



How to assess performance? From output to impact measurement

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Highly ambitious mission statements

“Imtech assumes responsibility for the consequences of its activities and decisions for people, the environment and society, and is prepared to give account.”

Imtech, Corporate website, 2012

‘Sustainability is essential’ is one of our investment beliefs. PGGM believes that financial and social returns can be compatible objectives and, we take account how investments may affect – and where possible improve – environmental and social conditions and corporate governance.

PGGM, Corporate website, 2013

Our mission is to create favourite meeting places: sustainable centres where people meet up, spend their time off, and shop; places they want to keep coming back to.

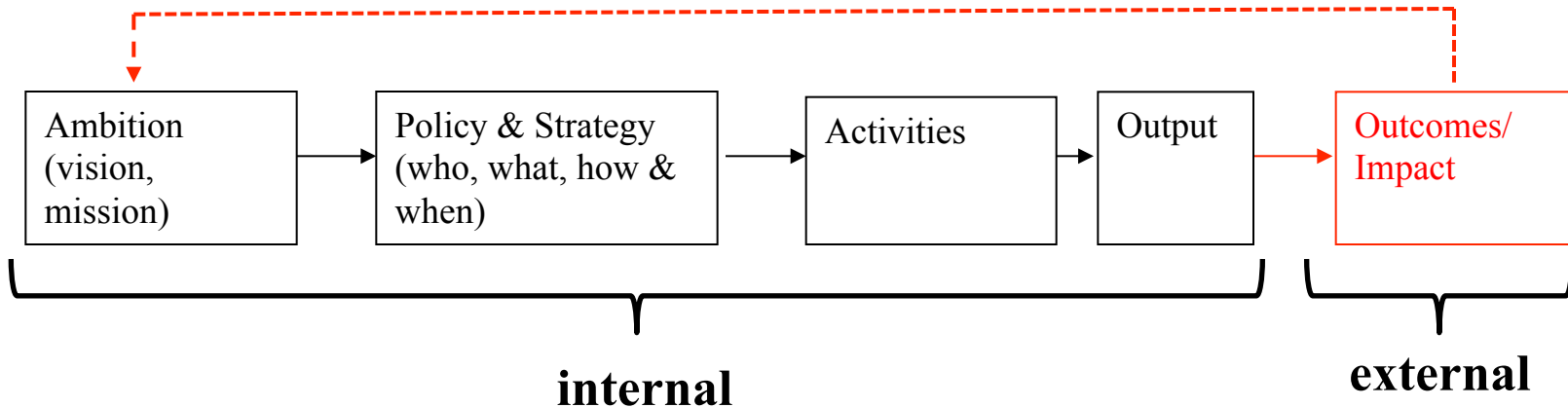
Corio, Corporate website, 2013

“Let me be clear: while I am excited by our growth opportunities, they will only be pursued if they can be achieved responsibly and sustainably. In short, we will not be pursuing growth at any cost.”

Hans Weijers, Akzo Nobel, 2012

Are these ambitions fulfilled?

From ambition to result

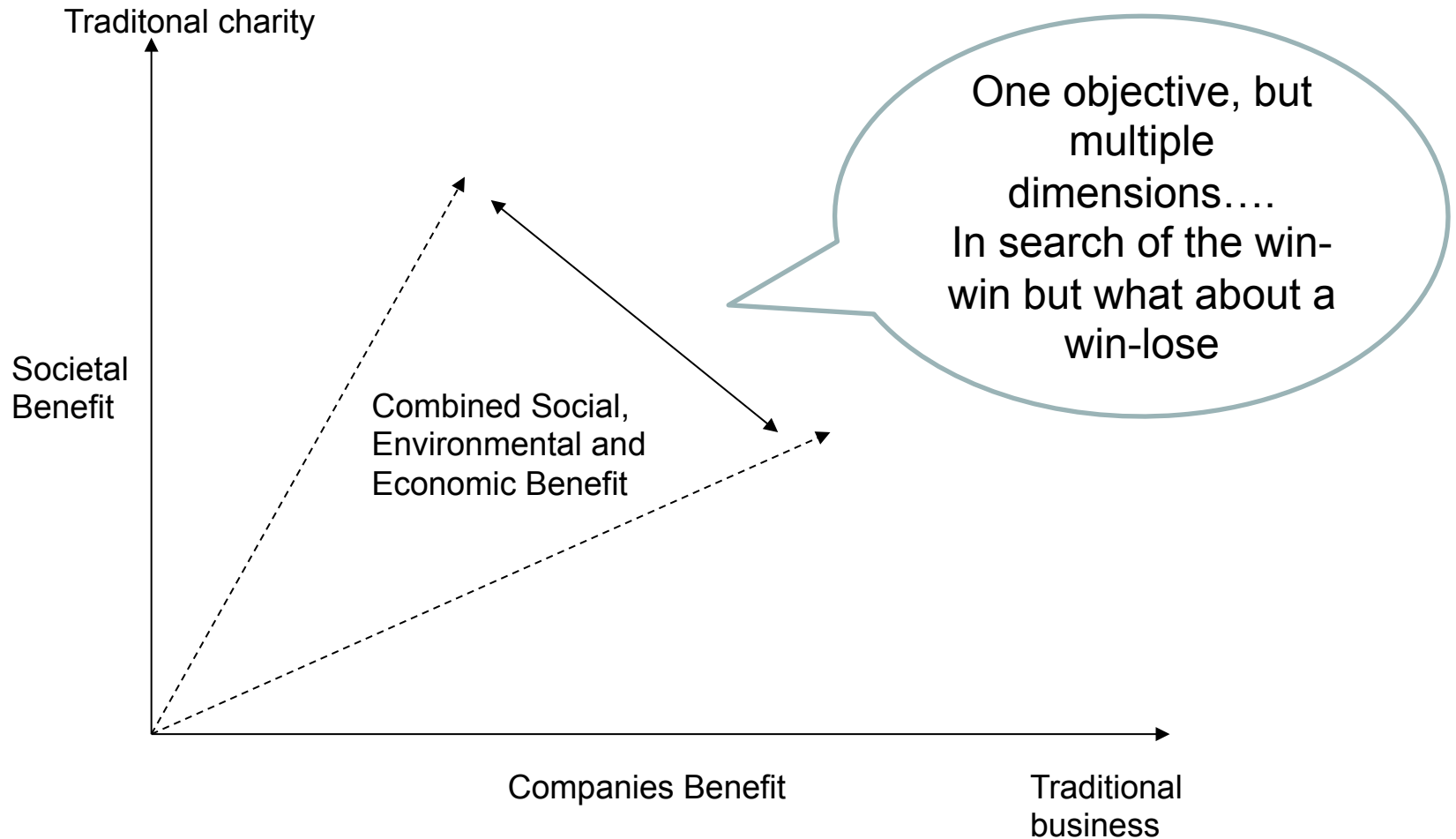


How does your strategy relate to your ambitions?

What is the impact of your strategy?

What are the risks and opportunities related to it?

Steering on impact



Source: Porter and Kramer, 2002

Steering on impact

- Urges companies to:
 - Integrate impact into strategy
 - Translate societal impact into tangible results
 - Link societal impact to risks and opportunities
 - Link these societal impact to company ROI

AEX and AMX companies

(Mertens, Maas, Strootman, Meliefste, 2012)

- Research shows that that 38% of the companies include sustainability in their strategy (N=48);
 - 95% of the companies say they include sustainability in corporate strategy (N=22)

- Research shows that $\approx 50\%$ of the companies links sustainability to risk management (N=48);
 - 82% of the companies say they relate sustainability to risk management (N=22)

Commonly used KPI' s

(Mertens, Maas, Strootman, Meliefste, 2012)

- Breakdown of workforce (employment type and gender)
- Voluntary contributions to civil society
- Workdays lost due to occupational incidents, injuries and illness
- Initiatives to reduce greenhouse gas emissions and reductions achieved
- Information on stakeholder dialogue and stakeholder management

Need for a change

Best practices are needed not only to explain **Why** we should measure impact but to show **How** we can actually achieve this.