

# Q Can we support our people and the planet without sacrificing profit?

## A Yes, with a triple bottom-line scorecard.

**UP UNTIL RECENTLY**, the primary goal in business was profit and the most common tool to measure it was the P&L Statement. However, changes in society are pushing business to redefine success and how to measure it. Three converging forces have set the stage for a great makeover of our current business model:

First, the Great Recession made us realize that if we continue to use old models we might end up right back where we are now.

Second, more Baby Boomers are entering retirement age, redefining what it means to be successful.

Lastly, a new generation of employees is demanding meaningful work.

We propose an expanded model that defines business success as a journey to significance. We're not alone in this desire to redefine success.

In Bhutan, the government measures more than just GDP (gross domestic product). It also measures GNH, Gross National Happiness. Knowing happiness can be experienced differently for each person, they've developed a tool to measure several conditions within four key categories they feel encourage happiness.

In Maine and Delaware, companies can be granted

a B-Corp status. The charter of a B-Corp is to add value or benefit to employees, community and the environment.

We've taken a step further by designing a process for individual leaders and organizations to take the Success to Significance Journey. We've also created a measurement tool to match the expansive goal of reaching significance through supporting people, profits and planet.

**We call it the Success to Significance Triple Bottom-Line Scorecard.**

It measures the individual, as well as interdependent, performance of the three pillars of significance. Here are the goals of each:

**PEOPLE:** To find and express individual purpose and thereby drive meaning into the workplace.

**PROFIT:** To build a sustainable economic engine that provides a sustainable return on investment.

**PLANET:** To create healthy communities, leave a legacy and enhance our Earth.

This tool is based on familiar banking terms. Imagine three P&L statements, one for people, another profit and a third for planet. There are deposits, defined as benefits, withdrawals that take away from the benefits, and the

bottom line, what's left over.

We ask employees, company leaders, vendors and community members to assign a 1-100 rating on several line-item conditions in the Triple Bottom-Line Scorecard. We average out the scores and present a scorecard at the beginning of our work and another at the end to show progress.

Leaders and companies that take the Success to Significance Journey don't sacrifice profit for people or planet for profit. A recent study by Gallup and others shows that organizations can be more financially successful if they set and measure goals that support their people, community and environment.

The new business model is one of interdependence, doing meaningful work and serving the needs of all business stakeholders on the path from success to significance. ■



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