

Measuring Impact: Accounting for Value in Philanthropy and Corporate Social Responsibility

The world is realising that we cannot simply use financial numbers to measure our development. With this “single bottom line” approach, we have not captured the true value of our economic activities. These non-financial metrics, such as social impact and environmental impact have previously been less well regarded when considering development, business and strategic decisions. This has led to an imbalanced approach in development and we have seen issues such as social inequality and environmental degradation as negative impacts of this single bottom line model.

In recent years, there has been significant focus on developing methodologies to calculate these social and environmental metrics to come up with a triple bottom line view of business activities. These tools allow for the quantification into dollar values these non-financial externalities, and have allowed KPMG to develop the True Value methodology at measuring the value of organizations in a holistic approach.

The talk will give a description of the methodology and will be showcasing real examples of its practical use from global and local companies. This will include the adoption by the Dutch Railway from a European perspective, and the Link Reit from a local perspective as the tool was used for the first time by a listed entity in Hong Kong to measure and report the community impact of its activities for one of their key asset enhancement projects.