

Economy for the common good – Another ecological tool or a vital paradigm changer

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Table of content

Abstract	2
Sammanfattning	2
1. Introduction	3
1.1 Aim.....	5
1.2 Scope.....	5
2. Methods	5
2.1 General.....	5
2.2 Information retrieval.....	5
2.3 Sources of error.....	6
3. Results	7
3.1 ECG.....	7
3.2 ECG's 10 Principles.....	8
3.3 Common good report.....	9
3.4 Global reporting initiative.....	10
3.5 ISO 14001.....	13
3.6 ISO 26000.....	19
3.7 ECG Positive & Negative aspects.....	22
3.8 GRI Positive & Negative aspects.....	24
3.9 ISO 14001 Positive & Negative aspects.....	27
3.11 ISO 26000 Positive & Negative aspects.....	30
4. Analysis	33
4.1 Cost.....	33
4.2 Funding.....	35
4.3 Scientific reputation.....	36
4.4 Content stakeholders.....	37
4.5 Implementation.....	38
4.6 Certification.....	40
4.7 Overview.....	41
4.8 Capturing environmental aspects.....	42
4.9 Capturing economic aspects.....	43
4.10 Continuous improvement.....	44
4.11 Internal review.....	45
4.12 External review.....	46
5. Discussion	49
6. Conclusions	57
Acknowledgments	58
References	59
Appendix 1	68

Abstract

The environmental issues that we as a species face today are often considered to be the grandest challenge for our generation. Philosophers have for a long time highlighted and had an emphasis on how important the common good viewpoint is for a society's well being and in recent times this line of thinking has increasingly been more connected with ecological and social values present today. Companies and even many individuals have an egotistic and self-centered focus and the true value of a company is based on how much profit it gives rise to. A change in this view is crucial if a paradigm change will take place towards a more sustainable world. A lot has already been achieved within the environmental field but more is needed. One important aspect is to give people and companies tools to tackle the issues with. The Economy for the Common Good (ECG) was recently introduced to the market and founders claim that they can offer the solutions that is needed for companies to be able to work with all the vital environmental and social issues and to be able to be a part of the much needed paradigm change.

Sammanfattning

Vår tids största och mest utmanande frågor har många gånger sagts tillhöra miljödiskursen och att människans fortsatta existens är direkt knutet till hanteringen av dessa. Filosofer har länge betonat hur betydande "common good" perspektivet är för ett välmående samhälle och på senare tid har detta synsätt kopplats samman mer och mer med vår tids miljömässiga och sociala värderingar. För företag idag och även många individer är dess egna existens och dess framgång det primära och många gånger mäts framgång i hur mycket ekonomisk styrka ett företag eller en individ kan inbringa. En förändring av detta synsätt är avgörande om vi ska kunna förändra vår värld och börja mäta framgång i någonting annat än ekonomisk styrka och utveckling. Framsteg har redan skett inom miljödiskursen men mycket mer behövs för att ett genuint paradigmskifte ska inträffa. En viktig del i arbetet med miljöfrågor för företag är framför allt, att ha verktyg till sitt förfogande som kan hantera och förbättra deras arbete med miljöfrågor. The Economy for the Common Good (ECG) är ett nyligen introducerat verktyg på marknaden som enligt grundarna har en annan utgångspunkt än andra liknande och sättet som det hanterar sociala och miljömässiga frågor på. Målet är att verktyget ska kunna mäta framgång och miljö- och sociala prestanda på ett alternativt sätt och förhoppningsvis kan det spela sin roll i det avgörande paradigmskiftet som måste ske inom dessa områden.

Keywords: #common good, #ECG, #view, #tool

1. Introduction

The basic ideas for economy for the common good can be traced as far back as Aristotle (383-322 B.C.) when he criticized the economic management based solely on profit in his work, *Politics* (Clayton, 2013). Thomas Aquinas, an Italian, Dominican friar and priest discussed this further in his "Summa Theologiae" together with discussions about, economics, basis of morality, law and the virtue of justice. One of his claims was that a citizen that values the common good higher than his own private good could be considered a good citizen, which would benefit the state as a whole, since the actions of that individual constantly is being directed to serve the common good rather than self interests. Aquinas also stated that human laws which often are intended to be conclusions or determinations of natural laws often generate flaws since they are constructed by humans in the first place and therefore becomes difficult or even impossible to apply on the real world (Koritansky, 2007). Further, Thomas Hobbes also argued that human judgment is unreliable and needs to be guided by science, since if unregulated our judgment gets interfered by other tendencies such as self-interest ones or the pleasures and pains of the moment. Hobbes connects this to political ideas, ideologies and the common good and pin points that people are easily persuaded if words and objects don't get any context or reference, which means that people can be deliberately "swayed" towards a path that will not serve the common good. Therefore, strong incentives are needed in order to help and support individuals and their judgment from becoming influenced by other needs or interests. Hobbes says that it is only "the knowledge of consequences" (science) which can offer reliable knowledge of the future and overcome the frailties of human judgment (Williams, 2005).

Philosopher John Locke had a different approach. He stated that in order for a state to serve the social order and the common good, the focus should not be what kind of structure or form a government has, but the legislative power it possess and can exercise. This would then be expressed in effective laws that focus on acquisition, preservation and transfer of property that everyone could consent to, since the laws would be applied equally to all (Kemmerling, 2013). Hegel further developed that concept with a stronger focus on what kind of contribution property can have of the self in a person. Hegel said that property could have the potential to replace the subjective phase of personality and that property could give some sort of external reality to what would otherwise be the mere idea of individual freedom (Duquette, 2013). One of the most well known philosophers in modern times, Karl Marx had another view, that in the exercise of private property rights, social responsibility can never be enough. All modern society has to be guided into the path of large-scale cooperative labor (Stanford encyclopedia of philosophy, 2004). Marx also claimed that "the right of man to property is the right to enjoy his possessions and dispose of the same arbitrarily without regard for other, independently, from society, the right of selfishness" (Machan, 2013).

As these philosophical ideas reveal the interest around the common good has been with us humans for centuries, but its foundation has perhaps never been as crucial as now. In a time when capitalism has reached its peak and our earth's resources are being drained to a maximum, a paradigm change is crucial for enabling a sustainable future for all entities on earth, not only us humans. We live currently in a time were ideas such as profit, growth, expansion and egotism are valued high and sometimes even rewarded. Perhaps Jim Wallis defines it best by saying that our moral compass is off and that a commitment to the common good would bring people together no matter their political ideology or social standing. He

stresses the point that the common good should influence all the decisions we make, all from the most personal up to the broadest ones. It is those choices that will influence our kids and how we interact with our local communities that will enable a paradigm change in the long run and change broader and more abstract politics in the process which will eventually enable and better common life for all (Wallis, 2013).

The majority of companies today are concerned by two things, making or keeping the business successful in terms of the mentioned aspects and making or keeping the stakeholders happy in the process. More holistic and existential values connected to environmental and social aspects are most of the times lost or left out both unconsciously and consciously. Our current social structures promote this behavior, which makes it hard for companies that want to do a different approach to survive and uphold its business. Because many businesses today, want to take their responsibility and work towards the common good but often feel that they lack the proper tools for it or is out-competed by an old set of economical, environmental and social rules in order to do so. Today's environmental issues are more alarming than ever before and has once again been forced back on nations agendas due the global economic crisis which many are still trying to recover from. But perhaps this crisis can also work as a wake up call and be an opportunity to create a new system or at least modify the old one. The public pressure concerning environmental issues have been on a steady rise however and despite it not having the same standing as they did before the global economic crisis, they still have gained a lot more momentum than before since the effects of an exhausted planet are coming much more frequently and constantly emerging to remind us that fundamental changes is needed in our behavior we act out today. This rise in public awareness also generates new instruments and tools being developed to meet the new demands. Some of these tools were developed as early as in the 90s, such as the environmental management system ISO 14001. A system which was designed based on the environmental platform which was present then. The system has since then been constantly reviewed and modified to keep it up to date. There are also a wide variety of other tools that come from a similar background and time, such as the Global reporting initiative and EMAS. Question is if we should remain with these old proven systems which has been under the scientific magnifying glass for decades or is the aftermath of the economic crisis perhaps the perfect framework for new systems to emerge and change the landscape? Have the old systems been modified to almost perfection or are they built based on the same fundamental flaws as our societal structures as a whole?

One type of economic model that has emerged that does try to change the landscape is Economy for the common good (ECG) which was developed by Christian Felber, an Austrian university professor in economics. Felbers strongest incentive for creating this model was because he strongly believe that other alternatives must come forward to challenge today's capitalist system, were a business success is foremost measured in what kind of profit it give rise to. The main ideas with this model is that it should be both viable and workable for all types of corporations and businesses, also taken into account all types of legal structures and sizes. Promoting the common good is the basis for business success. The movement behind the model strives to generate changes in the current legislation and the main foundation goal is to ensure a good life for the planet as a whole and for all living things living within (Felber, 2013). To be able to ensure this a sustainable economic model is needed that incorporates ecological sustainability, social justice, human dignity, global fairness, solidarity and democratic participation. Another important aspect on a wider scale is to raise awareness concerning the flaws incorporated into the dominating capitalist system by focusing on people's cooperative

and conscientious action, while keeping in mind the three core sustainability aspects, the economic, social and ecological(Economy for the common good, 2013g).

1.1 Aim

The aim of this study was to analyze and examine "Economy for the common good" and to recognize both the strong and weak parts of the model. This will be achieved mainly by comparing criteria's for environmental management systems by comparing the ECG to other more well known ecological and social tools such as ISO 14001, ISO 26000 and Global reporting initiative.

1.2 Scope

Defining the scope of this thesis has been a challenge. Initially, the aim was to include as many of the most common systems and tools as possible, that companies use today for their environmental and social work within their businesses. The incentive was also to include some other new and emerging tools that could be seen as being in the same state as ECG in terms of development, but the scope would had been to wide to handle within the time frame given and the resources granted. Therefore, this thesis will have its aim centered on the viability of the ECG model as an environmental tool and also how well it can stand its ground towards the more well known tools, ISO 14001, ISO 26000 and Global reporting initiative.

2. Methods

2.1 General

This master thesis began in November 2013 and in the form of a pilot study. The goal of the pilot study was to retrieve and gather as much information about Economy for the Common Good as possible to lay the foundation for the master thesis that was officially started in January 2014. In January, an initial meeting was held with Terra institute which is environmental consultant company acting on Economy for the common good's behalf in Sweden. It was also the contact company for this thesis work. Initially, the thesis orientation and scope was set and information retrieval was expanded to not only include ECG but also the other "tools". Further, a major portion of the thesis was based off own ideas, mainly connected to the comparison between all the different tools and the information retrieved from the various databases acted as a foundation. References were gathered from a wide array of sources, mainly well established scientific databases. However, information have also been retrieved from news articles and websites with strong relation to the subject.

2.2 Information retrieval

The information connected to ECG was mainly gathered from the Terra Institute which is a form of environment consultants acting on behalf of ECG in Sweden and from the official

homepage of ECG. The social theoretical sources were mainly gathered from the databases: The internet encyclopedia of philosophy, Philosopher's index and ProQuest Arts & Humanities. Information concerning Global reporting initiative was acquired mainly from the GRI homepage. For ISO 14001 the standard was the main source and the same could be said for ISO 26000. To further expand the information retrieval spectrum a range of other database resources has also been used for all systems and tools such as "Scopus", "Springer", Elsevier", "Greenfile" and "Web of knowledge".

2.3 Sources of error

There are several areas within this thesis that are affected by sources of error, some more than others. First aspect is that Economy for common good is a very new ecological tool, meaning that there is very scarce information about it in terms of scientific scrutiny, peer reviewed articles and general information. This affects mainly the sources of information concerning ECG. The majority of information about ECG has been claimed from their own website and from their Swedish partner Terra Institute. This means that the information gathered for ECG is somewhat one-sided. However, this thesis main goal is as mentioned to evaluate how promising ECG is a tool and in order to achieve that, objectivity is key and the information that has been collected for ECG are viewed with the most critical eyes possible. Another possible source of error is the amount of time ECG has had out on the market which has affected the amount of time it has been able to get evaluated, foremost by the scientific community in contrast to the other three tools. It has also not been given the chance to really settle on the market and its potential positive as well as negative aspects might not have been truly shown yet since the tool is still very young. A source of error connected to the comparison between the system is the lack of references, since a comparison of this type has not been made between these four tools. Therefore references has been inserted after the best of my ability and possible "gaps" in references within that part has been filled with my own analysis. Another source of error is the very nature of all four different tools, with an emphasis on "different". All four tools differ in a lot of ways, size, magnitude, methods, content, age etc. Major aspects like this offers hinders in the evaluation and comparison between them. Since them being not identical and not even the same type of system or "tool" the comparison can not be considered to be without flaws. However the unspoken differences that are there within each "tools" nature are handled at this thesis best ability and the comparison can be considered to give clear and valid indications of each "tools" strong suits as well as weak aspects.

3. Results

In this section every tool will be presented in their current state and as a whole. The most important aspects will be highlighted and presented. In the end of this section each tool's specific strengths and weaknesses will also be presented.

3.1 ECG

As the name suggests the most basic goal with ECG is to achieve the best possible scenario for the common good. The incentive behind the model is to challenge the current system which is based on measuring purely economic values. The founders of ECG claim that huge flaws are incorporated into the current global economic system and that the truly vital and essential human values are lost in it. Profit and competition are the driving forces within the system and what this kind of ideology give rise to is a system which prevents and holds back social growth and prosperity (Felber, 2013) Therefore, ECG has defined ten guiding principles. One of the most vital aspects that goes against the current capitalism system is that non-monetary value indicators will mantle the role from monetary indicators which is standard today regarding measuring a company's success. ECG is also introducing an alternative to the well-recognized gross domestic product (GDP), a measurement that has received some critique during the recent years, many times for being to blunt and not grasping the true values of a country's standard of living, which is the incentive it was created for. GDP measures two aspects; income generated from domestic production and aggregated value added (monetary terms of all market activities (Smith, T., 2009). Some of the more occurring critiques are that the GDP measurement tool is blunt and not accurate of how "well" a nation or economy is doing. If the incentive is to strictly measure output of good and services and its expansion then the GDP is very satisfactory since GDP is the sum of all goods and services in a country over time. GDP even includes government services and investment goods, making it a fairly comprehensive measuring tool. However, more socially related areas such as basic human needs are left out, like nutrition, medical care, shelter and environmental sustainability (Keohane, 2015). Worth noting is that GDP was never intended to be more than a useful accounting device, but quickly for some reason arose to become some sort of beacon tool for how well a nation was progressing. This was made in spite of many people stating in its early days that it is a blunt and inaccurate tool. One major problem when it comes to GDP is that it only deals with positive numbers so debt is not included, at all. Economist Tomas Sedlacek observed this back in 2012 were certain European countries had a GDP growth of 2-3% and were content with that, even though the same countries had deficits of 7-8% the very same year. Knowing the short comings of GDP these numbers should instead be taken very seriously and bring forward structural changes or other tools with more accurate measurements. It is very easy to manipulate a countries GDP and leaving out crucial results in the process. For example, borrowing money is an easy way to achieve a boost in GDP in a rapid way and to leave out the negative aspects it gives rise to. Borrowing from future generations in the form of resource extraction is also an effective way to hide the true progress of a country if measured by GDP. These more hidden aspects is what ECG is trying to include in their tool (Orell, 2014).

The principles range all from egotism, economic growth and capitalism to more interpersonal relationships such as participation, cooperation, appreciation, democracy and solidarity (Economy for the common good, 2013d).

3.2 ECG's 10 Principles

1. The Economy for the Common Good (ECG) strives towards an ethical market economy designed to increase the quality of life for all and not to increase the wealth of a few.
2. The ECG helps promote the values of human dignity, human rights and ecological responsibility into day-to-day business practice.
3. The Common Good Matrix indicates to what extent these values are put into practice in a company. The Matrix is being continually improved upon in an open, democratic process.
4. The Matrix provides the basis for companies to create a Common Good Balance Sheet. The Common Good Report then describes how a company has implemented these universal values and looks at areas in need of improvement. The report and the balance sheet are externally audited and then published. As a result, a company's contribution to the Common Good is made available to the public and all stakeholders.
5. Common Good companies benefit in the marketplace through consumer choice, cooperation partners and common-good-oriented lending institutions.
6. To offset higher costs resulting from ethical, social and ecological activities, Common Good companies should benefit from advantages in taxation, bank loans and public grants and contracts.
7. Business profits serve to strengthen and stabilize a company and to ensure the income of owners and employees over the long term. Profits should not, however, serve the interests of external investors. This allows entrepreneurs more flexibility to work for the Common Good and frees them from the pressure of maximizing the return on investment.
8. Another result is that companies are no longer forced to expand and grow. This opens up a myriad of new opportunities to design business to improve the quality of life and help safeguard the natural world. Mutual appreciation, fairness, creativity and cooperation can better thrive in such a working environment.
9. Reducing income inequality is mandatory in order to assure everyone equal economic and political opportunities.
10. The Economy for the Common Good movement invites you to take part in recreating an economy based on these values. All our ideas about creating an ethical and sustainable economic order are developed in an open, democratic process, will be voted upon by the people and will be enshrined in our constitutions.

(Economy for the common good, 2016b)

An important tool for achieving this is the implementation of a new type of balance sheet that will complement the traditional balance sheet that is used for financial data and figures. The traditional balance sheet emphasis on monetary gains while the ECG balance sheet emphasis on indicators that measure a business contribution to the common good (Economy for the common good, 2013b). If a business decides to further explore the possibilities with implementing the common balance sheet into their corporation the ECG offers an "exploring phase", Were the company or organization gets the opportunity to educate themselves further concerning the economy for common good model by literature or lectures, for example with the most vital aspect to study being the common good matrix. At the end of the exploring phase they are given the opportunity to take a quick one hour test and after that they get the chance to construct their own initial ECG report, which is looked upon by both ECG auditors and consultants. If the report gets approved according to the ECG criteria's the business is awarded with *1 common good seedling* (Economy for the common good, 2016a).

However, this phase is not mandatory and a business can start right away with creating their own common good balance sheet, which is called the "*publication phase*". In this phase the guidelines are stricter than in the exploring phase and the business must now comply with the terms that has been set by economy for the common good. After the completion of the company's common good balance sheet the company can choose two types of reviews, either the peer evaluation type or the external audit type. If the common good balance sheet is approved the company is rewarded with seedlings, two if a peer evaluation was carried out and three if an external audit was the chosen type. Now the report is finalized by the last step which is to publish the common good report to the public (Economy for the common good, 2013b)

So to summarize you can join up and use ECG to a shifting extent. "Seedlings" represent how deeply invested you as a company or organization are into ECG. For receiving one common good seedling you have to create an internal common good balance sheet and you are entitled to the ECG logo "Supporting company for the ECG". To gain two common good seedlings the company also have to publish its common good balance sheet and it has to be peer-reviewed. After the external peer-reviewed check, the balance sheet can be made public with a designation of "Peer Evaluation". The company is now allowed to participate in ECG conferences and use the ECG logo "Pioneer company of the economy for the common good". For receiving three seedlings the company has to become a member of the ECG association and generate a balance sheet that will both get audited and published. The company receives access to all ECG connected events like forums and conferences and is allowed to use the logo "Pioneer company of the economy for the common good with an audited ECG balance sheet" (Economy for the common good, 2016a)

3.3 Common good report

The common good balance sheet has its foundation in the five main core values: human dignity, solidarity, sustainability, justice and democracy. In the end of the common good balance sheet the company can reach as a maximum, 1000 common good points (Economy for the common good, 2013c). The achievable points are spread out on the (x-axis- values), human dignity, cooperation & solidarity, ecological sustainability, social justice and democratic co-determination & transparency. On the y-axis - stakeholders the company have to take into

account all their business interactions which includes five different areas: (A)suppliers, (B)investors, (C)employees & owners, (D) clients / products / services / business partners and (E) social environment (region/society/future generations/animals & nature). For each intersection the given score can range from 0-100 points which then is summed up in the end. At the bottom of the common balance sheet is also a negative aspect category, were the company can suffer penalties for each value category and can range between a negative point value from 100-200 points. Some of the penalties are for example; massive environmental pollution(-200p), blocking patents(-100p), big differences in income within the company or a sector of it(-150p) and being in violation of the human rights(-200p) set by International Labor Organization just to mention some. An example of the common good balance sheet can be seen in Appendix 1.

The ECG has only recently reached a more wider market but some core values has already been identified to be connected to the model such as, democracy, ecological sustainability, solidarity and social justice which can be seen to be very beneficial overall for societies. Not only are companies obligated to comply by these values themselves but they also have to transfer them on to their stakeholders, employees, owners, clients, partners, environment etc, which enables the effects to be spread and to become implemented much more rapidly (Economy for the common good, 2013d). All the common good points are strongly related to the common good indicators and it is also solely up to each specific company which indicators they want to incorporate into their business and to what extent, making the balance sheet very flexible. Another important aspect that ECG is constructed for to tackle is that most companies today only comply by those boundaries and guidelines which are set by law. The system promotes self-interest and drifts away from embracing standards which set higher demands than those set by law. In this system companies often gets driven to challenge laws and regulations which promotes environmental and pro-social regulations. This could change though claims the founders of ECG if the system instead of rewarding companies when they comply by the basic law regulations with for example tax incentives, custom duties and interest rates and instead reward companies that voluntary comply by standards that promotes environmental and pro-social regulations (Felber, 2013).

3.4 Global reporting initiative

Global reporting initiative (GRI) is a not-for-profit organization and the network for which it operates in is spread across a wide array of sectors, constituencies and regions. Together with different types of expert inputs from within its network as well as the people within the GRI corporation itself have they developed a sustainability framework. The GRI framework is an ecological tool which puts an emphasis on companies reporting ability. GRI has developed a comprehensive framework for sustainability reports based on the main sustainability impacts; the economical, ecological and social (Global reporting initiative, 2014b). The foundation for GRI was formed in Boston in 1997 and it originates mainly from the US non-profit organizations the Coalition for Environmentally Responsible Economies (CERES) and the Tellus Institute. Within the organization a project department called "Global Reporting Initiative" was formed which can be considered to be the starting point for GRI as it is known today (Global reporting initiative, 2014c). The first produced reports came out in the year 2000 with the main incentive to aid companies with their sustainability reporting (Isaksson, 2009). Three fundamental innovations were developed as the foundation for GRI. The (1) was to make sustainability reporting something wide but still detailed. GRI wanted to include a wide range of expertise into the mix when developing a new set of reporting guidelines. This meant to create

a large network and connect different types of actors that rarely cooperated amongst themselves because of not considering to being part of the same type of policy network. It was also (2) decided that all the work carried out within this framework would be done in a maximal transparency way with the internet as a base for the information handling. This would enhance the potential for the next fundamental idea to have a multi-stakeholder international network that is both self-replicating and inclusive concerning the guidelines. This would ensure that the guidelines are continuously updated which will generate them being both adaptable and long-term survivable. The last fundamental idea would be that GRI would function as an organization that would be like a steward for the guidelines that would be shared on a global scale and seen as public good. This would ensure that the guidelines are constantly evolving and getting updated (Brown, 2007). GRI is today the most used voluntary sustainability reporting system and its flexibility is most likely one of the major reasons for it, however that also hinders some key features that GRI aspires to have accessible through its tool, such as making performance data comparable across organizations which become substantially harder with the voluntary and flexible nature of GRI (Hohnen, 2012).

Every report that a company publish must reveal their day to day activities connected to the three sustainability areas. The report should also incorporate the organization's values and governance model as well as the links between its strategy and commitment towards a sustainable global economy. The framework itself is a reporting system, which offers methods and metrics for measuring and reporting a company's sustainability impacts and performance (Global reporting initiative, 2014a). The first part of the framework contains the reporting guidelines, which are reporting principles, standard disclosures and an implementation manual for companies how to work with their own sustainability report. The principles and guidelines are also transferable and not isolated to a certain type of company or sector. All parts of the guidelines can be used for all types of companies and organizations that wants to work more actively and transparently with issues related to environmental, social and economic performance. Also another important aspect is that the GRI guidelines could work as a vital tool for any type of preparatory document an organization would like to develop for its sustainability work, meaning that the guidelines are not isolated to only be workable for companies that want work with GRI. The guidelines are also continuously being updated and matched towards other recognized international reporting documents both to be able to work together with but also to be strong independent documents. The guidelines themselves are broken down into two parts. Incorporated into the first part are foremost the purpose of the guidelines, how a stakeholder should go about implementing them as well as how a company should construct their sustainability report to work in conjunction with the guidelines and last the guidelines themselves are presented as well as other key terms (Global reporting initiative, 2014). In the first and short chapter the already mentioned purpose of the GRI guidelines are presented and how it has been developed. The following chapter focuses on the guidelines themselves. First follows a step by step guide how to prepare for writing a sustainability report. The main important aspects are broken down into headlines:

- **Obtain an overview**

Under this section the company is supposed to obtain information from various sources to be able to grasp how to both produce and design the sustainability report which include gathering information by reading reporting principles and standard disclosures as well as definitions of key terms.

- **Choose the preferred “in accordance” option**

Here the company get to choose between two different types for implementation preparation for the sustainability report, either the “core” or the “comprehensive” variant. As the names suggest comprehensive is a more thorough option. Both options are also viable for any type of business, concerning size, sector or location.

- **Prepare to disclose general standard disclosures**

Depending on what type of “in accordance” option the company choose in the previous step determines which general standard disclosures that applies to for the company. The company should then check the GRI sector disclosures on the GRI homepage and see if any of the sector disclosures presented there that can be applied to their business sector. Further the company should read up on the principles for defining reporting quality as well as plan the process how the disclosing of the general standard disclosures should be handled. Next is to examine the information given in the implementation manual about the disclosure of information. Last and perhaps most important is to dedicate time to the assignment and follow through with the disclosure.

- **Disclosures on management approach**

Section four focuses on more specific standard disclosures called Disclosures on Management Approach (DMA) as well as indicators. Here the company must identify and present the indicators related to the material aspects. Under this section the company must also check if there are specific aspects and specific standard disclosures that apply to its business sector which as in the previous section can be found on the GRI homepage. Also concerning this part the company must prepare for the disclosures and read up on information regarding principles for defining reporting quality. A plan must be set for the report and how the DMA and indicators are being presented and it should cover.

- **Implementation manual**

The second segment is the “implementation manual” which offers more in depth detail how the guidelines should be implemented into a corporation. One segment being how the guidelines should be interpreted and the other one how the company’s information should be disclosed throughout the report. At the end some additional important information is also included such as a glossary and general reporting notes.

(Global reporting initiative, 2014a).

In the GRI framework there is also something called sector supplements which is an add-on to the main sustainability reporting guidelines. As the name suggests these supplements are meant to cover more sector specific sustainability issues that the main guidelines are not able to do since many sectors have many sector specific sustainability issues. Some of the sectors that GRI has developed sector supplements for are: financial services, food processing and mining and metals. An example of what type of issues the supplement contain can be for example in the mining case, how the resettlement of people should be handle by mining and metals companies (Delotte, 2014). Another example can be taken for the food processing were animal welfare is covered in the supplement. The supplements follow the same developing process as the other GRI documents with a foundation of multi-stakeholder

working groups with international expertise incorporated into them. Since the release of the G4 guidelines occurred fairly recently the supplements has been redesigned and updated to fit into the current G4 guidelines (Global reporting initiative, 2013c).

The third and last installment of the GRI framework is the “reporting support”. This section offers different kind of means that can aid a business in their sustainability reporting. GRI has for example published numerous own publications on how a company or organization should go about when it comes to sustainability reporting (Global reporting initiative, 2013a). These publications has been developed both for inexperienced and experienced reporters and GRI also offers other so called linkage documents. These documents are designed to help businesses to link their sustainability reports so that they work well with other types of standards such as ISO 26000 (Global reporting initiative, 2013a).

GRI has managed to identify some of the benefits that can come from effective sustainability reporting both externally and internally. Some of the most important benefits that has been identified internally are that the businesses improve in their overall performance and reduce their costs, which is mostly a product of them streamlining their processes and get an increased knowledge about their business risks and opportunities as well as getting a better understanding about the link between financial and non-financial performance. The more external benefits are that it can potentially reverse or at least mitigate to negative environmental, social and governance impacts. It also greatly increases transparency since stakeholders is given a good glimpse into how the business is doing connected to sustainability issues and how well it is adapting to new research and guidelines that gets developed within these fields. This often also leads to an improvement both in general reputation for the company but also brand loyalty (Global reporting initiative, 2013b)

Since GRI is a non-profit organization, funding is crucial for its prolonged survival and its main funding come from their so called “core supporters” which are called Organizational stakeholders by GRI. These are the heart of GRI’s network activity and they do not only contribute with funding but also with expertise and important governance roles. According to GRI, any organization is free to join as an organizational stakeholder if they meet GRI’s criteria's (Global reporting initiative, 2013b). Other sources of funding come from governments, foundations and international organizations. Some of the institutional government support comes from the Swedish international development cooperation agency, Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ) and the Australian government. But as GRI put an emphasis on, they receive funding from a wide range of sources and have also different kind of sponsorship partnerships. Another source for funding is the revenue from its products and services. This includes the already mentioned publications on sustainability reporting as well as GRI’s training programs, checks for GRI application level and certified software (Global reporting initiative, 2013c)

3.5 ISO 14001

ISO 14001 is an environmental management system that in its core features offers businesses a system that will aid them in their company’s environmental performance and to evolve their general environmental work (Swedish standard institute, 2004). One crucial aspect is that the standard aims to assist businesses with their environmental responsibilities without overlooking its viability regarding commercial success (British standard institutions, 2013). The standard is the most popular today concerning environmental management and was first

published in 1996, and the most recent and updated version came out in 2004 (ISO.org, 2014). The organization behind the standard is International Organization for standardization (ISO), which both produces the standard and is responsible for its release. ISO which is a joint organization for national standardization organizations in 147 countries and approximately 70 of these countries (27 third world countries) are actively working on enhancing the standard. It is the technical committee (TC 207) of ISO that is responsible for the continuous improvement of the standard and its member bodies meet every year. In excess of that, experts also meet up regularly to discuss improvements and current status of the standard and today the ISO 14001 standard is one of 24 total standards which is incorporated into the ISO 14000-series (Naturvårdsverket, 2003). One important aspect is that ISO do not certify companies and organizations wanting the ISO-certificate. ISO only offers their voluntary standards that promote good mode of operations and in the case with ISO 14001 towards environmental operations. Certifications are handled by firms that are independent towards ISO (Swedac, 2014b). These firms follow the guidelines set out in ISO/IEC 17011, which is another voluntary standard developed by ISO which specifies the demands that an accredited firm must comply with. This compliance is confirmed by international assessments and within the framework of the European accreditation cooperation (EA) (Swedac, 2014a). The standard is not based on evidence from scientific research and technological standard, which it is often mistaken for to be. Also a business does not need a third party approval to implement it, only that it cannot be a certified environmental management system which is a demand within many business sectors (Standards.org, 2011). The standard has the incentive that it should be viable for any type of company or organization in the view of geographic location, size, sector or level of maturity. What the standard offers is that it describes the crucial elements and parts that have to be incorporated into a well-functioning environmental management system. ISO 14001 also offers guidance how a company or organization can establish, implement, maintain or improve an environmental management system. Following these guidelines will enable businesses to increase in their ability to identify, anticipate and manage their interactions with the environment. It will also enable the business to set out more accurate and precise environmental objectives and to more easily comply by reigning laws and regulations, both nationally but and globally (Swedish standard institute, 2004

The foundation for ISO 14001 and its assurance of a continual improvement is its reliance on the PDCA-cycle also known as the Deming-cycle. It originates from William Edwards Deming that presented it for the first time in the 1950s. He had made his own modified version of the "Shewhart cycle" which originates as far back as the 1920s. The Deming circle consists of four different phases and the incentive behind it is that it should ensure a continual improvement for the business using it (Hall, 2002). The first phase is the "*Plan*" phase (*P*). Here the identified problem(s) should be examined and defined. Also, some sort of problem statement should be formulated and connected to it should be both measurable and attainable goals. The business should identify their stakeholders and ensure that communication channels are developed to gain approval. Further the overall system should be mapped out and divided into individual processes and a brainstorm should be carried out to try to pin point which aspects that causes the problems. The business should then collect and analyze all the data to validate what the causes are and then formulate a hypothesis. Last a revision should take place with the original problem statement (Moen, 2006). Next is the "*Do*" phase (*D*). Here a list of experimental success criteria should be established and also a test of the previously formed hypothesis should be carried out. Next the business should get the stakeholders approval and support to carry out with the hypothesis and if the response is positive the hypothesis should be implemented on a trial or pilot basis (Hall, 2002). The third phase is "*Check*" (*C*). Now the company should evaluate the results from the trial/pilot runs and analyze the data and check

if the hypothesis can get validated. If the hypothesis gets validated the business can move on to the next and last phase otherwise it has to loop back to the (P)-phase again and revise the hypothesis (Moen & Norman, 2010). The final phase is *Act(A)* and this phase entails which steps to take when the hypothesis has been validated. First the system should be scanned to identify where appropriated systemic changes can be made as well as recognizing where training is needed to optimize the system. Next is to plan how the monitoring should be carried out of the system to ensure the usage and continuous improvement. Last the systemic changes also give rise to an opportunity to look for other general improvement opportunities (Hall, 2002). The version of the Deming cycle used within the standard of ISO 14001 is fairly similar to the original one, though it offers some modifications to fit the environmental field. Concerning the (P)- phase the focus lies on identifying the environmental aspects with associated environmental impacts that the business give rise to, and to identify legal requirements and other guidelines that can be applicable on the organization. Last is to set associated environmental objectives, targets and formulate programmes that is based on the identified environmental aspects and also to develop and use performance indicators. The (D)-phase incorporates assigning roles and responsibilities within the corporation to create a functioning management structure, and to provide the adequate resources and to train staff and employees to ensure that their competence is up to date to carry out what is demanded by the environmental management system. Establishing routines and control processes for documentation, operational control and emergency preparedness and response are also required. The next phase, the (C)-phase is about monitoring and evaluation. In this phase the company has to conduct ongoing monitoring and measurements to make certain that the previously determined guidelines of the environmental management system is carried out. It incorporates evaluating the status of compliance when it comes to the legal and other requirements. It includes means to adjust when non-conformity is discovered and develop corrective and preventive actions, and also to manages the organizations records and conduction of periodic internal audits. The last phase, (A) is very similar to the original Act-phase in the Deming circle. Here the organization performs a management review of the environmental management system at appropriate intervals and tries to identify areas that can be targets of improvements which will generate a more stable and enhanced system as a whole (Swedish standard institute, 2004).

One of the most important aspects for an environmental management system to function well is to define the scope of it. According to ISO 14001 this is solely up to the company that wants implement it to set the boundaries. Once the boundaries have been set, all the activities, products and services must be included into the system to consider it complete. The top management are the ones defining the boundaries and to be able to do that many companies need some sort of status report of the business (Swedish standard institute, 2004). One of the most used tools for this is the environmental report which gives a good foundation for any type of business that want to improve its environmental performance. It gives a good thorough holistic picture of the current state of the business both in terms of the day-to-day operations and also more long term aspects (Naturvårdsverket, 2014). The environmental report is not only a good tool for companies that want to get certified according to an environmental management system but it's also a vital tool for businesses that want to work with environmental issues in general. Other benefits with an environmental report includes cost and resource savings, since the report maps out the structure of the business and identifies the in- and outflows of the system enabling the top management to do fairly easy adjustment to issues not so easily recognized otherwise. Another important aspect that comes with an environmental report is the transparency it offers towards stakeholders. The report will give a thorough guidance of the current state of the business when it comes to its

environmental performance and the stakeholders is given a chance to get a glimpse of how well the business is doing concerning their environmental commitments (Naturvårdsverket, 2003).

According to the standard for ISO 14001 there are some general requirements that the environmental system have to fulfill to be considered a certifiable ISO 14001-system. The environmental system that a company structures up must be in accordance with the requirements that are located in the ISO 14001-standard which will be summarized further in this report. After a company has established and implemented a valid ISO 14001-system, the system should also be documented maintain as well as continuously improved. A clear and well defined scope is also vital for the validity of the system since all the activities, products and services within the scope of the system has to be included (SS-EN ISO 14001, 2004).

One of the first steps that have to be taken in order to get a ISO 14001-certificate is to produce an environmental policy for the business. There are several criteria's that an environmental policy must fulfill in order to be validated as a complete environmental policy (Swedish standard institute, 2004). One of the most important aspects is that it must be relevant for the company which means that the policy must be designed to include the company's most relevant environmental aspects as well as being appropriate in nature concerning scale and environmental impact(Business Assurance, 2016). Within the environmental impact, all the company's activities, products and services should be included Second criteria which stems from the PDCA-cycle is that the policy should include a statement were the company commits to strive for continuous improvement and the prevention of pollution. Third criteria is the commitment to comply to legal requirements as well as other relevant guidelines and also to provide a framework for it by setting and reviewing environmental objectives and targets with (Ammenberg, 2012). The policy should be viewed as a guiding tool both internally for the company itself to be on track with their environmental work but also externally for customers that want to find out what separates the specific company from others within the same sector and which environmental aspects that the company give weight to (Info Entrepreneurs, 2009). The two finishing aspects that an environmental policy must fulfill is that it should be well communicated within the organization as well as being available to the public (SS-ISO 14004, 2004).

Following the requirements in ISO 14001, the next paragraphs include planning requirements. First the organization have to implement procedures to be able to identify their environmental aspects which originates from their activities, products and services within their earlier defined scope. Included in this should also be any type of new or modified activities(Certification Europe, 2012a). Further the organization should sort out and determine which aspects that has a significant impact on the environment and document it, as well as keep it up to date (SS-EN ISO 14001, 2004). The significant aspects should always have an important key role when it comes to implementing and maintaining the environmental management system (Lear Corporation, 2005).

The second stage in the planning is to implement procedures for the organizations compliance to legal and other requirements. The procedures should be able to ensure that the company has access to all applicable requirements for their specific business as well as implementing a procedure for keeping them up to date. All applicable requirements should also be well connected and applied according to the earlier identified environmental aspects (Business Assurance, 2016)(Certification Europe, 2012b).

Next segment involves the tools to help the company to enhance their environmental performance which is establishing objectives, targets and programs based on their significant environmental aspects. The objectives should be set in a way so that they are measurable and well connected to previously stated requirements such as the environmental policy, the compliance to legal guidelines, commitments to pollution prevention and being set in a way that enables continual improvement (SS-ISO 14004, 2004). Incorporated into the establishing reviewing of the objectives, targets and programs should also be considerations about the company's status within certain fields in order to achieve the highest improvement concerning environmental performance. Consideration has to be taken to the company's financial situation as well as what kind of technology options that are available for implementation. Also operational and business requirements are important and the views of interested parties. In order to be able to carry out the objectives and targets, a program also has to be establish which includes a time-frame for when the objectives and targets has to be achieved (Lagana, 2012). Included in the program should also be a designation of responsibility for each objective and target for relevant functions and levels. The program should also include the means the company structures up in order to accomplish the objectives and targets (SS-EN ISO 14001, 2004).

Next segment concerns the implementation and operation of ISO 14001. The company or organization that want to implement ISO 14001 are obligated to enable essential resources to ensure that the business is able to implement and maintain an environmental management system. Included in resources are a wide array of areas, such as technology, human resources, infrastructure and financial resources (Business Assurance, 2016). Another important aspect to be able to enable an effective system is to define roles, responsibilities and authorities within the system, these also has to be documented and communicated throughout the organization. On top of this the top management also have to appoint a specific management representative that ensures that the organizations environmental management system gets established, implemented and maintained according to the requirements defined in the standard for ISO 14001. The management representative also continuously have to report back to the top management about the environmental management systems performance and at the same time recommending improvements for the system (Certification Europe, 2012c). Further the organization must identify key persons vital for the functionality of the system and ensure that these individuals posses the correct competence based on education, training and experience and document it. Records should also be established concerning the training needs of the organization connected to its environmental aspects and environmental management system (Certification Europe, 2012d). Four vital aspects also have to become established procedures within the organization to make persons within it more aware of them. Conformity to the requirements of the environmental system and environmental policy are crucial as well as the awareness of the significant aspects and their environmental impact associated to their work and individual performance. In order to achieve the desired conformity, roles and responsibilities also have to be established. The last and vital aspect to make people aware of is the potential consequences of the earlier specified procedures (SS-EN ISO 14001, 2004).

For an environmental system to function properly, communication is vital and the organization have to establish, implement and maintain procedures for both the internal communication on all levels of the organization as well as receiving, documenting and responding to relevant communication from external parties. If it is internally decided within the organization that the environmental system is going to be accessible for the public, the organization have to establish methods for this external communication.

All of the above criteria's for the environmental management system have to be documented within the organization. What this include is the documentation of the environmental policy, the organizations environmental objectives and targets. Documentation should also include a description of the scope of the environmental system as well a description of the key elements and their interactions with other parts of the system (Nolan, 2015). Other important documents are documents that the organization themselves value as vital for the effectiveness and functionality of the environmental management system. As required by the ISO 14001 standard, all documents have to be controlled before they are put in to use. This means establishing procedures how to approve documents ensuring they are adequate for usage. The control procedures also have to ensure that revision status of all documents are handled as well as ensuring reviewing and updating when the system demands it. The procedures also have to enable the documents being legible and readily identifiable. The control procedures should also be able to capture and identify external documents that are vital for the environmental management system and in the same process prevent the unintended use of obsolete external documents (Business Assurance, 2016). Same as for the document control an organization must have operational control which means the organization is obligated to establish, implement and maintain procedures to ensure that operation deviations from for example environmental policy or targets could be handled in a satisfying way (SCCM, 2005). The organization have to set operating criteria's in the procedures and relate the procedures to the identified significant environmental aspects of goods and services that the organization use. The organization is also obligated to communicate all applicable procedures and requirements to their suppliers and contractors. Following operational control is a segment concerning emergency preparedness and response which means that the organization should be able to handle emergency situation when they possibly occur. The emergency procedures should be reviewed and revised when needed and they should also be tested from time to time to ensure that they function properly (SS-EN ISO 14001, 2004).

Next is the checking phase which sets out the requirements that the company must comply too concerning foremost how they monitor and measure their environmental management system. Following the same pattern, procedures have to be structured up to enable the company to scan their own system and identify which parts that are meeting the ISO 14001 requirements and where there are flaws in the system which needs to be adjusted. The organization should keep records over their monitoring and any adjustment that has been made as well as keeping records of the periodic evaluations (Charlesworth, 2015). The organization is obligated to continuously ensure that the environmental management system continuously is monitoring that the organization is in compliance to all applicable legal requirements as well as other requirements needed for the business to function. The organization also have to keep records of the results from the required periodic evaluations. If nonconformity occurs within the system the organization should have procedures that both are able to capture and identify them as well as being able to correct the deviations. Not only does the system need to have these qualities but it also have to be able to investigate what the causes behind the nonconformity are and propose solutions that will prevent them from occurring again (EHSO, 2008). All the results and actions as well as the preventive actions proposed in the process have to be recorded a continuous review of the effectiveness of the preventive and corrective actions. What kind of actions that the organization choose as solutions have to be appropriate concerning the magnitude of the problems and environmental impact that can occur (SS-EN ISO 14001, 2004).

The organization have to have control of their records as well and that is achieved mainly by establishing and maintaining a set of records that show the organizations conformity to the requirements in the standard for ISO 14001. Another crucial aspect is to establish and maintain procedures for identification, storage, protection, retrieval, retention and disposal of records. Also all the organizations records have to be identifiable, traceable and legible (Hammar, 2016). One of the most important requirements in the standard for ISO 14001 is the internal audit part. An internal audit is one of the best ways for an organization to check if their environmental management system meets the requirements set out for a functioning system. An internal audit should be conducted whenever the organization feel that there is a need for it but preferably at planned intervals. The most important aspects that an internal audit has the incentive to capture is if the environmental management system is conforming to the requirements in the ISO 14001 standard as well as other requirements within the scope of the system. Other than that its also vital to see if the system has been properly implemented and maintained and if the system is able to provide the results from audits that the organizations management needs to properly evaluate and enhance the system. The organization should have procedures for how the audits are ought to be carried out and what the goals of the audits are (Business Assurance, 2016). The scope, criteria's, frequency and methods, all have to be defined as well as the responsibilities for the audits. The audit procedures also have to include how the audits are supposed to be carried out and how the organization select auditors and conduct of audits to ensure objectivity and impartiality of the audit process. Included in the procedures should also be the results from previous audits to act as support documents to the planned audits (SS-ISO 14004, 2004).

Last segment of the ISO 14001 requirements is the management review. In this phase the top management are supposed to review the organization's environmental management system. This are meant to occur at planned intervals to ensure adequacy and effectiveness of the system and the review should also be the window of opportunity for the management to implement improvement and enhancements of the system (Certification Europe, 2012d). The management review should include how well the system has been able to meet the environmental objectives and targets and the overall environmental performance of the organization. Previous results from audits should be included were compliance to legal and other requirements are presented. Another important aspect is how well communication has been handled within the system, considering mostly external interested parties. The corrective and preventive actions should be evaluated as well as previous follow-up actions that has been implemented from previous management reviews. Crucial is also to include changing circumstances for the organization with a focus on the legal requirements as well as other supported and sub-scripted requirements but any vital change for the organization should be included. As stated previously a presentation of improvements recommendations are also important to include in the management review. Some changes that have to be presented is if the improvements in any way adjusts or changes the environmental policy, objectives, targets or any other element in the system that modifies the organization's commitment to continual improvement(SS-ISO 14004, 2004). An ISO 14001 certificate is valid for three years then a renewal process has to take place to ensure the validity of the environmental management system and its certificate. Organizations should also be prepared to undergo surveillance audits more frequently if something significant changes within the organization. There is also the possibility of the company is spread out on different sites that only a sample of those will be the focus of an audit or even only a few elements within the EMS (Darozhka, 2006).

3.6 ISO 26000

The meaning of the word sustainability has changed over the years and what was meant with sustainability today is not the same as when the term was first introduced. For example, the term has shifted significantly concerning businesses and organizations. Earlier in time, sustainable business strictly meant that a business had to satisfy a customer with a service or product. As time went on, environmental issues and impacts were introduced and business had to run their operations with these aspects in mind in order to achieve a sustainable business climate. Being perhaps the most recent addition to the sustainability concept for business is social responsibility meaning social responsibility on a broad scale and not only decent salaries all across the board. This has foremost been a product from external pressure from customers, governments, associations and the public at large. However this has also been recognized inside some business were leaders have acknowledge that in order to have a successful business social issues needs to get the same attention as the economic and ecological ones (ISO Focus+, 2011). Its based on this background that ISO created a standard for social responsibility, ISO 26000. The intention with the standard is similar to their other standards, to help businesses and organizations to structure and work with social issues within their corporations. Many organizations today want to work with social issues but either they follow unsystematic procedures or they feel like there is too much work both in time and resources to fully establish a framework for handling social issues within the organization. A formal strategic guidance tool in the form of an ISO standard could therefore be vital for an organization to assist in their efforts to work with their social issues. With this said the ISO 26000 standard is mostly focused on internal and external analysis and not the entire strategic management process, merely providing starting points for implementing sustainability strategies (Hahn, 2012).

The ISO 26000 standard was formed in July 2010 and ISO as well as WG SR were the largest contributors in terms of manpower attending. 450 experts and 210 observers from 99 ISO member countries participated in the meeting as well as 42 liaison organization, all which contributed to the work with forming the ISO 26000 standard. All the participants were spread out amongst several different stakeholders groups, industry, government, labor, consumers, nongovernmental organizations, service, support and research. There was also a decent spread among the participants concerning gender and geographical location. Important to note however, is that ISO 26000 is not meant for certification and not a standard like for example ISO 14001 which is a management standard. Since the ISO 26000 standard does not contain any requirements, any ISO 26000 claims would be a misinterpretation of the standard and not in conformity with it (ISO Focus+, 2011). The non-certification approach do pose some problems and has been up for discussion several times. Creators of ISO 26000 claim that social issues are far too complex to be able to certify, therefore only offering the ISO 26000 standard as a guiding document. On the other hand companies claim that a certification is needed in order to assert themselves in their competitive markets by getting favorable attention from consumers. This has led to certain certification firms exercising so called "rogue certification" were companies are offered the option to certify themselves in accordance to the ISO 26000 standard despite it being non-certifiable. It is still unsure how many companies that have managed to acquire this "rogue certification" but as head of the ISO central secretariat in Geneva said, " At this stage, ISO is more interested in stopping the practice than naming the culprits". Companies requesting an ISO 26000 certification is still fairly low and companies looking for this convenient stamp may actually instead of gaining credibility, loose it. Since the art of using the ISO 26000 is as a guiding tool for assessing each specific company or organization based on every unique situation (Chhabara, 2011).

The ISO 26000 standard is based on seven different core subjects; organization, human rights, labor practices, the environment, fair operating practices, consumer issues and community involvement & development (ISO, 2010). Incorporated into that are also seven guiding principles. In the practice of this standard the organization should respect a basis of good practice overall as well as social, environmental, legal, cultural, political, economic and organizational differences. The general and clasp focus of the principals is as a company strive to contribute to a sustainable development. Responsibility is one core principle which basically mean the organization have to be responsible for their impact on society, the economy and the environment (ITC, 2014). One aspect that increase the transparency of this is the review guideline that the organization should accept to enhance their credibility. Not only should the organization accept the review of their business but also be ready to treat the results that come out from such a review (Ruth, (2012). As the guideline mentions, the responsibility aspect can differ between organization depending on their organization structure but in organizations with strong positions of power, reviewing and regarding the quality of the decisions are even more important. Top management is ultimately the ones committed to be accountable for the organizations decision towards legal agencies concerning legal requirements and regulations (ISO, 2014). The responsibility also stretches to the top management being responsible for the general impact the organization give rise to and the decisions from within it that has been implemented in order to handle all their sustainability impact issues. So an organization should in general be responsible for their decision that affect the society, environment and economy and the measures that has been implemented to prevent negative impacts on these sustainability aspects (Ecologica, 2011).

Another vital principle is transparency. Here the organization has a chance to present their activities and decisions that affect the society and environment. However the organization is not supposed to give away industrial secrets or confidential information connected to its business. The main aspects that should be included are the identity of the top management and what the intentions are of the organization concerning for example the localization plans of their business as well as what type of operation they want to be running (ITC, 2014). Other attached aspects should be how decision are made within the organization and how they get implemented and pursued, meaning also a definition of roles, responsibility, authorization throughout the whole business. What kind of requirements, criteria's and standard that the organization use for their evaluation of their social responsibility are another vital aspect together with presenting their results concerning relevant and important key areas for social responsibility (ISO, 2014). Providing the sources that they base their means on is crucial for their credibility and what the results are from using these sources. Also the organization has to both provide the known sustainability impacts of their decisions and make an assessment of what kind of future impact their decisions will give rise to. Last the organization should present a description over how stakeholders are both included and excluded for the business and how they are identified (Ruth, (2012). Something that ISO also recommend is that the organization form some sort of qualifying statement that explains how ISO 26000 is used within their enterprise and how they are handling the standard in itself (Pojasek, 2011).

A more general aspect is an ethical behavior, meaning that the organization should base all its actions on values such as justice, honesty, fairness and integrity. The values also has to be strongly linked to a genuine consideration of animals, the environment and people. More detailed, these aspects means that the organization should promote ethical behavior by firstly identifying and communicating the organizations basic values and principles as well as constructing governance structures that support these within the organization connected to decision making and interaction with others (Ecologia, 2011). On top of the organization also

have to identify and implement guidelines for ethical behavior that match their business and are in accordance to the ISO 26000 standard and most importantly, promote the importance of respecting them within the organization. Communicating the guidelines to different stakeholders and partners is vital and is particularly important concerning people that can substantially affect how the organization is operating and handling concerning their values, culture, strategy, integrity. In order to keep track of that the organization is in compliance with its guidelines it has to establish routines to monitor and support them as well as prevent conflict of interests within the organization that potentially could put them in jeopardy, leading to unethical behavior (ITC, 2014). The climate within the organization should also be unpretentious so that it's no fear in establishing routines for reporting unethical behavior. Geographical location, meaning local based laws and guidelines could also pose a threat or a challenge for the organization if they are in conflict with the guidelines the organization operate according to. In those cases these conflicts has to be both identified and handled. An organization should take into account the current international norms for ethical behavior and also include the ethical aspects for animals, such as transport and breeding (ISO, 2014).

If an organization have the intention to fully take responsibility for their social issues, including their stakeholders' opinions in the process is vital. Even if some social issues are more internally based, it can still be valuable to include stakeholders that might be affected by them as well. Therefore an organization should identify its stakeholders and in the process recognize which stakeholders that can affect the activities of the organization substantially and in the process show regard for the rights set by law for the stakeholders and respond to their opinions (Primer, 2010). Consideration also has to be taken from a more holistic and general view and determine what is expected from society as a whole and its expectations on what sustainability stands for as well as noting what kind of relation each particular stakeholder has to the organization. Another important aspect concerning stakeholders is that even if they might not be directly affected by a decision from an organization its seen as positive act of conduct to regard what consequences it might have on different stakeholders . Perhaps the most formal and straight forward principle is that the organization should always follow the rule of law within every jurisdiction area were the organization is active and maintain those relations. This also comprises to be up to date and informed concerning all legal obligations that are connected to the business which lead to that organizations should regularly check that their business is in compliance to current ruling laws and regulations (ISO, 2014).

On top of that, the organization should respect and follow international standards of conduct and in cases were there are no additional protective action at least follow the minimum standards of conduct. There can also be cases were national law is in conflict of the international standards of conduct and what the organization should strive for is to at least follow them to the best of their ability and in even worse scenarios were the conflict is so severe, the company should evaluate if its worth upholding their activities in that area. If possible, the company should also try to influence other relevant organizations that can ease the tensions in these scenarios and try to find decent solutions (ITC, 2014). The organization should also not under any circumstances be a part of a situation were it can be accused of complicity were another company or organization is violating the international standards of conduct (ISO, 2014). By default the organization should also always in all situations act in accordance with the human rights stated in "Bill of human rights" as well as being international and globally viable. If situations do present themselves were these rights are violated the organization should take actions action to avoid taking advantage of those situations and in situations where the organization identify that the protection of the human

rights is not enough, follow the principle of respect for the international standards of conduct (ITC, 2014).

3.7 ECG Positive & Negative aspects

As with many new starting concepts, they start isolated. ECG starts off with being isolated to German speaking countries such as Germany, Austria and Switzerland. However, economy for the common good is gaining substantial momentum in both Spain and Italy and the ECG book was recently released in England. The new English working material for companies was released fall of 2015 which will benefit the growth of ECG even further (Petersson, 2016). ECG is also isolated to some specific sectors, for example construction, consulting, financial, health, trading and IT. However, considering how new ECG is on the market, this number of sectors that ECG has branched out in can be considered significant, even though the number of reports present in each sector are scarce (Economy for the common good, 2015b). Some of the long term goals that Felber has mentioned for ECG are that companies that have adopted ECG should get cheaper loans, pay lower taxes and have an advantage when it comes to priority in public procurement, these aspects are however further down the line and not in any way implemented yet. Even though ECG being positively received for the most part, criticism also arise from time to time and not all followers back the agenda or for example the common good balance sheet. That could be seen as expected however since a market based on mainstream capitalism would be having a hard time accepting a market position more based on cooperation than competition. With that said, Felber stresses that ECG does not search for a way to disrupt the current economy markets dynamism but want to take advantage of its perks while adding a new and for some, "radical perspectives". Another concern has been that ECG will just be another addition to already existing models and tools for environmental and social reporting, that adds even more paperwork to companies and organizations to state their statutory disclosure obligations. Felber claims that this will not be the case and says that he will welcome a market economy more based on private initiatives rather than the central planning approach. He also says that he wants to take our human relationship aspects into the world of business and behave in the same ethical way as we do in our private lives. This is what he claims to be the core systemic error in our behavior in the business world. In our private life we would never acquire a friend if we behaved in a strategic, egoistic and greedy way but somehow this has become the norm with the world of business (Financial times, 2014). If conducted properly a common good report can be very useful when it comes to transparency for a company and greatly increase the visibility towards its stakeholders. Johannes Gutmann is the founder and managing director of Sonnentor and his company was among the first to request an external auditing process and to join ECG and he said that with the common good balance sheet that he and his company managed to display very clear and transparent to their stakeholders how they really operated and how well they were conducting social and environmental responsibility. Gutmann claimed that they were operating in the same way almost right from the start of the company but ECG provided the tools for them to be able to show external stakeholders how the company was being managed. Important note here is that Guttmann's business is an organic spice and tea company which means that many of the guidelines and principles were already implemented or easy to implement (The guardian, 2014). This can become a potential problem with ECG and its points system were some types of companies will have an easier time to acquire high scores mostly due to what type of sector they operate in. For example Guttmann's organic spice and tea company will have a much easier time than for example an energy company. Crucial for ECG's success will be to make the common good report attractive for all types of businesses

and sectors, not just the already “green” ones. Hand in hand with this comes the ability and extent for ECG to convince governments to start implementing their long run ideas for companies such as a lower tax and better loan opportunities. The state of this aspect so far is that the interest is fairly low, however the state of Salzburg in Austria has a new coalition government that has adopted the core ideas of ECG which indicate that it is possible for government to implement the ideas of ECG. At the moment over 1700 companies have declared their support for ECG and over 200 have produced a report and been assessed externally and the number is increasing steadily and many of the companies that have adopted ECG express a very positive attitude towards it. Helmut Lind is the chief executive of the Sparda-Bank Munich which was one of the first to adopt the ECG balance sheet and he says that at first some employees expressed some concerns concerning their own jobs if the main focus was the common good but after some time the concerns started to fade away and shift to positivity instead (Financial times, 2014). Katrin Muff the dean of Business school Lausanne which was the first university level institution is on a similar path and points to ECG being a valuable tool in their work for improving their ecological and social work, finding hidden areas within the organization and managing to their stakeholders much more involved and engaged than before (BSL, 2013). These are just two of many examples where people and employees have shown a positive attitude towards ECG and their approach to environmental and social reporting. Worth emphasizing is however some of the aspects that has been touched on already. First, the majority of positive attitude companies that have gone through the certification and external assessment process are already well on board with the values that ECG has a focus on, therefore making the construction and implementation of the common good balance sheet and common good report fairly easy compared to a company that in theory would be further away from the core values. Two more important aspects that is somewhat connected to the first one is firstly that the sizes of the companies that has adopted ECG, mostly its small or medium firms that have decided to produce reports and get evaluated. Also as already mentioned, firms that have adopted ECG are mostly concentrated to sectors which in general would have an easier time to adopt to its guidelines such as organic shops, university institutions and so on. This does not necessarily mean that ECG is a bad option for companies that want to improve in their environmental or social performance but it gives an indication what sort of companies and sectors that would be easier to expand into and which sectors that would require some more work to get on board (ECG, 2015).

ECG is however still a very new player on the market and at the moment they are in the outskirts of both the economic and political discourse but ECG has also shown its ability to give rise to change and encourage people, organizations and businesses to take steps towards the more common good and the movement is gaining more ground for each day. Some of the more noteworthy progressions are that has started to work with European members of parliament in an attempt to get the ECG matrix set as a standard for companies to have together with their non-financial reporting if the company has more than 500 employees. ECG has also held conferences worldwide to further expand its values to other regions in the world such as Asia and South America. ECG has also undergone some major changes in within their own organization, making it more effective and enabling more intensified interactions with stakeholders (ECG, 2013). The main obstacles for ECG will be its ability to be flexible both when it comes to region and sector of organizations. How the common good report can be developed and designed to fit and attract all types of companies will be crucial for its success. Also ECG's ability to convince governments to adopt and implement their long term ideas and ideals will be important for it to become an attractive alternative and to stand out from other similar ecological tools and systems. If the development however becomes stagnant and slows

down, there is a potential risk that ECG will become just another ecological “stamp” among many (The Guardian, 2014).

Positive

- **New perspective - Alternative economic model**
- **Focus on core human values**
- **Transparent**
- **Good at detecting blind spots in an organization**

Negative

- **Not established**
- **Non-certifiable****
- **Easier for already “green” companies to adopt**

3.8 GRI Positive & Negative aspects

One of the most noteworthy aspects with GRI and its spread among sectors is that it is rapidly growing in some while it is almost nonexistent in others (Marimon et al., 2012). Same as with many of the other tools is that what mostly effects this is internal and external triggers as in if the management of the specific company has an interest in starting to use the tool and therefore start taking initiatives towards implementing it or it can be external pressure from the public which generates the company almost being forced to use a specific tool to meet demands, for example using the tool to become more visible and transparent as a company towards the public. Like with the other tools there could possibly also be hindrance cause of cost of implementation or the complexity of its implementation. Even though it's not a complete environmental management system like ISO 14001, GRI can still be quite a monumental task to incorporate into an organization, depending mostly on size, sector and prerequisites of the specific company but the implementation of GRI itself can also be extensive and there is numerous steps for it to be implemented correctly (Levy et al., 2010). A positive trend for GRI is that it has been adopted much more rapidly and earlier in sectors which place both the environment and society at increased risk. However these sectors and companies have a high visibility in the capital markets as well which could suggest external triggers could be the leading motive for acquiring certification. A recent trend has also been that non-profit organizations and public agencies have started to adopt GRI on a far broader scale than before, possible reason for this can be that they feel they need to legitimize their operations and adopting GRI could be one possible building stone for that purpose (Vormedal & Ruud, 2009). One aspect that has been pointed out as perhaps one of GRI's most major flaw is that it has to become more flexible and adjust itself to better meet the characteristics specific for each individual sector. The earlier G3 version of GRI did not offer enough sector specific guidelines making GRI difficult to adopt within some areas. With an expansion consisting of more sector specific guidelines, there is a good chance that a social consensus can emerge of what kind of sustainability norms that should be set up for that specific sector (Brown, 2009).

It's still too early to assess if the new guidelines are sufficient enough to address the issues across all sectors. However new concerns have arisen with the G4 version of GRI. For once the guidelines are critiqued for not being sharp enough which could lead to them bringing confusion to what a company is required to report and what is recommended. The framework for how the report in itself should be presented is also blurry making it hard for organizations to adapt and being able to produce a sufficient report. Some key components that were expected to get addressed, got addressed. For example the two areas, governance and supply chain which had some issues with barely being addressed in the reporting at all in G3. This was mainly due to lack of data or fear of disclosure. GRI has attempted to come to terms with these gaps in G4 but some issues are still there. Organizations that fear for some information that might be leaked connected to its reporting can still find and use loop holes, making avoiding that information possible. Out of all the 22 general standard disclosures related to governance, an organization only has to report one of those in compliance to the GRI base level but it is even possible at higher level of compliance to still hold back on the disclosure within the other 21 areas, this loop hole can become very problematic. The guidelines for the supply chain suffers a similar flaw. At the moment there are three fairly harmless disclosures for supply chains that is mandatory for all using GRI. However if the reporter decides to not include supply chain impacts, it is possible to leave that subject out completely. The sub-areas of governance and supplier related areas, ethics and integrity as well as anti-corruption also suffers from this making loop hole disclosure possible. On the more positive note, GRI has managed to harmonize the guidelines and making them much more adaptable to go and function with other frameworks and protocols. Earlier problems with the application levels has been addressed and the confusion they gave rise to in the marketplace can now be avoided (Davies, 2015).

Other major changes for G4 is the focus on materiality, G3 had guidelines for identifying material issues but it had some issues with the focus being mainly on the material output. With the new guidelines organizations get tools for identifying and reporting key resources, both up- and downstream. With the change of G4's structural foundation and a new type of system in place which replaced the old A-, B- and C- levels which is now an in accordance to GRI option were companies choose a "core" or "comprehensive" level. A company is now forced to not only list all the aspects that they determine to be material, the company also has to specify where the aspects are material, both upstream and downstream in their value chain. The major difference between "core" and "comprehensive" is that with "core" you only have to disclose one performance indicator while in comprehensive you have to disclose all G4 performance indicators relevant to each material aspect. There is two sides to this new focus on materiality. On a positive note, this new structure will save time for companies when it comes to gathering data and reporting on performance indicators that perhaps are not that important. Instead the company can rather quickly direct their resources to be used more strategic on processes that do matter, leading to more focused reports being produced and in the end both being more useful and read by a larger group of stakeholders. Some potential concerns arise though. One major issue is the flexibility and some argue that with the increased spectrum of flexibility, it will lead to selective reporting and companies might be able to avoid areas that they do not want to discuss or disclose. This is connected to the second issue which is the comparability. With an increased flexibility within the reports comes the problems with the reports looking very different since companies can choose to report areas, they want to report on. The risk then arise that companies that in nature are very similar, can produce very different and shifting reports. Thirdly the required indicators in the sector supplements has been removed if they are not considered material, which leads to reporting gaps. Lastly is the process design. This problem existed back in the old G3:1s as

well and same as now, the quality is very uneven. The materiality assessment process is scalable and some key points that can be proven very important are:

1. Will the process have a more holistic approach and focus more long term on material issues that will be relevant further down the line or strictly focus on short term and current material issues.
2. Second comes the definition, when determining materiality. Will it be material to the company or to the society in general, for examples, will labor practices be considered material?
3. Selective screening. Similar to experiences from ISO 14001, will companies screen out based on their own opinion, issues that they consider are being managed effectively. Where should the line be drawn for what is significant and what is not.

(Margolis, 2013)

The report in itself will probably be more complex to produce and report since reporters now have to dedicate more resources to certain areas like stakeholder expectations, supply chain. Also with getting the executives involved in the reporting might lead to the process slowing down as well. On the other hand, once organizations have gotten past the first steps, hopefully they will be able to present a report that has a better scope, broader and that has an incorporated executive commitment incorporated into perhaps leading to more systemic changes (Littlejohns & Woodall, 2013) Summarized it can be said that G4 addressed many mechanical issues that caused confusion in the past but issues have instead arisen connected to transparency and disclosure. Those will be the issues to tackle in future updates of GRI(Davies, 2015).

Positive

- **Global**
- **Viable on all types of organizations and businesses**
- **Well established**
- **Relevant**
- **Reviewed**
- **Updated**
- **Flexible**

Negative

- **Time consuming**
- **Hard to measure results**
- **Non-certifiable***
- **Transparency issues**
- **Disclosure issues**

3.9 ISO 14001 Positive & Negative aspects

One of the strongest positive aspects concerning ISO 14001 is how long it has been out on the market. The structure and the different parts of the system has been given a long time to develop and to get continuously improved over the years by experts and other involved stakeholders which has resulted in a refined standard. The standard has also been scrutinized and reviewed for a long period of time by the scientific community leading to it being even further dissected by parties not directly involved in its development. Another important aspect is the space and knowledge ISO 9001 has created for management systems overall since it arrived in 1987. Within six years over 28000 firms had registered for ISO 9001 so the interest for management systems has been there from the very start (ISO, 2000). When ISO 14001 was launched in 1996 it rode on the impact that ISO 9000 had generated and already had 23000 registrations by December 2000 so in this view, one can claim that ISO 14001 reached a higher success than ISO 9000 in its first years but perhaps this was due to the space created by ISO 9000 in the first place (ISO 2001). By the year 2002, over 36000 firms, in 84 countries had acquired an ISO 14000 certification and a large variety of companies were represented, some of the larger ones were Apple, Sony, Toyota and IBM and companies such as General Motors and Ford Motor Company even had implemented the demand on their suppliers to be certified to ISO 14000 (Valdez & Chini, 2002). What this highlights is that ISO 14001 has been given time to get integrated into companies and organizations over time which has really worked in its favor. Another positive aspect that ISO 9000 has generated for ISO 14001 is that companies that applied ISO 9000 on its corporation or in an any sense came in contact with it would have a much easier time to implement ISO 14001 since they would have a lot of experience of how a management system is constructed, maintained and updated (ISO 2001). At the time ISO 14001 came out, 160000 ISO 9000 certificates had already been issued worldwide, which really gave ISO 14001 the opportunity to gain firm ground at the time of release (Sun & Cheng, 2002). Experience from the business sector has shown that if and when ISO 14001 gets correctly implemented that it will generate significant improvements concerning operational cost savings, conformance to regulations, customers and requirements, increase access to capital and increased competitiveness (Waidyasekara & Nimanthi, 2011). Important to note as well is that studies indicate that these environmental and economical gains not only seem to be applicable on solely industrialized countries but developing as well. Studies have shown a strong connection between the already mentioned environmental and economical gains and an ISO 14001 certification (Nee & Wahid, 2010). Possibly this is a product of the global work that has been put in to the development of the ISO 14001 standard and that parameters that are relevant in all parts of the world have been taken into consideration when the standard was designed and also in the updates. Since ISO 14001 is an environmental standard, that is were the focus is and in the cost saving aspect are also the environmental gains from implementing an environmental management system in accordance to ISO 14001 such as lowering energy consumption, raw material input, waste management, environmental impact reversal and public image (Chattopadhyay, 2001). As mentioned previously, benefits can also be adopted in more environmental areas such as waste management and environmental impact reversal. Babakri et al, (2004) conducted a survey to further study the connection to an ISO 14001 certificate and improved waste management and also the connection between sizes of companies and their waste management performance. The survey were conducted on certified industrial companies in the USA and found that their recycling performance was greatly increased by an ISO 14001 certificate, however it was also found that the significant increase occurred mostly within smaller firms (Babakri et al, 2004). Also, if a business show a this genuine dedication towards handling their environmental impact by reforming its business in accordance to ISO 14001, their chances increase greatly with both attracting and keeping top quality and

knowledgeable personnel. One of the most important aspects that gets affected by a ISO 14001 certificate is the public opinion and the stakeholders' opinion that most likely will increase greatly as highlighted earlier by Waidyasekara & Nimanthi with an increase in competitiveness. The ISO 14000 standard has reached a point now concerning reputation were its almost seen as fundamental for a company with genuine environmental interest to have a ISO 14001 certificate otherwise the business will struggle to find partners and customers and expand and survive within their sector since the certificate is seen so fundamental within many businesses today (Waidyasekara & Nimanthi, 2011). On top of creating a framework for effective environmental work within a company, ISO 14001 also promotes innovations that leads to environmental benefits. Grolleau et al. found that ISO 14001 will give rise to innovative ideas that leads to environmental benefits, not foremost in a short term horizon but it will ease the process of identifying elements and areas where innovation could prove very beneficial which will generate environmental gains further down the line if utilized properly. If the company in question also manages to incorporate its own philosophy into these progressive ideas, the environmental benefits are bound to be seen more quickly. Therefore acquiring an ISO 14001 certificate will most likely promote more innovative and creative environmental ideas and solutions (Grolleau et al., 2014). There has also been findings that the diffusion of EMS throughout organizations will have a positive influence in multiple areas such as product, process and supply chain. There has also been several findings that ISO 14001 certifications are cross-functional meaning that not only does it lead to a certificate but real enhancements in environmental performance and further improvements in the key environmental management practices. This is a clear sign that an ISO 14001 certificate is not a superficially mark but a strong and tangible indicator that the level of a deep, thorough, effective and optimized EMS will have an exponential positive connection to an organizations environmental management practices as well as overall organizational climate and its focus towards environmental issues (Prajogo et al., 2013). Another strong parameter that works in ISO 14001's favor is the aspect of it being a standard which spread much more rapidly compared to other types of business

The benefits of implementing ISO 14001 are as presented quite a few but there is also a number of obstacles that has been identified that comes with the ISO 14001 standard and its implementation. One major barrier is the incentive for why companies choose to apply for a certificate and implement an environmental management system into its organization. In a perfect world every certificate issued should be based on a business good will to improve their environmental performance but in reality it could be quite the opposite. In many cases economical and environmental performance work hand in hand as stated in the previous example but in some cases it doesn't and the incentive for why a specific choose to apply for an ISO 14001 certificate can be questioned. The most common critique is that companies only acquire their certificate to be able to use it as a marketing tool and to benefit from it on a competitive level without caring about enhanced environmental performance. It leads to the certificate in some cases becoming detracted and that it drifts away from its original purpose (Ammenberg, 2012). The certificate becomes a double edged sword since one of the benefits of running a company that is certified in accordance to the ISO 14001 standard is to use it as a marketing tool and quality stamp for that organization and to highlight its genuine interest to enhance its environmental performance. But the downside of the certification is as mentioned that in some cases this also means that companies with the "non-genuine" incentive acquire the certificate strictly to gain marketable benefits without having any real interest in minimizing their environmental impact. Numerous parameters determine what obstacles that a company face with applying for a certificate as well as what kind of benefits that can be

gained from a successful implementation (Nude et al., 2011). Some of the more important ones are the size of the specific company, what kind of sector it operates in and the amount of resources that the company invests in implementing the environmental management system. The size of a specific company will greatly influence how much time and resources that can be invested into an environmental management system and that will also greatly affect the success of it. Larger firms and organizations often have a more beneficial monetary situation than medium and smaller ones and most of the time, they also have a more beneficial position within the sector which they operate. This creates a very wide gap for the smaller firms that want to break into a new market and create competition since they start with a double negative disadvantage. One aspect that closes the gap to some extent is the fact that in a majority of cases the smaller firms have an easier time going through the certification process since everything is on a smaller scale, for example less environmental activities to define, smaller group of employees to educate and this also generates it being both easier to monitor and review the environmental management system since it's on this lesser scale (Schylander & Martinuzzi, 2007). Important to note is also that an "investment" into an ISO 14001 certificate can be seen as a short term pain with long term gains. It could prove difficult to acknowledge and notice all positive feedback off the bat since investments into the environmental area is in itself often long term investments. Therefore organizations will in the start of their EMS work mostly notice the negative aspects of a certificate due to the EMS often requires time before the positive aspects will surface and generate positive feedback into the organization. However the relationship between economic performance and duration of environmental certification seems to be in the even more long run to be U-shaped. What this implies is that the benefits of ISO 14001 certification gradually prevail and that when a company first develop its EMS, their inefficient and problematic areas will get highlighted and given the chance to get handled. In the process the company will optimize and enhance their quality within all sectors and different elements within the EMS. But an organizations processes and activities can only be optimized to a certain point if nothing significant does not occur within the organization. Therefore inefficient processes that gets reworked and updated within the EMS, their result will most likely show when the EMS has been up and running for the organization for some time but that effect will eventually drop off when the processes maximum optimization possibility has been reached, which results in the U-shaped relationship (Teng et al., 2014).

One major issue that critiques often mention is that organizations in many cases are satisfied with just meeting the minimal demands that is mentioned in the standard to acquire the certificate and there is no real incentive for going "beyond the compliance". This makes the certificate very blurry and many different already mentioned incentives such as marketing, strategic positioning and environmental image could potentially be in the mix and at the top of the priority list instead the intended environmental performance (Balzarova & Castka, 2008). Further, the criticism is not only limited to the incentive foundation of ISO 14001 but also that ISO 14001 does not measure actual environmental performance of a company. Instead the certificate gives that it is assumed that a company has an environmental management system in place to deal with its environmental impacts. On top of that, it is also assumed that the company's EMS is there to ensure continuous improvement but there is no way to externally verifying that this is achieved. The guidelines inside the ISO 14001 standard simply assume that if an organization or company implement a good environmental management system it will generate a reduction in negative environmental impact. Connected to the incentive aspect is also that since an organizations approach can in many cases be questioned with having a basis other than improved environmental performance, it could potentially develop into a compliant certificate but not an optimal one. This because the

goals and objectives that has been set could just be based on consensus within a company and not being that influenced from external sources which in many cases, can be the most important source for creating an optimal and effective environmental management system.

In the early years of ISO 14001, further complications arose when it came to maintaining environmental management systems and improving performance since there was a risk for it to become compromised because there was no real provision for de-certifying a company that slow down or even come to a halt with its improvements within the environmental area due to for example change in management or significant changes within their market which they were active in (Rondinelli & Vastag 2000). This has been improved over the years and organizations must now be prepared for surveillance audits occurring as frequently as every sixth month or even more if the organization has undergone major changes within their company. There is also the possibility that if a company is spread out on a number of different sites that only a sample of them will be the focus of an audit and also perhaps only a few selected elements within the specific EMS. Other than that a ISO 14001 certificate are valid for three years and organizations should be prepared for undergoing a renewal certification audit process with that interval (Darozhka, 2006).

Positive

- **Well established**
- **Reviewed**
- **Relevant**
- **Updated**
- **Global**
- **Generates environmental gains**
- **Generates economical gains**
- **Brings out potential hidden areas of an organization**
- **Strong quality stamp**

Negative

- **Incentive issues**
- **Can be used mainly as a marketing tool**
- **Cost connected to size**
- **Cost connected to sector**
- **Short term pain & long term gain**
- **Stagnant gains in the end**
- **No incentive for going beyond “minimal compliance”**

3.11 ISO 26000 Positive & Negative aspects

One of ISO 26000 strongest suits is supposedly also its biggest weakness and that is, that its not a standard for certification, only a voluntary standard that is supposed to be seen as a general guidance for organizations that want to work with their social issues. Its also just a guidance standard in that sense that it does not demand or specify instructions, targets or outcomes for its implementation which sets it aside from other standards like its environmental relative ISO 14001 which has very direct and measurable targets and goals.

With this said, the plan for releasing ISO 26000 has been to not force it on the market but instead let organizations and companies test, adopt and implement its features on a voluntary basis. In the long term this method is proven successful since committed actors will be in the front lines and continuously update and further develop the ISO 26000 standard (Acta Ethica, 2012). Further, it is important to highlight when ISO 26000 could be proven to be the most useful. One of ISO 26000 strong suits is when it gets taken into affect by a company that is in its start of their social responsibility engagement. That specific company can apply the guidelines more direct in a “read and apply” manner while companies that have gotten further down the road in their social responsibility work instead can use it as a quick checklist and a tool for improving and update already existing practices. Therefore, ISO 26000 can be seen as more beneficial for companies in the beginning of their social responsibility work. Despite that the ISO 26000 standard covers many important parameters for implementing an effective framework for social responsibility it still has some flaws, for example that the standard offers more examples with related actions than offering effective strategic guidance, which is only a minor part in the standard(Hahn, R., 2013). Criticism has also occurred on a more general scale were ethical standards overall have received critique for being too directed against larger corporations and not being applicable on smaller ones. However, Enderle, 2004 claims that is not the case since ISO 26000 has the approach of identifying the most important issues based on the current and specific situation of a company, making it more applicable on smaller firms. Meaning that small and medium sized companies limited resources will not be a hinder for creating and maintaining a solid framework for social responsibility (Enderle, 2004). Avila et al., 2013 also mentions and claims the standard being relevant, flexible and accessible for a wide variety of organizations and that the standard itself has an understanding and relates to organizational reality. However, Avila et al., 2013 further highlight the importance of mapping the trends of implementation across organizations and not the least, the trends within different sectors. Avila et al., 2013 for example found in their own survey that labor practices were much more intensively implemented than such related to consumer issues and organizational governance. It is therefore important to identify the possible gaps that remain between and organization's image of being socially responsible and the effectiveness of its actions (Avila et al., 2013). Same as with the ISO 14001 standard is that since ISO 26000 is a standard, it has good prerequisites to keep spreading and make an impact since as already mentioned, standards spread way quicker than for example norms and other code of conduct guidelines connected to businesses (Brunsson & Jacobsson, 2000). However the challenge might not lie in the standards ability to spread but in the challenge to change the mindset of companies and organizations in foremost third world countries to realize that social responsibility does not necessarily mean an infringement on maintaining a healthy company. Question is also if ISO 26000 will be able to work as a basic “rulebook” for code of conduct concerning social responsibility for companies or if it will only be a tool for companies to foremost in the western world to feel more fulfilled and responsible concerning social aspects, making it a shallow “quality” stamp among many (Schwartz & Tilling, 2009).

As already mentioned there is a positive side in letting the standard be voluntary and it will drive its development forward in the long run. However in the short term rogue consulting actors have cloned the standard and are now trying to sell certificates for their version. This can be seen as a low level risk parameter though, since the ISO 26000 is a voluntary standard, who would like to take a risk and get an unknown rogue certificate when you can be very flexible with the original one. Also, ISO 26000 is strongly connected to CSR consulting, which in its own nature has lots of competition, few barriers, no technological gains in sight since it's connected to ethical behavior. This gives that the market for CSR consulting almost solely has

to be strictly localized in order to achieve the best results. One positive product in this, is the role of external consultants, they become very connected to organizations and follow them in their work with social responsibility, coming with insight and guidance for both the form and its implementation as well as the standard itself. This forms much more genuine consultants more integrated into the process rather than sales guys just looking for a fee (Acta ethica, 2012).

Another aspect of the standard that has received criticism is the mentioned lack of technical barriers and the fact that the scope is so wide and not solely applicable to companies that it could pose threats to trade between countries and regions. USA was one of the strongest forces against it and highlighted that since its framework differs from the other ISO standards that it should not be granted the same benefits as the other standards. India stand behind the USA on this issue and exemplifies it with saying it could potentially hurt their trade if they are forced to comply by these guidelines, particularly those related to labor conditions which they currently can not live up to. Criticism is received from others as well, China is having issues with how the ISO 26000 standard impacts their human rights conventions and instruments on their national sovereignty. It has even come to that point that the Chinese are affecting others via political channels to down vote and hold back the ISO 26000 standard from becoming a “full” standard like its relatives (Henriques, 2010).

Positive

- **Voluntary degree of implementation**
- **Flexible**
- **Global**
- **Well established**
- **Relevant**
- **Reviewed**
- **Updated**

Negative

- **Voluntary degree of implementation**
- **Hard to measure results**
- **Non-certifiable**
- **Hollow “quality” stamp**
- **Wide**
- **Missing detailed strategic help**

4. Analysis

4.1 Cost

For this aspect the system/models are being evaluated on how much it cost for an organization to prepare and implement it into their business. Since there are a large variety of organizations implementing the systems/models the cost has a large spectrum, this mainly depends on size but also aspects such as structure, sector and geographical location of the business. The four system/models all have their own focus which generates that different elements are needed for the implementation of them. This leads to the cost for implementing each model to vary quite a bit. Some of the elements that is incorporated into implementing ISO 14001 are the cost of acquiring information that is necessary in order to complete and receive a certification. When an organization starts to strive for a certification, there is a high likelihood that a range of procedures and practices within the organization has to be modified and new records and documentation has to be established to keep track and monitor the changes which generates associated costs. Other than that employees have to be trained acquire the competence needed to follow through the implementation and achieve conformity to the requirements to the ISO 14001 standard. When a system has been put into use both an internal and external auditing has to be carried out to verify its credibility concerning the observance of the ISO 14001. Together with costs for the audits, the organization also have to pay a one time registration cost to an accredited registrar that oversees ISO standardization in order to receive the certificate if the environmental management system meets all the requirements and seen as a valid system (Yiridoe & Maret, 2004). Some studies however point in the direction that cost is not seen as a big obstacle when it comes to implementing ISO14001 and a majority see the short term investment outweighed by the long term gains, not only when it comes financial and ecological gains but social as well (Kwang & Pheng, 2005).

The cost for implementing ISO 26000 into an organization is much harder to estimate based on solely one aspect, that it is a non-certifiable standard meaning that a company have great opportunities to be as ambitious and flexible as they see fit. As stated previously, the “requirements” within ISO 26000 are only just guiding principles meaning that an organization can do their own cherry-picking with what they want to implement which directly affect the price for it since the resources set off for it are adjusted in accordance to the decisions. However if an organization aims to take full responsibility for their social issues, similar costs will be needed as with ISO 14001. Information has to be acquired by the organization to be able to conform to the guidelines in the ISO 26000 such as their current situation and future goals connected to the seven core subjects of ISO 26000; organizational governance, human rights, labor practices, environment, fair operating practices, consumer issues, community involvement and development. Another major factor that will effect the cost is how ambitious the organization is with engaging its stakeholders to also conform to the seven core values and work towards improving both the cooperation as well as engaging them to improve on their own. When the situation has been evaluated, resources has to be dedicated to follow through and implement the suggested actions. The ISO 26000 standard put an emphasis on the importance that each organization has to look at their own situation in order to decide the most cost-effective means for improvement. Three aspects are considered to be the most important; impacts, capability and visibility. Within impacts the organization must identify were in their current business that the most urgent needs for improvement are and determine what types of benefits that can be gained by addressing these and what risks

that potentially can come up later if they are ignored. Next the organization has to see to its capabilities to address the issues. Does the company have the adequate human resources with the right type of competence and expertise to handle the issues. Can the company provide the adequate financial resources to tackle the issues needed to address and can enough resources be assigned to carry it out well. Last, does the organization have the community resources in order to achieve proper improvements. Meaning, is the organization able to involve partners in different ways, such as in the supply chain, neighborhood organizations and community infrastructure. The last key aspect is visibility. If this aspect is applied in a successful way it can be both inspiring and gain support amongst partners, clients, suppliers, stakeholders and the public as a whole. This can potentially generate a positive momentum for the organization to keep evolving within the social issues field and set the standard for the social responsibility within their business sector. For the last step, the organization should create a report that describes its current situation in consideration of the guidelines for ISO 26000, the established problem areas, how stakeholders have been involved in the process and last describe how the organization will improve and work towards future goals in order to enhance their work with social issues. What this shows is that there are a lot of parameters that can affect the price of an implementation of ISO 26000 into an organization but if an organization strives for the same ambitions as can be compared to the requirements for environment in ISO 14001, the same type of costs could be expected and also heavenly dependent on parameters such as size, structure, geographical location and sector (Ecologia, 2011). The only real cost that has to be spent by an organization is the ISO 26000 standard document which can range from 32-180 euro (Scribd, 2012).

Global reporting initiative have many of the same parameters as the previous two mentioned standards. Organizations wanting to implement GRI has to gather the necessary information needed in order to produce a valid report that meets the requirements for GRI. This parameter is heavenly dependent on what the top management decides on what should be included in the report which will also greatly affect the time it will take first to developing data gathering systems but also gathering the data itself. The introduction of GRI into an organization also gives that new processes are needed to live up to the GRI requirements in a gratifying way and resources has to be spent to monitor and check that the new implemented procedures match the requirements. Next, resources has to be off set to produce the actual report itself, which mean that the organization has to dedicate both human and financial resources for it internally and potentially external resources such as consultancy, editing, layout and printing. Finally the organization have to plan for and carry out an external verification and auditing of the new implemented features as well as the report to ensure their credibility. As with other similar models, the price can vary significantly depending on what type of organization that is implementing GRI into its business. Size, structure and sector are perhaps among the most important aspects but there are a range of other conditions affecting as well such as the willingness and incentive from the organization for creating the GRI report. Reported costs has been ranging from between 2000 euro to 100000 euro but even if an organizations sustainability report ends up in the upper price range, its often the case that the cost will be much less for what the organization spends on its financial reporting. With the newly released G4 guidelines, GRI has high hopes of reducing the cost for organizations that want to use the guidelines in their business. Some of the improvements are clearer descriptions, definitions and disclosure items which potentially will result in reduced planning time, easier to develop more accurate data gathering systems as well as processing the collected data. More focused material topics that an organization should include in their evaluation and report, meaning it will be easier to exclude unnecessary topics and information which will generate simpler and shorter sustainability reports that will be easier

to grasp. The reviewed guidelines will also hopefully help to cut the costs of external verification (GRI, 2014).

The cost for implementing economy for the common good into an enterprise can differ quite substantially depending on what approach that is taken. If a company wishes to carry out the ECG-process on their own then all the data needed is free of charge and available for any type of company. If a company wishes to receive assistance from the ECG-organization in the form of a consultant that can measure and go through their business and produced documents then the fee for the consultant is 90 euro/hour. Available for smaller companies is also the option of teaming up with other small companies that want to implement ECG and work together in a "group process" which ECG offers, where the companies go through steps 7-15 together in the ECG manual. Fee to participate is between 1000-1500 euro. When a company has managed to construct and finalized their report it is advised that the company requests an external audit to establish to which degree the company has been able to implement and put their ideals into practice from the report. The external audit is a purely document audit and is performed over the telephone. If requested, the company can go with an on site certification but it is not mandatory, however it is strongly advised that the company request an on site visit and its extra important at the end of the first annual report. The rate for this differs based on number of consultants that has to be hired, workload and agreement, for example if the audit will be performed on-site, but usually this shifts between 70-5000 euros. To exemplify; 1-2 full time employees would cost 70 euro per hour; 420-560 euro for a desk audit; 560-700 euro for an on-site audit. There is no limit for at the high end but the highest static priced set is 251-1000 full time employees which would cost 130 euro per hour; no desk audit is available and the on-site audit would cost 3900-4940 euro. Also. if you as a company manages to clump together audits, it is possible to get a group discount and lower the prices (Economy for the common good, 2016c).

4.2 Funding

Crucial for any organizations survival is its funding and as for most global organizations today it can come from a variety of sources which is also seen in these four models. Both ISO 14001 and ISO 26000 stems from as mentioned the International standard organization and it receives funding from mainly three different types of sources. First they get financial support from organizations that hire and loan ISO expertise for their projects were they are often in need of technical assistance. Another source is the subscription fee that national member bodies of ISO pay and each subscription is set in proportion to that specific country's gross national product. Last there is the sale of its standard which account for approximately 36% of their income (ISO, 2014). GRI receives its funding from four core sources. A major part of the revenue comes from GRI's organizational stakeholders which is as mentioned the heart of the GRI network and is spread in over 60 countries and that can be organizations of all sizes and types from a large spectrum of sectors such as business, academia, public agencies, civil society, mediating institutions and intergovernmental agencies. Any type of organization is free to join the organizational stakeholder network and the fee for being a part is divided into four categories. If the organization has an annual operation budget of less than 1 million euro, the fee is 500 euro, between 1-100 million euro, fee is set to 1000 euro, between 100 million – less than 1 billion euro, fee is 5000 euro and if the organization has over 1 billion the fee is 10000 euro annually. Being a part of the organizational stakeholder network provides some benefits for the specific organization. Get a high access to the GRI network, for example exclusive OS events and online meetings were sustainability and GRI issues are being

addressed. GRI will provide a dedicated OS team and free sustainability report services, together with advanced email updates regarding GRI. Also the organization gets the opportunity to promote their own events on the GRI website as well as using the GRI logo on any of their own work such as website and publications (GRI, 2013). The economy for the common good has two main sources for their funding. First there is the membership fees from companies, organizations and individuals that has chosen to be a part of the economy for the common good network. This fee can vary significantly since its a voluntary membership fee and not a requirement for entering the network. However the fee is highly recommended for those stakeholders that actively want to go in and support the economy for the common good since the money collected from the fees are earmarked for making improvements to the common good matrix, the services within the organization, the auditing programs and the networking activities between common good businesses. Important note is that this is only viable concerning businesses. If an individual wants to be included into the network the minimum required fee is 60 euro/year. Also, the membership can be divided into two different types, associate membership and regular membership. The fee for associate and regular membership remains the same with a minimum Secondly the organization receives donations from a variety of sources, anyone who is interested in supporting their cause is free to do so.

4.3 Scientific reputation

Under this category the incentive is to evaluate how well known each system/ model in the scientific community. For a model / system to get processed within the scientific community, it can be seen as very important in order to identify its strengths and weaknesses as well as how viable it can be regarding certain aspects applied on real organizations and companies. In the search, five different database sources were used; Greenfile, ScienceDirect, Scopus, Social science research network, Springerlink and Web of science. Greenfile has an environmental science alignment while Social science research network more has a focus on social science. ScienceDirect, Scopus, Springerlink and web of science are all multidisciplinary.

Table 1. Illustrates the number of hits each specific system/model acquired when searched for in each separated database.

<i>System/model</i>	<i>ISO 14001</i>	<i>ISO 26000</i>	<i>GRI</i>	<i>ECG</i>
Greenfile	470	37	197	0
ScienceDirect	2538	743	77	0
Scopus	1408	64	537	0
Social science research network	59	26	76	0
Springerlink	2124*	1384*	76627*	0
Web of Science	391	16	717	0

*Important notice here is that this database focused much more heavy on single words in contrast to the others, leading to the numbers being misleading.

As can be seen in (Table 1), ISO 14001 holds the top position in terms of scientific reputation with the two top listings of 2538 in ScienceDirect and 1408 in Scopus. GRI follows in second place with more representation in five out of the six databases that were included compared to ISO 26000 and in last place for all databases are ECG that didn't get any hits in any of the databases. There are probably several reasons for the table turning out this way. The reason for ISO 14001 getting the most hits probably has to do with it being a full scale environmental system with many hands-on tool for companies how to handle their environmental issues. That has lead to it being very successful and therefore gained both increased reputation and standing with in the environmental discourse. This is of course reflected in the scientific community that see an increased motivation to evaluate the validity of ISO 14001. Possible other reason for it being the model with the most hits is that it was the first out of the four models that was formed and therefore has been out on the market for the longest which means an increased duration for evaluation. For example if the two models (ISO 26000 & ECG) in the lower bracket are thrown in the mix, one can see that both were formed in 2010 and therefore has been out on the market for the least amount of time. Surprisingly ECG, didn't get any hits in any of the databases which could potentially have to do with it being very isolated to just a few nation and not really been picked up by the majority and recognized as a valid option. There is also a high possibility that ISO 26000 rides on the fame that ISO 14001 has together with other earlier standards that has been put out by the International Standard Organization. Also when ECG is searched for inside the databases you receive hits for the term and sentence itself which makes it difficult to identify which hit is related to which type of entity but this paper were not able to find any reports or papers directly related to the entity "ECG" which this thesis covers. Instead the different versions of the words: economy, common, good were the ones that generated the hits in the databases.

4.4 Content stakeholders

Being an environmental management system, the focus for the stakeholders are primary the environment and potential impacts a company can have on the same. Included in ISO 14001 there are a total of six activities that are in place for integrating all the interests of stakeholders for a company utilizing the ISO 14001 standard. In the start in the initial review, all the criteria's expressed by the stakeholders are obtained, transferred and processed into the six activities which are: Establishing a strategic position, define a vision and policy, develop a plan to implement the policy, develop the capabilities and support mechanisms, measure and monitor performance, review and improve the system. The stakeholders perspectives and interests will all be prioritized and integrated into these six activities which enables the stakeholder's to have a significant impact on a certified business operation and environmental strategy. One of the most important aspects of a functional ISO 14001 environmental management system is establishing communication procedures with stakeholders both internal and external. Proper implementation of these ISO 14001 procedures will ensure that stakeholder requirements and perceptions will be communicated to the company and also with an active line of communication with the stakeholders, ensure that they will be monitored to meet the satisfactory levels for the stakeholders (Camarota, 1999). This high level of impact and integration of the stakeholders wishes and perspective in most cases generates a very positive and content response. In addition this can also be said on

a global scale since the ISO 14001 standard is developed, updated and reviewed in cooperation from all parts of the world, the same type of procedure can be seen here. Integrating all the global voices from all types of sectors and processing them into the standard will raise the satisfactory level in the majority of cases. High level of impact and the ability to adjust and change the tool will push for it being more used and accepted across all types of businesses and sectors. However, studies have also shown that companies can encounter obstacles when it comes to implementing ISO 14001. Poder (2006) for example points out that companies can struggle with producing reliable and reproducible assessment of their environmental aspects if the criteria's and guidelines from ISO 14001 is applied inefficient and unsystematic, meaning that how well companies interpret and manages to follow the guidelines is key for their experience foundation for ISO 14001 (Kwang & Pheng, 2005).

ISO 26000 works both in a similar way as ISO 14001 but it also is a lot different. Stemming from the same base, similar to ISO 14001, ISO 26000 is being heard and reviewed in many of the same forums as ISO 14001 and its also updated and worked on in a similar fashion. Being non-certifiable and only a guidance document, it becomes very flexible and leaves much to the company in question to handle the guidelines as they pleases and incorporate it in the way they want. This means it's hard not to get satisfied when you get this sort of playing field and are able to both modify the guidelines to an extent as well as "cherry-pick" social areas to focus on. However if the ISO 26000 guidelines and the document in itself is implemented correctly it is considered to cover the whole social spectrum so if the willingness is there, companies have an effective tool within ISO 26000 to tackle and work with their social issues (Biquand & Zittel, 2012)

One of GRI's major points according their own information is stakeholder engagement, without it, GRI would not work as a tool at all. Stakeholders involvement is key in generating and updating the guidelines and maturing GRI as a sustainability reporting tool. GRI claims they have worked on having open channels with their stakeholders since the 70s and say that they now have a team that represent every group of their stakeholders. They even implemented something called "Quality of Relationships Committee" back in 2008 to further formalize the relationship process and with that also came guidelines for all publics. GRI have a representative office for internal stakeholders, suppliers and consultants and frequently hosts different forums and group panels to increase the participation of stakeholders. Some of the platforms are the use of Wiki reports, online forums, roundtables, an internal social media network for employees, a public network and a consultant's blog. Combining this foundation of participation and GRI's flexibility nature in itself with the ability to report the fields of your choosing can be considered to play a vital role in its popularity (Global reporting initiative, 2011a).

ECG is providing the most radical alternative if you compare it to the previous three tools. Stemming from a base which does not have the current economic system as its foundation, it provides a clear option for someone that wants to radical change their company's practice. With that said, certain stakeholders have a better starting point than others. For example a small local tea shop would have a much easier time adopting ECG's values and guidelines than a major gas company. This, because of ECG's penalty system. It would require a lot less work for the local tea shop than for the major gas company and not just because of site and sector but just based on how the tool is built up. With that said, it is perhaps not wrong that the gas company will face a much more major uphill battle, having the nature that it does as a company. However it would be difficult to recruit companies in sectors that will score major

penalties in the common good balance sheet matrix since they would lack the incentive to join if there isn't more in it for them than to receive penalties. ECG offers large support for those companies that want to commit themselves in joining the ECG movement and companies can be very flexible in how they want to participate and to what extent, as mentioned previously. Joining and gaining support is not without effort though, as said previously with the different seedling levels. ECG offers similar to GRI a lot of platforms for committed companies to take aid from, like online forums, seminars and other similar tools. Leaving it open for companies to themselves determine to what extent they want to commit themselves is a good foundation for having content stakeholders.

4.5 Implementation

The implementation aspect differ quite a lot regarding the four system / models. ISO 14001 is the only one out of the four that is a real pure bred management system with criteria's that has to be fulfilled in order to get a certification. ISO 26000 is only a standard which include guidelines that an organization should live up to in order to, meaning there are no strict requirements that has to be met, implementation becomes therefore easier since the organization can “cheery-pick” aspects to a larger extent which they want to implement. Both GRI and ECG are more in the direction of sustainability reporting which means the incentive is not to implement a full management system which generates that it will be easier to implement or more accurate put, to carry out. Babkari et al found that it on average took companies between 8-19 months to obtain a certificate for ISO 14001 based on their survey made in USA (Granly & Welo, 2013). The elements that companies had to dedicate are that most resources into concerning time and effort were identifying environmental aspects, EMS documentation, training, EMS audits, operational control, environmental management program, objectives & targets and last, document control. The element that was proven to be the most severe challenge for companies was “identifying environmental aspects” which received the highest score in the survey. The survey also showed that the greatest obstacle for companies for implementing ISO 14001 was the high cost of certification and the second most significant was companies lacking the proper resources required by the system together with being uncertain about what sort of benefits that the company would gain from implementing it (Babakri, et al., 2004). The ISO 14001 standard is currently under revision and a new version is expected to come out in early 2015. For this version, two new major actions has been used in order to further improve the system. First the new high level structure that has become the common standard for all newly produced management systems has been used which will greatly affect the implementation process for organizations in a positive way, decreasing time and resources needed to be spent. This will also enable for much easier integration of several management systems within an organization (British standard institution, 2014). Another aspect of implementation is the willingness from employees. Some reports have indicated that an implementation may encounter some resistance within companies due to solely the “change” aspect. People can be reluctant to make major changes in their every day life and major changes like introducing an environmental management system into the company can prove to be difficult. This is not only related to the time and resources that has to be mobilized but reports have also shown that people can be afraid of introducing better and more efficient systems cause it can potentially be better at highlighting errors that occur within the enterprise and make them easier to trace back to their source. With that said, it's important to put emphasis on that in order for ISO 14001 to function properly every single employee and staff member has to be on board how the company

function with it and that all involved understands and uses the new guidelines efficiently (Kwang & Pheng, 2005)

As mentioned earlier, ISO 26000 is a standard that strictly offers guidelines to companies that want to increase their social responsibility. This could be one of the reasons for the findings that Cramer et al. Identified which was that the implementation process for corporate social responsibility often followed a “messy” process with a lot of trial and errors involved. Something that potentially could be dealt with by adding more detailed information on how to fold in the guidelines into a business or take the path of making the standard even more similar to ISO 14001 in the aspect of certification and requirements (Hahn, 2012), something that has been requested from a lot of companies (Seferian, 2013). Galbreath, 2010 further found a positive link between corporate social responsibility and formal strategic planning in order to get a competitive advantage (Hahn, 2012). As a foundation the guidelines centers around the seven core subjects and even though not all organization being affected by them, they still offers a good implementation starting point in order to identify what a company are in need of implementing concerning their social responsibility. Something more that the standards lack however is more hands on tips and tools to achieve certain aspects connected to social responsibility. For example, offering very vague and little information on how to structure an organizations vision, mission and objectives. A part of the explanation is probably of them having a very high context dependent nature but more guidance would have been desirable. Something that the standard do, do well is offering implementation guidance on strategy. The guidance help out with both measures on how to implement routines and processes for the seven core subjects and also how the organization should display it when it has been fitted into the corporation which can be seen as a most vital aspect since an organization with an active ISO 26000 do not have a certificate to show, both towards stakeholders and clients. However, the standard still lacks in the aspect of providing good advice on how to evaluate and review the strategy (ISO, 2010).

GRI offers very detailed and deep guidance for their sustainability reporting guidelines and it is mainly handled in their implementation manual. The manual offers explanations on both the various concepts of the guidelines as well as how to apply the reporting principles within an organization. The manual also contains information on how to prepare the information that is going to be disclosed and how to treat it in accordance with the guidelines. On top of this, the manual offers reference documents that can further help organizations to handle the guidelines and give them further credibility. GRI puts a strong emphasis on the implementation manual and its importance, how crucial it is for organizations to continuously consult it in order to produce a valid sustainability report. Economy for the common have some similarities with GRI in terms of wanting to cover the whole spectrum concerning sustainability. Both concepts put an emphasis on organizations producing a sustainability report to assess and document an organizations current standing. GRI offers only a framework for sustainability reporting and do not offer a certificate, while ECG, after an external review do offer a certificate. One major difference between the two models are that ECG offer the common good balance sheet that every company have to carry out which is an easy add-on to the regular financial balance sheet that most companies use today. The ECG offer detailed information both on how to construct a sustainability report as well as how to construct the common good balance sheet and one of the major reason for ECG putting such strong emphasis on the common good balance sheet is for the implementation aspect since it will be very easy for a company to add it as an add-on to the regular used financial balance sheet that almost any company use today to monitor and present their monetary status.

4.6 Certification

Today, the most used environmental management system to date is ISO 14001 and it is also the most used system for certification. Late 2011 it was reported that over 250000 certificates had been issued in over 150 countries and the increase between the years 2000 and 2010 was enormous, with an increase of 1100% and are still increasing steadily (British assessment, 2012). Basically what a ISO 14001-certificate symbolizes for an organization is an acknowledgment that the organization has chosen to fully commit to implement an environmental management system into their business in order to reduce its environmental impact and also to increase its overall environmental performance in a continuous improvement manner. In most cases, an environmental management system will also generate financial benefits for the company since the system will enable the organization to work and function both more efficiently and structured in general. ISO 26000 is not a certifiable standard today (ISO, 2014) but discussions are constantly spurring up on whether to leave it as it is or to make it into a certifiable standard. One of ISO:s strongest claims for not making it into a certifiable standard is that social issues and impacts are far too complex to make certifiable and therefore the standard should work as a guiding document for organization that do want to take their social responsibility. On the other hand many companies claim that the standard in its current form is too weak and that they want, in similarity to for example ISO 14001 to make it certifiable, giving it more weight and credibility and something for companies to market in terms of them practicing good social responsibility (Seferian, 2013). GRI is not certifiable and GRI does not offer any type of rank or assurance of produced sustainability reports. However GRI do offer a sort of checking tool, something called GRI application level check service. With this tool organizations can themselves choose which parts of their sustainability report they want to address, for example its indicators. This serves as the only formal check of a sustainability report produces in accordance with the GRI framework and to what extent the tool has been used must be mentioned in the sustainability report (GRI, 2014). ECG offer a certificate for any organization that gets validated after they have gone through the ECG process for creating a sustainability report. The organization choose one out of the two types of reviews that ECG provide, either peer evaluation (lighter version) or an external audit. After that the report gets published and the organization receives a certificate that is valid for two years. Included in the certificate is also the produced common good balance sheet.

4.7 Overview

Some of the key aspects for gaining a solid overview over a company or organization is the scale of the tool in question, how effective methods the tool in question has and how much experience the tool has had to mature to meet the criteria of stakeholders. With its position and history, ISO 14001 really offers a full-scale option for companies and it has had the time to grow to meet needed requirements for it to offer companies a good overview of. One central aspect of ISO 14001 is to offer companies a good holistic overview of their environmental performance and since stakeholders and companies has been given access to influence large portions of how ISO 14001 is both structured and updated, it's hard not to have content stakeholders. The same applies to ISO 26000 with the edition of it also being voluntary and a company can really "cherry-pick" sections they want to focus on. However if the guidelines and accessible material is used to its full potential it can be considered to be almost as full-scale in the social area as ISO 14001 is within the environmental one. GRI

follows along the same lines, stakeholders are able to be a part of as well as shape how the guidelines should be structured, even specializing within sectors, enabling a high degree of influence which in the long run will lead to positive feedback from the parties involved. GRI offers a thorough manual, guidelines and many clear heads on advices on how a company can both identify environmental issues and enhance its environmental performance. With that said, GRI does not offer the same kind of weight and full-scale tool as the ISO variants to in their respective fields but what is mostly comes down too is too what extent you as a company want to use the tool that is there, since there is most likely nobody except the company in question that also knows its own operations, processes and structure the best. ECG differs a bit from the rest since it's not based on the same core as the others and built around the current economic and market system which gives that it does not function in the same way as the others. When it comes to overview it functions in a similar way as GRI and ISO 26000. It offers both head on advice, guidelines and support for a company to get a solid overview over its performances. However as said before it comes down to commitment and how willing the company is to invest into the tool and to what degree of seedling level its willing to commit. Suffering the same fate as GRI and ISO 26000 it is voluntary to what extent a company want to use the tool and that also have a major influence how well it functions. Taking aid from ECG in the form of consultants, forums and other support channels the tool can function well within the overview aspect but perhaps not perform as well and solid as ISO 14001 would. Being a bit isolated, young and unpolished also plays a vital role in its ability.

4.8 Capturing environmental aspects

Out of the four system/models, ISO 14001 can be considered to be the system that is the most dedicated towards environmental aspects since it's the only instrument that has a whole management system that is built around environmental issues. Several studies have been conducted on how well environmental aspects are captured within the system and a number of them has indicated improvements in a range of different environmental areas (Russo, 2009). (Montabon et al., 2000) for example identified that the farther an organization takes itself in the ISO 14001 certification process, the more the overall environmental performance will improve meaning the system enables vital tools for an organization to tackle and work with their environmental aspects. The more that is implemented from the ISO 14001 standard, the more successful the organization becomes with its environmental work. But findings have also showed detailed improvements in specific areas for organizations such as waste reduction and resource usage in general (Melnik et al., 2002, Rao & Hamner, 1999). Perhaps one of the most important findings were made by (Potoski & Prakash, 2005) that showed that a ISO 14001 certificate reduced emissions significantly for an organization.

Concerning the ISO 26000 standard, there are some misconceptions connected to it. As a first, its is not a sustainability standard that it is sometimes thought to be but a standard on social responsibility but the scope of the standard is still fairly broad with a focus on human rights, labor rights, corruption, stakeholder engagement, reporting and the environment Concerning the environmental aspects that is fit into the ISO 26000 standard, they are still closely linked to the social discourse. There are four key environmental aspects that an organization should incorporate into their work with ISO 26000. Environmental responsibility, meaning that the organization should accept responsibilities for any of their activities that give rise to environmental pressure and always act with the incentive to improve their environmental performance. Precautionary approach, which comprise that an organization should always act in a precautionary way if potential threats of serious damage to the environment are present or any uncertainty connected to it. Third is environmental risk management, meaning that the

organization should implement programs to both assess and reduce negative environmental risks connected to the business which is derived from its activities, products and services from a life-cycle perspective. Polluter pays is the last aspect. This incorporates a responsibility that the organization should shoulder concerning the cost of pollution that their activities, products and services have given rise to (Ecologica, 2011). The main thing that ISO 26000 offers concerning environmental issues are awareness. The mentioned aspects can work as vital guidelines in order for an organization to identify which environmental areas that need improvements, meaning that ISO 26000 is best used as an environmental scanning instrument (Hahn, 2013). These key factors unconsciously leads to ISO 26000 having a more global approach to many other system and tools due to including parameters such as the precautionary principle and polluter pays principle (Lowellyne, 2011). However some problems due arise because of this approach by the standard since it comes from a very holistic and broad perspective and not perhaps offering the more needed detailed and structured elements that many organizations could be in need of in order to capture all their environmental aspects and how to work with them (Henriques, 2012). As of now the Global reporting initiative is the most used voluntary sustainability reporting system worldwide and the incentive of it is to be a tool for reporting all three pillars of sustainability (environmental, economic and social performance) equally well. Incorporated into environmental performance are aspects such as waste prevention, resource conservation, supply chain impacts, recycling, energy conservation, wildlife conservation, water & material use etc. On top of the general guidelines set up by GRI the instrument also offers detailed specific indicator protocols, sector specific add-ons as well as technical protocols with more hands on tools for companies to tackle their environmental issues. Having a focus on both environmental and social issues, ECG aims to cover both these spectrums with foremost their tool, the common good balance sheet. However ECG can not be considered as strictly a tool for either discourse and a tool for achieving improvements within any of them. Having a focus on the common good, the ECG matrix and report becomes a broad tool with a lot of emphasis on ethical and common good behavior. ECG's focus is more directed towards contributing to a change in the economical climate as a whole and is separated from the other three tools since its core values differ in terms of being a system based on another form of economical and ecological system.

4.9 Capturing economic aspects

Two important aspects that has been recognized to be quite common concerning financial performance connected to sustainability reporting is that companies are more reluctant to report their financial performance if they have not achieved a high level of it. Also hand in hand with increasing financial performance comes the willingness to reveal more and more information which reveal their financial performance. Studies has also been able to identify that there is a positive relationship between sustainability reporting and a company achieving good financial performance and according to Giner, 1997, this mainly has to do with top management, wanting to communicate there success and strengthen their own company's position. A similar position is also true on the other side of the spectrum when a company is not achieving good results concerning environmental performance, they are not so willing to report about it. Another important aspect that gets highlighted in Ortas et al. is that a company's financial performance is not negatively linked to their environmental reporting and this has been seen in Spanish, Portuguese and US firms. Instead studies have indicated that with an increased extent of environmental reporting comes an increase in financial performance (Ortas et al., 2014). Being an extensive environmental management system, ISO

14001 is as mentioned previously at capturing and identifying environmental areas in need of improvement and offers a variety of tools on how to enhance a company's environmental performance. Using ISO 14001 effectively will then enable a company to scale up its financial performance as well, being able to both identify economic holes within the organization and areas where financial means can be used in more effective ways and therefore enhance its economical performance. For example enabling and establishing routines for recycling or for that matter purchasing will not only in general improve environmental performance but also offer economical gains.

Having more of a focus on social issues, it becomes harder to measure the financial benefits of ISO 26000. But if ISO 26000 is used and implemented in the correct way, a lot of social benefits can be achieved which indirectly can give rise to financial gains as well. Similar to ISO 14001, highlighting for the market, stakeholders and other interested parties that your company are actively working with and perhaps already have in place functions and routines for an effective ISO 26000 work can attract many new potential customers and clients as well as keeping already existing partners. This permeates through employees as well. By showing that you are a company that take responsibility for social issues and want to work actively with improving social performance you will be able to keep competent and driven employees as well as attract new ones. Working consistently with many of the core subjects in ISO 26000 such as human rights labor practices and community involvement and development will ensure good relationships throughout the supply chains and between stakeholders in general which will generate positive influence both in environmental but also economical terms. This can range all the way from the bottom line of the supply chain with ensuring employees or partner organizations have healthy and functional working conditions to ensuring that the products that are being sold at the end of the supply line are healthy and safe for consumers as well as promoting sustainable consumption. With the bottom line example the economical gain will be achieved mainly by maintaining high working condition standards for employees and other stakeholders which will generate more productive, healthier and happier personnel and partners. Leading up to the end of the supply chain with the product the financial gain will be more in terms of providing a solid, healthy and market strong product that can be a strong challenger that can drive less healthy and solid products out of competition.

ECG stands out from the other three tools in the sense that the change they want to get in the long term can be seen as quite radical since they want to rewrite the map entirely for how the economic system is built up. The other "tools" are based on the current market system and therefore the backbone in those systems differ in some ways compared to ECG. Having the basis of the common good, ECG does not necessarily see to what is in the best interest of a company or organization but its more of a focus of what can be considered as functional for what is needed to achieve a sustainable business climate. Similar to ISO 26000 and perhaps even more so, ECG has an even more focus on the ethical and common good. Environmental and social aspects are getting more of a focus than the economical ones. Looking at the common good balance matrix some good pointers can be identified which highlights the focus of ECG. Like ISO 26000, ECG put an emphasis on working conditions such as workplace quality but goes even further with aspects such as just distribution of labor, just income distribution, ecological design of product and services and raising social and ecological standards, to mention a few. Same as with environmental gains that could be achieved with the other "tools", this is also a viable statement for ECG. As mentioned with ISO 26000, creating a employee-oriented organizational workplace with fair employment policies, healthy and safe working places, equal opportunity and diversity and so on will generate financial gain in a similar way as with ISO 26000. Healthy, safe and content employees will be

more productive and provide better results within the organization. Another area which ECG focus heavily on is product design both connected to ecological and social aspect which could affect greatly on the financial performance of a company. Ideally you would like you always use and handle products which are sustainable from both an ecological and social stand point but that isn't always possible. Some sectors could have substantial hindrances to overcome in order to maintain a sustainable business which will greatly affect its financial performance. Companies have to make several important decision within the ECG discourse in how they want to tackle the financial drawbacks that might come into affect if they choose to climb high in its ECG rating and minimize the penalties.

4.10 Continuous improvement

The foundation for ISO 14001 is the Deming cycle, which has continuous improvement as its core and most important tool. Surrounding it are the steps which will enable that a continuous improvement is fulfilled within an organization; commitment and policy -> planning -> implementation -> evaluation -> review. These steps provide good guidance on how an organization can constantly improve concerning environmental issues. As mentioned previously, in the plan phase, the company gets the opportunity to set up and establish the goals and guidelines suited for their sector and type of business. In the “do” phase the planned processes are implemented into the business in order to determine if they are accurate and enhancing the company's environmental performance. The “check” phase is then the assurance step to monitor if the processes are managing to grasp and handle the goals and guidelines which had been established. Last is the key feature concerning not only for the deming cycle itself but also the aspect continuous improvement. In the “act” phase the company is expected to correct any errors which has been earlier identified within the environmental management system and implement as well as fold in new and updated corrections which will enhance the system due to for example changing legal frameworks within a specific sector. Since this framework is a requirement for any organization that want to implement ISO 14001, it is ensured that the system is both evaluated and updated periodically, which can be seen as two core aspects for continuous improvement.

ISO 26000 follows the same principles as ISO 14001, coming from the same developer this can be expected. For ISO 26000, the foundation is also the Demin-cycle which means; plan, do, check, act. Within “plan”, the organization recognizes its social responsibilities and issues as well as chooses which ones to focus on and from that create policies that are in accordance with the focus. Then follows the planning in accordance with the seven core issues incorporated into the ISO 26000 standard. Processes have to be established together with systems and structures to ensure a good organizational governance. Connected to human rights, the organization has to create policies and identify the risks over the entire life-cycle and also assess how existing and proposed activities might affect human rights. For labor practices the organization should have a dialogue with its employees and analyze its health and safety risks and create policies in accordance to their findings.

Further, the organization continuous improvement is one of the fundamental ideas that a GRI report is intended to capture when it has been completed and the improvements focus should have an equal spread across the three sustainability elements (environmental, economic, social). The indicators are providing some guidance on how to achieve this but are lacking in regard of how the data collection should be carried out (Hedberg & Malmborg, 2003). GRI puts a lot of emphasis on continuous improvement in their own work with enhancing and improving the guidelines which will generate them being better and more effective tools for a company to use but as mentioned, the guidance within the guidelines for how a specific

company which uses the guidelines can ensure and monitor its own continuous improvement is scarce and loosely mentioned (Global reporting initiative, 2011). The continuous improvement aspect differs when it comes to ECG since the fundamental concept of ECG stands out from the three other tools. The three other tools were built based on the present economic and market system which the western world is built around today, while one of ECG's foundational ideas is to shift away from the current economical system and create something new. For example ECG's ten guiding principles provides some indication of the thoughts and visions ECG have, concerning continuous improvement. The whole basic concept of ECG is to focus more on quality of life than economic gains which is found in the very first principle. Further in the following principle, ECG states that will help promote values of human dignity, human rights and ecological responsibility which all three in themselves are wide and often abstract areas which in their own nature could be hard to grasp. However this is were ECG promotes the usage of its tool the common good matrix which is incorporated into principles three and four were it says that the matrix will give an indication of the current state of a company connected to these core values and how they are handled and put into practice in a specific company. As ECG states, the matrix is constantly being improved and reviewed through their channels in order to keep it both up to date and to provide companies with an even more effective tool. The matrix will then act as the base for the common good report which will describe how the company has implemented these values and which areas that will be in need of improvement (Economy for the common good, 2015a). A company that goes through the ECG "certification" process at reoccurring intervals or when major changes has occurred within the company will guarantee that the company will have continuous improvement connected to ECG's core values.

4.11 Internal review

In the ISO 14001 standard a whole paragraph is dedicated to the description of internal review and how the role of it should be within an organization. The main incentives for performing internal reviews are for one, to allow the company to get a good overview over how well in this case their ISO 14001 management system is doing as well as checking that the environmental management system are in accordance with the requirements in the ISO 14001 standard. This is often also seen as the main feature for reporting management issues back to top management that then can handle and adjust the system if needed. According to the ISO 14001 standard, the internal audits has to be periodically planned and carried out as well as documented in order to keep the system updated and also making it accessible for relevant changes connected to laws and regulations. Internal review is highlighted several times throughout the ISO 26000 standard as well with the main difference being that it's highlighted as a suggestion and effective tool for organizations to keep track of their activities of social responsibility. So the internal review for both standards are viable for the same reasons but with the difference of being a requirement in ISO 14001 and only a guideline in ISO 26000. With GRI, it follows almost the same principles as ISO 26000. Since it is a sustainability report, there are no firm rules on how internal review or internal assurance should be carried out. What is mentioned in the guidelines is that systems for internal control can be vital for the overall integrity and credibility of the report as well as providing top management with a crucial insight on how the organization is working. Within some regions and governance it may even be almost mandatory to include internal control functions and its reliability to ensure the quality of the report. It is also suggested and advised that the organization establish and maintain an internal audit function as a part of their risk

management section for managing and reporting information (Global reporting initiative, 2013c). The level of involvement and participation to ECG is measured with the seedlings that ECG gives out to an organization when their participation has been measured. There are three levels for it and for reaching level 1, which equals 1 seedling provided by ECG, the company only has to provide its own internal common good balance sheet as well as become a member of the ECG association. This will also generate the company to use the ECG logo: "Supporting company of the ECG". This means that internal review and internal control is strictly up to the company, how it should be managed as well as to what extent. Hopefully the company has the incitement of creating a quality report which will help the company to move further and strive for higher levels and more seedlings from ECG, but no obligations of what kind of internal control or how they should be maintained are stated in the ECG guidelines (Economy for the common good, 2015a).

4.12 External review

One crucial tool that is used to ensure that an organization is complying by the requirements set in the ISO 14001-standard is external review. Comparing it to the previous segment of internal review which is more of a monitor tool for the organization itself, external audit is more of a tool for stakeholders and clients outside of the organization to see if the organization is following the goals and obligations they have set in accordance to the ISO 14001-standard and other relevant laws and guidelines. The main key factor for an external audit to function properly and have credibility on its own is that the external audit is carried out by an independent accreditation certification body to prevent any sort of bias, or at least try to minimize that factor. However, this independence could still potentially be compromised due to the relationship that arises between the certification body and the organization that is seeking certification. This is mainly because the certification body is receiving its payment from the organization asking for certification. But there is also the issues with the contractual solution of the auditors and the certification period being three years after and if the organization has received the ISO 14001 certificate. This means that organizations that are currently within this time frame has the opportunity to hire auditors to check their compliance to the ISO 14001 requirements to ensure their credibility and auditors are paid by the certification body and certification bodies are paid by audited organizations, meaning the risk for economical bias can be considered to be quite high. One way that ISO has tried to deal with this is the creation of the ISO 17021 which put an emphasis on how economic dependence should be handle and to minimize the threats it gives rise to (Dogui et al, 2014). Same as mentioned earlier, since the nature of ISO 26000 is that its not a standard with requirements and only meant as guidance, that affects the aspect of external reviewing. Since there is no certificate or requirements that a specific organization has to comply to, the function of external reviews falls off. However the standard do mention methods that will enhance an organizations credibility, were external review is one of them. Even though its not a requirement, the standard do mention that organizations can themselves discuss and set up routines with stakeholders to perform periodically reviews to further enhance their credibility when it comes to social responsibility. As quoted in the G4 guidelines – implementation manual: "GRI recommends the use of external assurance for sustainability reports in addition to any internal resources, but does not require it". Meaning that it is recommended to use external resources to evaluate the sustainability report to heighten its accuracy and validity. If a company chooses to use external resources to review its report the external assurance should be conducted by competent professionals that are external to the organization which follow professional standards for assurance or use systematic,

documented and evidence-based processes. External assurance is covered within three sections of the G4 guidelines and the key points which an assurance provider should follow, is:

1. As already mentioned, they should be independent from the organization, enabling them to be objective and impartial in their opinions and conclusions on the report
2. The external resource should be competent in both assurance practices and the subject matter
3. Establish and apply quality control procedures to the assurance engagement
4. The general manner in which the external resource act should be systematic, documented, evidence-based and characterized by defined procedures
5. An assessment should be made whether the report provides a reasonable and balanced presentation of performance, including all veracity data as well as a selection of content
6. Asses the extent to which the report has been prepared according to the G4 guidelines in the course of reaching its conclusions
7. Finally issue a written report that is accessible and available for the public. Included in it should be a set of conclusions, a description of the responsibilities of the report preparer and assurance provider and a summary of the work carried out by the assurance report as well as its nature

(Global reporting initiative, 2013c)

Going back to the levels and seedling system for ECG, this was mentioned in the internal review section. A company can reach level 2 and 3 within ECG which will entitle them the right to 2 and 3 seedlings respectively if the meet the criteria's. To reach the second level and be awarded with 2 seedlings, the company must first meet the mentioned criteria's for level 1 but also beyond that, their common good balance sheet has to be peer reviewed and if it meet the requirements the balance sheet can be made public and with the designation "Peer evaluation". This entitles the company to now being able to attend ECG press conferences and use an upgraded logo: "Pioneer Company of the Economy for the common good". If the company desires to go even further and strive for level 3 and 3 seedlings there are some additional obligations. Now it is required to have the common balance sheet audited by ECG and if it meet the criteria's, published. If the company passes these steps it is now entitled to use the highest form of the ECG logo which is: "Pioneer Company of the Economy for the Common Good with an audited ECG balance sheet (Economy for the common good, 2015a).

5. Discussion

The current global economic system has many flaws incorporated into it and new alternatives must be allowed to come up to the surface for us as a species to be able to cope with our ever changing planet. Today, a majority of people, foremost in western societies are victims of their environment, in the sense that they have a hard time to achieve a broader perspective, both of their own situation but also the global one. The every day person are so absorbed by its own stressed and hectic life that finding both the time and energy to commit and work towards a better and more sustainable future in a broader sense than just sort out household waste or taking the bike instead of the car to work is proven to be a real challenge. Truth be told, there are a lot of people that do have both the knowledge and willpower to bring fourth a new paradigm that is more sustainable and more ecological and socially nurturing than the capitalist market based, that is present today. Scientists, experts and a majority of the enlighten public today all agree that if we continue down the road we are on it will lead to our own eradication and more radical, progressive and perhaps foremost, rapid changes must be in forced and set in to motion for us to sustainably continue to exist on this planet. One vital part for us to be able to work towards a more sustainable future is to have tools at our disposal that can both identify and assist us in improving our overall environmental and social performance. What this thesis aimed to do was to examine and evaluate a new upcoming tool, "ECG" and compare it to other similar but also different tools (ISO 14001, ISO 26000, GRI) and evaluate its potential to become a strong challenger beside the other, already existing ones.

One major aspect that has to be taken into account is what sort of landscape and premises these tools are being evaluated based on. As mentioned previously ISO 14001, ISO 26000 and GRI are constructed based on the premises of today in which the economical aspects still triumphs over the ecological and social ones. One of ECG's core ideas is to reconstruct how we view progress and advancement within our societies. For example not base the progress of a nation by comparing its GDP or any other economical tool towards other countries but instead look at ecological and social aspect and strengthen their position when it comes to measure a nation's wealth and progress. This means that the comparison becomes a bit skewed in a negative sense for ECG since they are basing their system on a different setup of premises compared to the other tools. However a comparison is still vital in terms of identifying and acknowledging each tools strengths and weaknesses to assess how the future arena will look like and which tools that will help us become more sustainable.

In terms of cost ECG can hold its ground fairly well against the other tools, being more flexible than ISO 14001 and GRI , meaning it does not require the same amount of time and effort to setup for example an environmental management system. Also not all steps in the ECG process are mandatory and companies have a lot of free will to what extent they want to participate and when in the ECG process they want to get on board. For example a lot of guidance can be found on the ECG homepage and a company can create its own ECG report and common balance sheet and only set aside the cost for the audit process as well as possible consultant's fees that might be needed. The total cost will be based on the company's own competence, free time and level of willpower for ECG guidelines. ECG's funding aspect follows the same flexibility pattern since its two main sources of funding comes from the voluntary fee from companies

and organizations that has chosen to be a part of the ECG network. The other source being individuals that want to become a part of the network that has to pay a the minimum fee of 60 euro/year. Since the fee for companies and organizations are earmarked for improving the common good matrix a company can really highlight its will to participate and improve the ECG common good tool. As said, these aspects means that the time and financial resources that has to be invested into ECG can be very flexible and it opens up for companies of all structures, sizes and models to be able to partake in the ECG network which gives ECG an edge versus foremost ISO 14001 and GRI which have more firm and strict guidelines with less flexibility, meaning companies have to invest more time and resources to be able to go through the whole "tool" process.

One aspect which is a major obstacle for ECG is its reputation. Currently ECG is very isolated to a minor part of the world and compared to both ISO tools and GRI it does not even come close to the same level of reputation. This has mostly to do with it being very new and that it has not been given the time to grow and expand. ISO 14001 is the tool with the oldest history and it is also the most acknowledged tool out of the four world wide. The presented scientific search for peer reviewed articles in this thesis provides a clear indication that ECG has not reached the wide scientific discourse yet and have a real challenge in doing so. Both GRI and ISO have a wider network and are more recognized across the globe making them also more attractive for scientists to examine since they have more of an affect on the global environmental discourse than ECG has at the moment. When it comes to the overall satisfaction level with company's and organization that have used the tools, the experiences are pretty similar all across the board. The satisfactory level is high and it can possibly be because of the experience is somewhat similar in the sense that stakeholders are content with the tool they are using but perhaps its more based on what type of organization that chooses which type of tool. For example a multi-million dollar company would have more incentive to go after a certificate for ISO 14001 based on its positive aspects such as reputation, being a full scale environmental management system and offering hands on advice how to improve environmental performance. Rather than seeing ECG as a viable option were they most likely will end up with checking some of the boxes for the negative scores. This is not an indication of how "good" either system is, it is more of an example why foremost major and multisector companies would hesitate to explore its options in ECG because of its rating system.

As mentioned earlier regarding implementation of the four systems, they differ quite significantly and the amount of investment in time and resources is quite volatile. Being in its nature the only full scale environmental management system, ISO 14001 will be the tool a company would have to invest the most in, especially if a company would want to go for the long haul and end up with a certificate in the end. ISO 26000 is a close cousin to ISO 14001 and is naturally added into a company were ISO 14001 has already been implemented which shortens the implementation period significantly for ISO 26000. On top of that ISO 26000 is voluntary and is non certifiable which makes it very flexible and it opens up a lot of levels of implementations for a company. GRI and ECG is landing somewhere in between the two ISO cousins when it comes to implementation. GRI offers many hands on tips on how to go about when folding in GRI into your organization and as mentioned they put a lot of emphasis on companies to consult and constantly go back to the GRI manual to keep their sustainability work up to date. Going back to the manual which is constantly being updated makes both the first implementation process easier and it going back to it at certain intervals will ensure the ongoing implementation being fairly easy which is the major strong aspect for GRI. Both GRI and ECG requires a report to be produced and similar amounts of time and resources can be expected to be spent if the company is legitimately trying to enhance their environmental

performance. The addition to ECG is that they want a common good balance sheet to be formed which should be fairly easy if the produced report was thorough enough to meet the ECG criteria's. The idea with the common balance sheet from ECG viewpoint is similar to the one that is true with ISO 14001 and ISO 26000. This is because its developed to be a smart and effective addition to the yearly financial balance sheet that every company has to produce anyway which makes the implementation process fairly easy and not requiring major additional resources to be spent.

Certification have the potential to play a vital role when it comes to these tools and similar ones. A certification offers a form of quality stamp for the organization or company which can enable a lot of marketing benefits for that specific corporation. It is also a stamp that someone has reviewed your tool that you as a company implemented and approved of it living up to their criteria's, a peer reviewed tool in other words. ISO 14001 offers a certification and together with its reputation worldwide and how globally acknowledged it is, it can be considered to be a very strong stamp of quality and in quite a lot of countries, being ISO 14001 certified is almost seen as mandatory. ISO 26000 rides on its cousins standing worldwide and even though it is not certifiable in itself, mentioning that you are working actively with ISO 26000 while being ISO 14001 certified will still be a strong stamp and an enhancement to your brand. GRI does not offer a certificate literally but having a GRI report that can be read by interested stakeholders can almost be seen as a light certificate and its easily accessible so interested stakeholders would have no issues with accessing that material which makes mentioning your company having a GRI report a brand enhancement as well. ECG offers a certificate but does not have as strong of a reputation as ISO 14001 which makes the certificate more hollow even though its a stamp of having a tool that has been peer reviewed. Reputation and certification benefits are very closely related and having a certificate that nobody views as important or beneficial in any way will undermine it, making it less effective as a quality stamp which can be use foremost for marketing purposes and increasing business and opportunities for companies using it.

The overview aspect is a challenge to determine and how effective each tool would be in creating a good overview of a compay's processes and environmental performance. As mentioned ISO 14001 is a full scale environmental system and has thorough guides and guidelines how to identify and acknowledge your environmental aspects within your corporation and how to constantly follow up and update them, ensuring a continuous improvement. Having the background that it does, with it being built and structured with inputs on a global scale, it offers a wide spectrum of resourceful guidelines and one of its primary objectives is to offer companies with a clean cut way of getting a thorough overview of its environmental aspects and what kind of impact its processes have on the environment. The general consensus among companies that actively uses ISO 14001 is that it is a great tool for bringing their environmental issues up to the surface, how to handle them and come to terms with them. The ISO 14001 certification process is also a form of insurance that all the vital environmental aspects have been covered and that the company have acknowledged them and have a good overview of them, cause without a good overview and overlooked aspects that is crucial for a functioning ISO 14001 management system the company would not be able to receive a certification. ISO 26000 is again hard to measure since it is on such a voluntary basis. The company can "cherry-pick" aspects that are related to social issues. Meaning that they can decide to focus on areas which perhaps is not the most urgent or major to handle in the social spectrum. This can have many causes, the most common is most probably the economical aspects, it would drain a substantial amount of time and resources for certain companies to really tackle some social issues at its core that they interact with, for some it could even mean the termination of the company. This can become even more apparent and obvious within

smaller firms that perhaps do not have the economical strength as of larger companies. Even being within a specific sector can greatly affect how well you can cope with specific social issues. However having limitations with it being non-certifiable and less strict compared to its cousin ISO 14001. It is still based on the same foundation and structure as ISO 14001 and is catching up to its cousin's reputation. Meaning it will be getting the similar global input and attention from stakeholders and perhaps enabling it to provide an even better overview with more firm and precise guidelines.

Putting on the suit as stakeholder for each of these tools, the experiences can be seen as quite similar. All four systems are designed to attract usage and increase popularity of them and in the majority of cases, stakeholders are content with the results that each of these system provides. Each system constantly take in critique and information from their on respective channels to ensure that the tool gets evaluated and updated. Out of the four it is only ECG that really lacks the scientific scrutiny which the others have endured, which probably comes down to it being a very newly released tool. With that said it more comes down to which type of system attracts what type of interested stakeholders. Having a full-scale environmental management system to fall back on as a major company, which has proven itself and has established a very noteworthy good reputation and results, will probably be the scenario in most cases while the more young and unproven ECG would have a harder time to attract larger and more complex enterprises which do not already share their values and beliefs. For example, the local green tea shop would have an easier route to fulfill its potential within the ECG framework than for example a major oil company, which would have a much harder time to see the benefits of ECG.

Internal reviewing is seen as a vital part regarding all the tools. ISO 14001 have a whole paragraph dedicated to key points and how to go about reviewing the enterprise in question. In ISO 26000 its strongly advised since its a voluntary tool but since its from the same base as ISO 14001, it offers good hands on advice on how to review your own organization and how to carry out internal reviewing. GRI and ECG follows the same patterns as ISO 26000 since they are also voluntary and it all comes down to the level of involvement from the company in question. Both of them offers advice on how to carry out and to thoroughly review a business, so for the company with a strong incentive to analyze their own organization with any of the respective tool, there are means to do so. All four tools also offers tips and guidelines on how to set up routines and monitor performance but none of the other three have as much hands on advice as ISO 14001 and that level of integration into the tool. For credibility, external reviewing is perhaps the most effective way to verify it. ISO 14001 has this well built into its system with periodical time frame when company's should conduct external reviews to earn its certificate and by that generate credibility. Being a voluntary standard with no real certificate for companies to strive for, there is no real incentive for external reviewing to function to the same extent as in ISO 14001. However in the standard, guidance is offered on how to increase a company's credibility by other means but in the sense of external reviewing the standard falls short, as in most cases, it comes down to the willingness of the company in question and how much time and resources that is needed to be spent to carry it out. In GRI's manual it is strongly suggested that a company uses a third party external assurance to heighten its own credibility of its sustainability report. It is also highlighted the importance of having a competent standabone party carrying out the review. When it comes to ECG, it all comes down to what type of seedling level a company aspire for. The external review part goes into affect already on seedling level two, were the good balance sheet has to get peer-reviewed and

approved and if the company aspires for seedling level three, ECG has to be the ones to audit their common good report.

In terms of the tools main goals to capture the economical and social aspects the results differs. This of course has mainly to do with the incentive behind each tool but also how they are built up and structured. There is a lot of data on how well ISO 14001 can tackle environmental issues and enhance a company's environmental performance. Probably this is due to several reasons. Perhaps the most vital one being that it is the only full scale environmental management system if you compare all the four tools. Also it has the most diverse and world wide input when it comes to both the scientific and stakeholder spectrum. It has had the time to develop, longer than any of the other tools and has been structured together from a wide array of sources which is most likely the reason for why it is the well known world wide and the most used "quality" stamp when it comes to environmental performance. ISO 26000 came at a later time than ISO 14001 and most likely suffers in a sense from that. It can ride a bit on the reputation from its cousin but it has not had the same amount of time to develop and get updated. The most common criticism ISO 26000 has received is that it is non-certifiable and the guidelines are too blurry and inadequate to fully help a company to effectively work with their social issues. However ISO 26000, being closely related to ISO 14001 will have the same opportunity to get adjusted and developed to better tackle social issues. Important to note though is that one of the major reasons for the ongoing debate about if ISO 26000 should become certifiable or not is the nature of social issues, being often very complex and hard to grasp and form adequate guidelines connected to them. The real challenge for ISO 26000 lies with its ability to handle social issues in themselves more than with the challenges of framework and structural issues, which most of it, it can already find inspiration from with ISO 14001. What GRI offers is somewhat similar to what ISO 14001 and ISO 26000 can offer combined, however are also somewhat present. If a company set out to use GRI to its fullest potential, the sustainability reporting tool has a lot to offer. Similar to ISO 14001 it offers an array of hands on advice and guidelines how to cope with both environmental and social performance. Another thing GRI has in common with ISO 14001 is that its built and structured from a wide spectrum of sources which enables it to work in most parts of the world, however with different results. Same as with ISO 26000, GRI is non certifiable, its "just" a sustainability report, which can be seen as mentioned earlier that if a company produces one it could almost be considered as having a GRI "certificate". Though this also opens up for potential problems since the same problematic issues as with ISO 26000 will appear here. The company can "cherry-pick" and be very flexible what to include in the report, both concerning environmental as well as social aspects. But in the case of actual information and assistance with improving environmental and social performance if using all of GRI's tools, for example the manual it can be seen being just as good as the ISO variants. ECG ends up somewhere in between. It offers advice how to report, using the matrix and common balance sheet and so on. Those companies that desire to go for the full ECG package can also receive a certificate and be rewarded more seedlings for their effort. Another vital aspect is that because of the youth of ECG, it has not had the same time as the other tools to be broken down and analyzed by foremost the scientific community but also by other type of stakeholders. ECG does a decent job at picking up environmental and social performance, mainly through their common good matrix which is a key aspect within their tool. ECG goes through aspects such as suppliers, investors, employees, customers and social environment, each with a range of different sub-categories which add up to the combined score of how well a company is doing concerning environmental and social aspects. However, issues arise with the negative scoring aspect in the end of the matrix, which in itself offers and brings up important issues that occurs within most sectors that has to be addressed, such as massive environmental pollution, blocking of patents,

dumping prices etc. If this is the best approach to address these issues can be debatable. First question that arise is which companies that could potentially do poorly in the negative criteria aspects would be interested in joining the ECG with full force rather than going for another tool which can offer the company more options and a healthier image. As said the points system illuminates important issues which almost every company have to handle in one way or another but using them as a penalizing scoring aspect is perhaps a counterproductive way of tackling them. Concerning the economic aspects all tools basically share the similar base. That base is that the tools are there available to put into use and if you use them effectively, namely put in the time and resources for them to function it will be a short term investment that can be seen as costly but will be financially beneficial in the end if the process and implementation aspects are handled correctly. Being the full fledged environmental management system, the most time and effort is probably needed for the ISO 14001, in order to get the base system working as well as all the monitoring, routines and continuous improvement to operate in an optimized way. Being the flexible cousin, ISO 26000 is hard to evaluate since it all depends how much time and effort as well as which aspects a company choose to include, could potentially be a light version of the time and resources needed for ISO 14001 but it could also be on the other side of the spectrum with almost no resources invested at all, all depends on the incentive and willpower of the specific company since there is no criteria's for a certificate that has to be met. GRI acknowledges that financial performance is crucial when it comes to understanding an organization and its own sustainability. However GRI also claims that many of these aspects are already covered in many countries connected to annual financial accounts and reports which would make it redundant to report similar aspects in a GRI sustainability report. Something that GRI emphasize on however is to include what the specific organization is contributing to the economic systems in which it operates which is narrowed down into the three indicators, economic performance, market presence, indirect economic impacts.

As stated previously, ISO 14001 is the most detailed and most effective tool when it comes to capturing environmental issues, it has had time to both get scrutinized, reviewed and updated to fit into the discourse and become the effective tool it is today. It offers detailed step-by-step advice and guidelines so a company willing to dedicate itself both with time and resources have the opportunity to capture its environmental aspects very well. A similar pattern can be seen in ISO 26000 but concerning the social spectrum. Stemming from the same basis and foundation, ISO 26000 can be used almost as well as a tool as ISO 14001 if given the chance. Since it has its flexibility issues and not being certifiable and not as strict as its cousin it offers a risk how well it is able to capture environmental and social issues. It has also received critique for being too broad and ambiguous which further complicates its ability to capture detailed aspects connected to the environmental and social field. With this said, it is also important to note that ISO 26000 is not foremost for environmental issue even though some parameters are included into it for that discourse, Its mainly a social standard. GRI is voluntary as ISO 26000 and similar to it, GRI becomes an effective tool if it is used to its full potential. A company can "cherry-pick" and chose areas which they want to focus on and produce a mediocre report if that is the incentive. But if the incentive instead is a very ambitious one, GRI offers a range of tools to identify and manage environmental issues, such as detailed guidelines, specific indicator protocols, sector specific protocols and so on. What can be said for ECG is that it is the most bisectonal tool out of the four, all the others have a clear focus for which field it aims to cover (environmental or social). ECG is somewhere in between and want to cover both spectrums, while also adding a layer of human and ethical values on top. ECG's focus is broad and not as detailed as some of the other tools and a strong emphasis is put on their core values which leads to detailed environmental issues being left out of the equation. ECG want to focus on changing the capitalist market system present today and does not have strong incentives to offer

measurement tools based off that system. Their matrix offer environmental areas to be measured, for example pollution and material usage but not in same detail as for example ISO 14001 and not for as many areas.

One of the most important aspect when it comes to managing environmental and social issues is having tools to constantly improve the performance within these discourses. This is crucial since these issues are very rarely static and very complex as well as ever changing. Both within ISO 14001 and ISO 26000 this is deeply integrated since they both stem from the Deming-cycle and that key aspects for them to even work is to have an updated and constantly evaluated system which strongly promotes continuous improvement. With GRI the continuous improvement is more focused on the tool itself and with more loose and ambiguous guidelines directed to companies and organizations. However, constantly updating and evaluating the tool will indirectly spread to the companies that are using it, which will give rise to continuous improvements within those enterprises but perhaps not, in such a hands on way as in the ISO variants. ECG stands out since it is based on such a different platform than the other three. Having more of a focus on ethical and moral values as well as well-being and quality of life, ECG sees the current system as dysfunctional and basing a tool on top of that would be contra productive. However, ECG has designed their tool in such a way that it would be easy to integrate in to already methods, such as the yearly financial report which every company has to provide. So to summarize ECG's tool has, even though a bit unpolished to fit in to the methods and usage aspects of current systems but it comes with a new set of values and beliefs within those channels, promoting more "human values".

With this said, many do have the knowledge and willpower and want to act towards a more sustainable and common good perspective but the current systems holds them back. ECG could very well be a vital tool for this, to help foremost entrepreneurs and business owners with the right state of mind and willingness to change to actually do change and have a new kind of ideology within their company. I do recognized some flaws and challenges that ECG must overcome for it to be successful. One is that ECG has to continue to spread and gain momentum. As of now the model is still very new and not that well known compared to other types of instrument for business owners to tackle ecological development, for example standards like ISO 14001 or EMAS. The movement behind ECG is growing rapidly and the present number of supporters behind it is 6881, 1483 companies, 61 politicians, 5140 individuals and 197 associations. Up to this present day over 900 companies has also already implemented the Common Good balance sheet. This really highlights the interest for the model since it has only been actively out on the market for 2-3 years so its further expansion depends on how well its going to be further marketed since the majority of participants can be found in Austria and Germany which is the original countries were it was first introduced.

One of the major upsides with the ECG and the ECG balance sheet is that it incorporates both the ecological and the social values of what a business affect. This gives a much more holistic view of how a business really is doing when it comes to development and day-to-day operations in contrast to what has been the norm with a focus solely on the economic aspects. This could potentially be a vital tool to facilitate a paradigm change were companies focus on all the three main aspects; the economical, ecological and social. Because one thing that ECG does well is the availability and easy access for companies to incorporate the ecological and social aspects into their business with the common good balance sheet which is perfectly developed to just be an addition to the common economic balance sheet which companies use. Another aspect which works both in favor of ECG and against is the points system. At the moment the range of points is very wide and a company can accumulate a large amount of them which makes the spectrum

very wide in the evaluation process of a specific company and it could potentially be hard weight all the aspects equally and make it fair comparison among them. Perhaps a more narrow approach would have been better to get a more accurate picture of a company's performance. The points system as it is constructed now is also open for a lot of subjectivity which always is problematic. At the same time the wide range can also offer more detailed opportunities for a company to improve on concerning environmental issues. Another strong positive aspect with the common good balance sheet is that they don't solely use their own tools in the evaluation process but also take aid from other important agencies such as UN's International labor organization ILO's guidelines for human rights. ECG also rely heavily on NGO's to be involved when it comes to the democratic process and transparency for a company and they actively want to include local stakeholders to deal with local issues that a company might have an effect on. So I think based on this, that ECG have a positive future ahead and if a person goes back and check its history and how fast it has already spread I see no reason why this would not continue. The constant and expanding interest for ECG, foremost among business owners really is an acknowledgment of how well this model is received and well adapted to be incorporated into businesses. The common good balance sheet also has the potential to be the essential tool that companies can put in to use to create a more pro social and environmental entrepreneurial landscape which will strive much more towards the common good. Much more in depth research is needed though in order to fully evaluate the model and also to compare it with already existing instruments such as ISO 14001 and GRI. The tool needs to mature before a more precise evaluation can be done.

6. Conclusions

Our current way of life is untenable, we are extracting resources at an alarming rate from our globe and the then manipulated resources are discarded in the most unsustainable methods possible. This is carried out within layers of nonfunctional economical and social systems which we have constructed, creating a downward spiral of unsustainability. The tools presented in this thesis can all play a role in our future development, and an important question is what type of role ECG will have. ECG sticks out with its incentive from the other tools, it is a more radical option and also perhaps the more progressive one. ISO 14001, ISO 26000 and GRI are more built and structured around the economical and social systems which are present today, the very same systems ECG want to reform in their cores. Based on the facts, aspects and views presented in this thesis I think ECG will struggle to achieve the same reputation, success and foothold as the other three tools. ECG is a young tool, isolated and unpolished, and it would require substantial external help in order for it to gain momentum and to really challenge the other three tools. However with the slightly positive outcome from the Paris climate change conference, with nations being more aggressive and progressive in their environmental performance goals and putting more of an emphasis on similar values like those of ECG. This will most likely benefit ECG and enabling it to spread both wider and quicker but to what extent is hard to predict. With that said, many of the core ideas have a lot of supporters world wide and the success of ECG will rest on common people and their values and beliefs.

The ECG tool might be a bit unpolished and with a few flaws but those will most likely get sorted if the tool is given time to settle. With more time, the ECG tool will be given space to both grow and to get polished and in the same process mature. In order for mankind to remain on earth, ecological, economical and social foundations has to change. The success of economy for the common good will mainly come down to its execution on how to channel its core values and enabling them to permeate into regions, nations, companies, organizations and the common people. It has to be given time to optimize, improve and recruit followers. Some suggested key points for it success would be:

- Polish the tool, to make it more attractive for usage, especially for companies and sectors that need to make the most radical changes
- Design the tool in a transition structured way, to make it more applicable to current ecological, economical and social systems without sacrificing its core values
- Polish the design with rewarding companies that strive for the highest scores within the ECG framework
- Offer global benefits for nations/companies which show the most progressive support for ECG
- Investigate alternative options on how to implement ECG's core values into companies and organizations, with flexibility as key.
- Work on its current isolated stance, create more global networks and more channels for it to spread worldwide

- Work on building scientific support for its core values
- Show perseverance when it comes to engaging all layers of society and engaging people in ECG's core values

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Appendix 1

An example of a common good balance sheet that illustrates which aspects that a company must take into account when they evaluate their business according to the standards set by "The economy for the common good" (ECG)



**ECONOMY
FOR THE COMMON GOOD**
An economic model for the future

COMMON GOOD MATRIX 4.1
This version is valid for Common Good Balance Sheets generated in 2013

STAKEHOLDER	VALUE	Human dignity	Cooperation and Solidarity	Ecological Sustainability	Social Justice	Democratic Co-determination and Transparency
A) Suppliers	A1: Ethical Supply Management Active examination of the risks of purchased goods and services, consideration of the social and ecological aspects of suppliers and service partners					90
B) Investors	B1: Ethical Financial Management Consideration of social and ecological aspects when choosing financial services; common good-oriented investments and financing					30
C) Employees, including business owners	C1: Workplace quality and affirmative action Employee-oriented organizational culture and structure, fair employment and payment policies, workplace health and safety, work-life balance, flexible work hours, equal opportunity and diversity	90	C2: Just distribution of labor Reduction of overtime, eliminating unpaid overtime, reduction of total work hours, contribution to the reduction of unemployment	C3: Promotion of environmentally friendly behavior of employees Active promotion of sustainable lifestyles of employees (mobility, nutritional, training and awareness-raising activities, sustainable organizational culture	C4: Just income distribution Low income disparity within a company, compliance with minimum and maximum wages	C5: Corporate democracy and transparency Comprehensive transparency within the company, election of managers by employees, democratic decision-making on fundamental strategic issues, transfer of property to employees
D) Customers / Products / Services / Business Partners	D1: Ethical customer relations Ethical business relations with customers, customer orientation and co-determination, joint product development, high quality of service, high product transparency	50	D2: Cooperation with businesses in same field Transfer of know-how, personnel, contracts and interest-free loans to other businesses in the same field, participation in cooperative marketing activities and crisis management	D3: Ecological design of products and services Offering of ecologically superior products/services; awareness raising programmes, consideration of ecological aspects when choosing customer target groups	D4: Socially oriented design of products and services Information, products and services for disadvantaged groups, support for value-oriented market structures	D5: Raising social and ecological standards Exemplary business behavior, development of higher standards with businesses in the same field, lobbying
E) Social Environment: Region, electorate, future generations, civil society, fellow human beings, animals and plants	E1: Value and social impact of products and services Products and services fulfill basic human needs or serve humankind, society of the environment	90	E2: Contribution to the local community Mutual support and cooperation through financial resources, services, products, logistics, time, know-how, knowledge, contacts, influence	E3: Reduction of environmental impact Reduction of environmental effects towards a sustainable level, resources, energy, climate, emissions, waste etc.	E4: Investing profits for the Common Good Reducing or eliminating dividend payments to external payees to employees, increasing equity, social-ecological investments	E5: Social transparency and co-determination Common good and sustainability reports, participation in decision-making by local stakeholders and NGOs
Negative Criteria	Violation of ILO norms (international labor standards) / human rights Products detrimental to human dignity and human rights (e.g. landmines, nuclear power, GMOs) Outsourcing to or cooperation with companies which violate human dignity	200 -200 -200 -200	Hostile takeover Blocking patents Dumping Prices	Massive environmental pollution Gross violation of environmental standards Planned obsolescence (short lifespan of products)	Unequal pay for women and men Job cuts or moving jobs overseas despite having made a profit Subsidiaries in tax havens Equity yield rate > 10 %	Non-disclosure of subsidiaries Prohibition of a works council Non-disclosure of payments to lobbyists Excessive income inequality within a business

guidelines . The values are represented on the x-axis and the stakeholders are represented on the y-axis. The very bottom row represent the penalties that companies may suffer if they violate any of the values.