

Tip Sheet #13

Quadruple Bottom Line

Introducing the concept

Introduction

In 1994, John Elkington, a pioneer in the field of sustainability and corporate responsibility, introduced the label “triple bottom line (TBL)”. His 1998 book, *Cannibals with Forks: Triple Bottom Line of 21st Century Business* detailed the importance and benefits of going beyond the financial bottom line to express value creation. It also cited wider economic benefits, social and environmental returns.

Since then, the concept of ‘profit, people, and planet’ has gained momentum and recognition. Today, many of the world’s top companies publish specific reports expressing their triple bottom line returns. These businesses detail how their commercial objectives fit client needs and environmental safety along with profit motives, to be successful. Non-profits, government entities, the UN, and foundations all have examples of expressing multiple values.

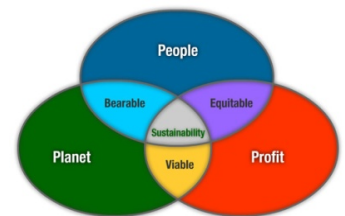


Figure 1: Triple Bottom Line

As the term has grown, increase in use has exposed gaps to account for all value creation. For example, how to incorporate and measure dimensions of religious cohesion, faith based values or the preservation of traditional cultures in a conception of return?

Adding a Fourth Bottom Line

Quadruple bottom line (QBL) provides means to measure, value and assess the addition of culture, spirituality, and faith in reporting. This can be expressed as people, planet, profit and PURPOSE. It adds navigation of important goals without compromising core values.

As this fourth dimension is new in expression, the exact constitution to measure the bottom line with spirituality and/or culture is not yet uniform in expression. The scope for objective measurement is being formed.



Figure 2: Quadruple Bottom Line

Quadruple Bottom line, continued

Definitions for the Quadruple Bottom Line

As a new concept, the term is still unknown in context. Introduction here begins with some definitions to provide parameters as to what can be in this bottom line.

'Culture' as a fourth bottom line is already in use. The New Zealand government has adopted this concept in consideration of its indigenous population and their welfare in the country, the Maori. This approach elucidates that sustainable development include cultural continuity and development of cultural well-being for the indigenous people. It ensures culture has fair consideration in all public policy. An example is in community-building. A publicly funded project is evaluated on a number of indicators, including enhancing the cultural identity of those involved, with other indicators for performance and the other three bottom lines.

'Spirituality' or faith is considered as a wider concept than just religion or belief. It is that which gives meaning to one's life and draws one to transcend. Relating a person, community or people with their faith and relationship with G-d / higher power can be seen as ethereal. Hence, difficulty in measurement is apparent. However,

Social Enterprise Associates is incorporating QBL into its consulting offerings and assisting companies, NGOs, government and philanthropy to account for this additional bottom line.

How can this bottom line be expressed?

The fourth bottom line provides an additional opportunity for companies and other entities to express a clear purpose to improve the planet with community well-being. There are a number of dimensions that lend themselves to measurable, quantifiable indicators.

An example of enhancements in cultural identity is funding a program that supports Native American tribal elders to spend time with their younger citizens exchanging stories, traditions and language. There is potential for measureable outcomes in behavior, self-image, school performance, and ideally decreased juvenile delinquency. A socially responsible product for sale that fosters expressions of peoples' faith may be another place to measure value for this bottom line.

Developing greater understanding of expressions of measurement for this bottom line calls for collaborative and sustained effort to build a nomenclature and history. We look forward to contributing to growth in this arena and welcome others to do so, as well.

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Online Resources

"Triple Bottom Line." *The Economist*. The Economist Newspaper, n.d. Web. 10 Apr. 2013.
www.economist.com/node/14301663

Spirituality as a Fourth Bottom Line www.metafuture.org/Articles/spirituality_bottom_line.htm

Indigenous Culture and the Bottom Line: the Maori in New Zealand <http://wms-soros.mngt.waikato.ac.nz/NR/rdonlyres/ey2hdf2xv2drol33nprno2nobuuxdjklaozylq3k5zrronxr7rz2r4yn5p3lzdfx322gshyiuccpas2qtip7xuamahd/Maori+Sustainable+Economic+Development+in+New+Zealand.pdf>

Impact of Youth on QBL

<http://tcenews.calendow.org/blog/young-people-create-a-quadruple-bottom-line:-can-you-beat-that>

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Social Enterprise Associates is devoted to building a better tomorrow today. Reach **Managing Partner, Drew Tulchin**, by email info@socialenterprise.NET or phone 202-256-2692.