple bottom line concept which reflects in sustainability reporting. Ethical concepts used in this paper is often used as a basis in assessing whether an action is ethical environmental, social and business, namely the utilitarian ethic (Weiss, 2007; Renouard, 2010), ecofeminism (Kerf, 2010) and deep ecology ethic (Naes, 1995).

Following this introduction, we represent the literatures to find explanation about company's bottom line and the environmental ethics. The third section explains critical discourse analysis as reasearch methodology. The last section of this paper showed brief closing comments to conclude our discussion. The contribution of this paper is expected to provide an overview on the comparison mindset of ethics underlying the application of the

concept of the triple bottom line in looking at environmental issues, because ethically or not an action is also guided by ethical perspective as agreed by the communities. Thus, through the conceptual framework, we also try to make critical discourse analysis about ecofeminism and deep ecology perspective to the concept of utilitarian ethic, which is considered as the dominant underlying implementation of the Triple Bottom Line in business world.

2. Literature Review

2. 1 Company's bottom line and sustainability

What exactly is the company's bottom line? Why would this be important to see way of thinking and acting entrepreneurs? As expressed by Estes (2005: 14), the bottom line is a guide for the company, which he describes as an income for shareholders. If any act is able to increase the profits of shareholders as indicated in the bottom line, then calculus of the company will refer to it as a good thing. On the contrary, if it is detrimental the bottom line, then it's bad. That is known as single bottom line and obtained many criticisms, since with only one goal, the company has negated other parties or groups whom also involved and affected by company's activities. The concept of single bottom line is regarded as obsolete concept. Due to focusing on the interests of shareholders, the management and business leaders get into tyranny of the bottom line (Estes, 2005: 16). This leads to tyranny businesses ravaged an ethical dilemma and could fall into unethical decision making for the achievement of profit targets.

Issues related to social and environmental aspects which bear the consequences of unethical business decisions, draw the attention of the public and the academic. Saerozi (2011) and Khrisna *et al.* (2011) argued that environmental damage is nothing other than direct impact on environmental crime, which can happen everywhere and by anyone. This action is mainly carried out the cost of business which do not care about the environment and government regulations. As a result of environmental crimes is growing up damaging the surrounding environment.

Furthermore, in promoting and increasing awareness of the necessity of other bottom line, the concept of the Triple Bottom Line (TBL) coined by John Elkington in mid-1990s. Goes beyond the bottom line to measure three aspects of sustainability: people, planet and profit. Through this concept, Companies not only have the responsibility of economic, social and legal to shareholders, but also to the stakeholders (Friedman, 1982). Recent research indicates that for a variety of reasons, corporations adopting Triple Bottom Line (TBL) reporting, as known as sustainability reporting, are making changes to the way they do, or at least think about, business (Slaper and Hall, 2011). TBL has become a dominant approach today in terms of corporate reporting and being more transparent in accounting practices (Robins 2006; Savitz and Weber 2006; Sridhar and Jones, 2013). It can be seen that the three pillars of the TBL is a key component to good corporate citizenship through sustainability (Friedman, 1982, Kearney, 2009; Scott, 2012).

2. 2 Environmental Ethics

In language of moral philosophy, Norman and McDonald (2003) argued, this is locating all of business ethics and social responsibility within the theory of the good: asking, roughly, how does the firm add value to the world?

Obviously, this is a very relevant question when evaluating a corporation. But much of what is ethically relevant about corporate activities concerns issues in what moral philosophers call the theory of right: concerning whether rights are respected and obligations are fulfilled. Now clearly there are important links between our views about rights and obligations, on the one hand, and the question of what actions make the world better or worse, on the other.

In recent years, pressure for businesses are growing to make their business and companies “ go green,” in other words, to be more friendly to people and the environment (Lako, 2014: 67). These pressures not only come from governments, but from the stakeholders of the company itself. Further according to Lako (2014: 68), this condition is forcing businesses to transform their business paradigms and practices toward green business or sustainable business paradigm, which integrates environmental ethics in business ethics. Environmental ethics also called ecological ethics and divided into two ethics of deep ecology and shallow environmental ethics (Setyono, 2011: 7).

Both of these ecological ethics have some differences, but that does not mean the emergence of environmental ethics is to give a direct answer to the question why there is damage to the environment (Tilley, 2000). But at least with the description of environmental ethics can be a bit elaborate on the norms which are used by humans in approaching this nature. Thus,

environmental ethics seeks to contribute with some norms offered to uncover and prevent environmental damage (Keraf, 2010). Keraf (2010: 31) also expressed criticism of the old perspective that main cause of all the criticism ecology. This criticism is based on environmental ethics and offer a new perspective or paradigm once the new behavior on the environment or nature, which could be considered as a solution to the ecological crisis. There are several theories in environmental ethics which saw the human relationship to nature, i. e anthropocentrism, biocentrism and econcentric. The next will be described the three theories of ethics related to environmental ethics that are used to analyze the implementation of company's triple bottom line:

1. Antropocentrism in utilitarian ethics

Utilitarian sometimes also called consequentialism. This is because while looking at ethically or not a thing, they only care about the result or effect of the act (Aulia, 2013). For example, according Aulia (2013) if the business person is given a question, what results that they want? Then, if they think that the core business is (a) to spread happiness and alleviate suffering, or (b) to make freely as possible in the world, or (c) to promote the viability of the group, so that means they receive consequentialism. The dominance of utilitarian thinking in this business affects the perspective of the parties involved in business of looking at “ benefit/goodness” to achieve (Godfrey, 2005; Stiglitz, 2006). Measures that only pay attention to the impact of this action was that sometimes triggers a business might not be concerned with sound business processes. Focus on profit which aims for corporate

sustainability and human interest (Renouard, 2010) by “taking advantage” of nature, also refers to the anthropocentric ethics.

In case, anthropocentrism is an ethic that sees man as the central system of the universe. In anthropocentrism, ethics, values and moral principles only be valid to humans, and that the needs and interests of human beings have the highest value and the most important among all other living creatures. Nature is only a tool for achieved human purposes. Then, characteristics that are instrumentalistic and egoistic that causes these theory are regarded as shallow environmental ethics (Setyono, 2011). Instead of it, Keraf (2010: 34) pointed out that the environmental crisis is not caused by an anthropocentric approach per se, but rather by excessive anthropocentrism approach.

2. Feminism emancipatory in ecofeminism

The feminist movement looked directly proportional to the environmental damage cases of exploitation of women, so feminists posit that in order to save nature, women must be involved in it. Women should be elevated by one rank to jointly save the environment. The emergence of ecofeminism is a strong indicator that the women’s movement has expanded its efforts to save the environment (Darmapoetra, 2013). Ecofeminism considers that if we want to get out of the environmental crisis, then women should have an equal position with men (Wulan, 2007).

Disclosed by Keraf (2010: 124) that ecofeminism was first introduced by French feminist, Françoise d’Eaubonne, in 1974, through his work *Le Feminism Ou La Mort*. Through his book, he arouses awareness of human beings, especially women, to carry out an ecological revolution in the effort

to save the environment. He offers a holistic perspective, pluralistic, and inclusive, a more enabling men and women to build relationships to match, to prevent violence, against war, and to maintain the balance of nature-environment where they live. At the ecological level, Toresano (2013) asserted, ecofeminism means a theory and environmental ethics movement that wants to break the building of ethics in general, that is anthropocentrism and androcentrism. According to the ecofeminism, the ecological crisis is also due to the perspective and behavior that promotes domination, manipulation and exploitation of nature (Keraf, 2010: 130).

3. Ecocentrism in deep ecology

Deep ecology was first initiated by Arne Naess (1995), a Norwegian philosopher. It promotes a point of view of holistic universe, the perspective takes every creature as having a value in itself that cannot be sacrificed arbitrarily by other living creatures (Sururi, 2014). There are eight platform principles of the deep ecology movement which come from all walks of life, and a wide variety of cultures and religions (Drengson, 1995):

“(1) The well-being and flourishing of human and nonhuman Life on Earth have value in themselves (synonyms: intrinsic value, inherent value). These values are independent of the usefulness of the nonhuman world for human purposes; (2) Richness and diversity of life forms contribute to the realizations of these values & are also values in themselves, (3) Humans have no right to reduce this richness and diversity except to satisfy vital human needs; (4) The flourishing of human life and cultures is compatible with a substantial decrease of human population. The flourishing of nonhuman life requires such a decrease. (5) Present human interference

with the nonhuman world is excessive, and the situation is rapidly worsening; (6) Policies must therefore be changed. These policies affect basic economic, technological, and ideological structures. The resulting state of affairs will be deeply different from the present; (7) The ideological change is mainly that of appreciating *life quality* (dwelling in situations of inherent value) rather than adhering to an increasingly higher standard of living. There will be a profound awareness of the difference between big and great; (8) Those who subscribe to the foregoing points have an obligation to directly or indirectly try to implement the necessary changes.”

Acceptance of the principles in deep ecology platform means requires a commitment to respect the intrinsic values of the richness and diversity. This, in turn, led to people to criticize the culture industry, with development models that interpret the earth just as the raw material that will be used to meet consumption and production to meet not only the needs but the increasing desire to be satisfied with more and more consumption again (consumerism). While industrial culture has represented itself as the only acceptable model for development, destructive monoculture of cultural and biological diversity on behalf of human convenience and profit (Drengson and Gray, 2006).

3. Research Method

This study will provide a framework of qualitative research with extended Fairclough’s critical discourse analysis (CDA) as tools of analysis. We will use the data from sustainability reporting that produce by Indonesian companies to represent their corporate social responsibility program, as part of TBL

implementation. Sustainability reporting, so that can be considered as a text which is a form of language use in social practices. All social practice are tied to specific historical contexts and are the means by which existing social relations are reproduced or contested and different interests are served. So many aspects and parties involved in the creation of TBL reporting, surely every parties also have different interest in it. Where analysis seeks to understand how discourse is implicated in relations of power, it is called critical discourse analysis.

Fairclough's (1989, 1995) model for CDA consists of three inter-related processes analysis which tied to three inter-related dimensions of discourse. These three dimensions are (1) the object of analysis (including verbal, visual or verbal and visual texts); (2) The processes by means of which the object is produced and received (writing/speaking/designing and reading/listening/viewing) by human subjects; (3) The socio-historical conditions which govern these processes. According to Fairclough each of these dimensions requires a different kind of analysis, which are text analysis (description), processing analysis (interpretation), social analysis (explanation). Then, at the third dimensions of Fairclough's model for CDA will be extended with the three ethical perspective (utilitarian, ecofeminism, and deep ecology) to extend social analysis for explanation.

That's why Fairclough's approach to CDA useful for this study, because it provides multiple points of analytic entry. It does not matter which kind of analysis one begins with, as long as in the end they are all included and are shown to be mutually explanatory. It is in the interconnections that the

analyst finds the interesting patterns and disjunctions that need to be described, interpreted and explained.

4. Conclusion

Studies that links between business, ethics and the environment have been done before. Largely, it concentrated on issues of environmental damage caused by business activities. Thus, the emergence of TBL concept as provide an outlet for the business of the issue. Implementation of TBL in business conducted through corporate social responsibilities and reported in sustainability reporting. The formation of this report also involves many aspects and parties therein. So many interests and goals are represented. It can be said, sustainability reporting is a text form of language that used in social practices, which also contained various interests and powers of stakeholders that make it up. To find out how the ethical dimension used as a cornerstone in the establishment of the report, we will use extended Fairclough's critical discourse analysis as an analytical tool. And it might be expected to uncover, interpret and explain the meaning of implementing TBL concept in company if it is seen through the perspective of utilitarian ethics, ecofeminism and deep ecology ethics. Allowing those results to able to raise awareness on social and environment ethics. As well, accountants and business leaders can define a paradigm and ethical perspective in implementing the concept of TBL, which actually has a holistic view. In order to achieve the goal of green business, i. e. welfare of the entire stakeholders.

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