

The Corporate Sustainability Solution: Triple Bottom Line*

Mihriban COŞKUN ARSLAN**

Harun KISACIK***

ABSTRACT

Today, success of the enterprises is measured by not only their profit but also their benefits to society and environment. Triple Bottom Line which is based on measurement of enterprise performance through economic, social and environmental parameters emphasizes that they must be accountable to not only stakeholders but also the other shareholders. Triple Bottom Line is focused on three dimensions: people, planet and profit. It supports the idea that an enterprise which operates just for profit purposes cannot be successful by ignoring the society and environment. This study aims at analyzing Triple Bottom Line in a theoretical infrastructure within corporate sustainability solutions of the enterprises.

Keywords: Triple Bottom Line, Corporate Sustainability, Sustainability Accounting.

Jel Classification: M41, Q56.

Kurumsal Sürdürülebilirlik Çözümü: Üç Boyutlu Muhasebe

ÖZET

Günümüzde işletmelerin başarısı sadece kâr elde edip etmediği ile değil, topluma ve çevreye sağladığı faydalar ile birlikte ölçülmektedir. İşletme performansının ekonomik, sosyal ve çevresel parametrelerle ölçülmesi anlayışına dayanan Üç Boyutlu Muhasebe, sadece pay sahiplerine karşı değil paydaşlara karşı da sorumlu olunması gerektiğini vurgulamaktadır. Üç Boyutlu Muhasebe; insan, evren ve kar olmak üzere üç boyut üzerine odaklanmakta ve sadece kar amacı ile faaliyette bulunan bir işletmenin; toplumu ve çevreyi görmezden gelerek başarı elde edemeyeceğini savunmaktadır. Bu çalışmanın amacı; Üç Boyutlu Muhasebeyi, işletmelerin kurumsal sürdürülebilirlik çözümleri içerisinde teorik bir alt yapıda incelemektir.

Anahtar Kelimeler: Üç Boyutlu Muhasebe, Kurumsal Sürdürülebilirlik, Sürdürülebilirlik Muhasebesi.

JEL Sınıflandırması: M41, Q56.

* This article was presented as a paper at the IV. International Symposium on Accounting and Finance in Ohrid, Macedonia, July 3-5, 2017.

** Asst. Prof. Mihriban Coşkun Arslan, Gaziosmanpaşa Üniversitesi, mihriban.arslan@gop.edu.tr

*** Lecturer Harun Kısacık, Hitit Üniversitesi, harunkisacik@hitit.edu.tr

1. INTRODUCTION

Today, as the global competition increases, long-term risks and opportunities cannot be measured by enterprises as financial reports which are prepared by the enterprises also reflect previous financial performances. Therefore; researches for alternative sources bring out instruments measuring not only financial performance but also environmental, social and economic performance in order to enlighten the futures of enterprises. Being aware of the fact that these dimensions affect the future and value of enterprises, investors now request information in these dimensions as well. So, enterprises are directed to reporting systems which will shape not only their financial performances but also future of the society as well as showing how environment-friendly they are. Upon realizing that enterprises which ignore social responsibility by having only profit purposes will have a low level of success, different concepts have been brought out in accounting with the adoption of social responsibility. Social responsibility is defined as acting accurately, objectively and fairly. Enterprises should be managed without any damage to the benefits of affiliated parties (stakeholders, employees, consumers and eventually society) in accordance with social responsibility principles. Social responsibility becomes an obligation for long term operations of the enterprises, in other words for sustainability.

It is emphasized that sustainability is a sum of economic activities in proportion with ecological life support system as well as being not only an *efficient* but also a *fair* distribution of sources among existing and next generations. (Gray and Milne, 2017). Even though the concept of sustainability emerges in relation with environmental production, it is currently used to include economic, environmental and social dimensions. In accordance with the concept of sustainability; enterprises which aim at having a good reputation in the market by gaining trust of the stakeholders determine, monitor and report social, environmental and economic impacts of their operations. Requirement of reports which include environmental, social and economic dimensions brings out the concept of triple bottom line (TBL) while this concept brings out sustainability accounting which is the complementary part of financial accounting.

Sustainability accounting is a new accounting and reporting approach which is used for facilitating economic, social and environmental development of the companies (Milne, 1996:152). Upon requesting preparation of social and environmental reports as well as financial reports by the enterprises and stakeholders, TBL came into prominence and enterprises started to present their economic, social and environmental executers jointly. Since this study aims at analyzing TBL in a theoretical infrastructure within corporate sustainability solutions of the enterprises, firstly the concept of corporate sustainability was explained. Then, the concept of sustainability accounting was summarized and TBL concept was detailed in theoretical infrastructure. Study is important to make contributions to literature with an integrated point of view by gathering three dimensions under one roof.

2. CORPORATE SUSTAINABILITY

Enterprises increasingly suffered oppression from the society to shoulder social responsibility and enterprises which only have profit purposes instead of purposes of service to the society had a lower level of success (Eren and Eker, 2012:453). Social

responsibility which is required to be shouldered by the enterprises in order to sustain their vitality can be defined as protection of general benefits of the society by the enterprises as well as their own benefits (Halıcı, 2001:12). Social responsibility can also be defined as the utilization of sources by the enterprises in a way that it will be beneficial for the society (İlic, 2010:305). Enterprises lacking the awareness of social responsibility cannot make a good communication with the society and accordingly cannot achieve sustainability.

The concept of sustainability is defined in Brundtland Report prepared by United Nations in 1987 as follows: "development which meets the needs of the present without compromising the ability of future generations to meet their own needs" (Gabrusewicz, 2013:39). It provides important opportunities in developing the relationship between the strategies of enterprises and their stakeholders as well as minimizing the risks of enterprises (Altnay, 2016:59). Moreover, following enterprise operations closely by the stakeholders requires giving importance to the issues of responsibility and sustainability by the enterprises (Tüm, 2014:60).

Corporate sustainability can be defined as adapting economic, environmental and social factors into enterprise operations as well as corporate management principles and managing potential risks in order to create value in enterprises in long term (Senal and Ateş, 2012:85). Corporate sustainability can also be defined as operational strategies which enable fulfillment of current needs of enterprise and stakeholders and protection of natural and human resources which will be required by the enterprise in the future (Tüm, 2014:61).

Corporate sustainability is explained within stakeholder and legitimacy theory. In accordance with stakeholder theory, everyone who is affiliated with enterprise who derives benefit or suffers damage from enterprise, whose rights are taken into consideration or ignored are defined as stakeholders. This theory requires a clear definition of enterprise operations on the stakeholders. In other words, it is required to consider the interests of all stakeholders, not only the interests of enterprise proprietor and shareholders (Hillman and Keim, 2001: 128). Legitimacy theory emphasizes that value system of any unit composing the society must be in conformity with the value system of the society. Accordingly, enterprise operations are legitimated when they are related to the society and accepted by the society (Suchman, 1995: 571).

Corporate sustainability shaped consumer expectations and other market dynamics requiring investments of enterprises in this area. So, sustainability became an integral part of enterprise strategies and operations with the help of all these developments (Tuna and Besler, 2015:175).

Considering the variety of stakeholders, responsibility of enterprises to inform their stakeholders diversify the issues of information. Now, stakeholders evaluate not only financial performance but also social and environmental performance. In this regard, corporate performance is defined as the joint evaluation of economic, social and environmental performances. Impacts of these three dimensions on each other should be evaluated by the enterprises bilaterally in order to enable sustainability and targets should be set for corporate sustainability by taking these dimensions into consideration.

Approach of joint evaluation of economic, social and environmental performances which are important for corporate sustainability is defined as “Triple Bottom Line - TBL”. In accordance with TBL, an enterprise can maintain its corporate sustainability and increase its corporate performance as long as it efficiently uses its economic, social and environmental sources by considering their relations with each other (Elkington, 1997: 72). Sub-branch of accounting which deals with operations, methods and systems of the enterprise in order to record, analyze and report the interactions and relations among social, environmental and economic dimensions which are three dimensions of TBL are defined as “Sustainability Accounting”.

3. SUSTAINABILITY ACCOUNTING

Information which is produced by accounting plays an important role in obtaining and developing information regarding social and environmental operations of the enterprises. In corporate sustainability, the most important information which constitutes a basis for sustainability strategy of the enterprise can be derived from sustainability accounting (Hernádi, 2012:27).

Sustainability accounting expands the borders of traditional accounting by considering environmental, social and economic costs which affect all the stakeholders. Sustainability accounting is the production, analysis and usage of monetized environmental and social information with the aim of improving environmental, social and economic performance of the company (Gabrusewicz, 2013:40-41). Sustainability accounting can be defined as accounting method which can transfer qualified information to the enterprises and protect their sustainability (Altınay, 2016:60).

Sustainability accounting aims at creating a sustainable structure in economic, social and environmental term. Sustainability accounting strengthens communication with the stakeholders by using reliable data and also helps the enterprises to develop policies regarding sustainability issues as well as applying and supervising these policies. (Tüm, 2014:70).

Traditional accounting knowledge is used in order to measure financial information regarding economic operations of an enterprise and report this information to various users. Inadequacy of traditional accounting structure to provide information to corporate sustainability enables sustainable accounting mentality, which has recently considered social and environmental factors as well, to come into prominence. Sustainable accounting structure has the same components with financial accounting and it can be considered that sustainability accounting complements financial accounting. However; they have some differences in terms of their aims, principles, techniques, report types and qualifications. Traditional accounting aims at producing information which explains the formation of sources of an organization, utilization method of these sources as well as increases and decreases in these sources at the end of the organization’s operations and also financial status of the organization while sustainable accounting aims at (in addition to the foregoing) measuring sustainability performance of the organization, enabling accountability against shareholders and producing information which will contribute to decision making process of the executive management (Hernádi, 2012:25). Fundamentals of two different accounting systems are summarized in the table below.

Table 1. Comparison of The Characteristics of Traditional and Sustainability Accounting Systems

Aspects for Comparison	Traditional Accounting System	Sustainability Accounting System
Dimension	-Economic (Financial) Situation	-Integrating Economy (Company), Society and Environment
Target	-Presenting General Economic Situation -Cost Management	-Presenting Sustainability Performance (Including Economic, Social and Environmental Performances)
Field of Application	-Financial Accounting -Management Accounting	-Sustainability Financial Accounting -Sustainability Management Accounting
Method	-Evaluation Processes -Cost Accounting	-Evaluating Sustainability Performance by Applying the Methods of Other Disciplines (Biology, Sociology) -Sustainability Balanced Scorecard
Unit of Measurement	-Money (Inventories Excluded)	-Money and Natural Units
Forms of Accounts	-Financial and Accounting Reports -Internal Reports	-Sustainability Reports and Accounts -Global Reporting Initiative
Regulation Strictness	-Compulsory Due to Legal Regulations (Financial Accounting) -Voluntary (Management Accounting)	-Not Regulated, Voluntary

Source: Fülöp and Hernádi, 2013

Sustainability reporting can be defined as a report which is published on economic, environmental and social impacts of the operations of an enterprise (Aracı and Yüksel, 2016:109). It provides reliable and accessible information regarding economic, environmental and social components of the enterprise. Published reports add value to the enterprise and positively affect the stakeholders (Ergüden and Çatlıoğlu, 2016:206).

Financial reporting is a vital instrument to determine value of the enterprise, direct its operations and inform the stakeholders about the enterprise. However; financial reporting is inadequate because it just gives information about financial status of the enterprise. Sustainability reporting which is also called as non-financial reporting is an important instrument which is used for enabling corporate transparency against stakeholders, strengthening reputation of the enterprise, developing management systems in environmental, social and economic areas, increasing employees’ motivation, providing financing in appropriate conditions, increasing financial value by increasing the value of shareholders and enabling sustainability of the enterprise including all these foregoing (Akarçay, 2014:2-3).

Study which was carried out by Hernádi and Fülöp in 2014 explains how to manage sustainability accounting system in The Tiszai Vegyi Kombinát Public Limited (TVK) which is one of the biggest chemical companies in Hungary. By the time of study, TVK had 1097 employees and annual sales income of 374.584 million Hungarian Forints (HUF). Major activity of the enterprise is to produce ethylene and propylene by processing naphtha and gasoline as raw material. TVK supplies raw material to not only domestic market but also plastic production companies in Central, Eastern and Western Europe. Plastic products which are made of raw material supplied by TVK are required for both industrial users and a larger part of the society.

Table 2 shows the balance sheet of the company TVK. The table highlights the lines associated with environmental protection and sustainability.

Table 2. The Balance Sheet of TVK Company (Million HUF)

Assets		2012	Resources		2012
A.	INVESTED ASSETS	111.324	D.	TOTAL EQUITY	123.424
I.	INTANGIBLE ASSETS	2.240	I.	SUBSCRIBED CAPITAL	24.534
II.	NON-CURRENT ASSETS	106.048	II.	SUBSCRIBED CAPITAL UNPAID	0
	Assets with Environmental Purposes	1.028	III.	CAPITAL RESERVE	4.624
	Land and Buildings	268	IV.	ACCUMULATED PROFIT RESERVE	103.585
	Plant and Machinery	234	V.	TIED-UP RESERVE	0
	Other Machinery	92	VI.	REVALUATION RESERVE	0
	Investment	434	VII.	PROFIT OR LOSS FOR THE YEAR	-9.319
III.	INVESTED FINANCIAL ASSETS	3.036	E.	PROVISION	4.960
B	CURRENT ASSETS	85.071		Provision for Environmental Liabilities	2.314
I.	RESERVES	15.637		Provision for CO ₂ Emission Quota Payments	2.179
	CO ₂ Emission Quota	1.238	F.	LIABILITIES	65.276

II.	ACCOUNTS RECEIVABLE	65.587	I.	SUBORDINATED LIABILITIES	0
III.	SECURITIES	0	II.	LONG-TERM LIABILITIES	5.518
IV.	FINANCIAL ASSETS	3.847	III.	SHORT-TERM LIABILITIES	59.758
C.	ACCRUED ASSETS	352		Loans Granted by MOL for Securing CO ₂ Emission Quotas	2.996
			G.	ACCRUED LIABILITIES	3.087
				Performance Incentive Payments	398
				CO ₂ Emission Quotas Received Free of Charge	221
TOTAL ASSETS		196.747	TOTAL EQUITY AND LIABILITIES		196.747

Source: Fülöp and Hernádi, 2014

In the study carried out by Hernádi and Fülöp (2014), items about environment protection and social activities in TVK’s consolidated income table are emphasized in the level of operation profit or loss indicated in Table 3. Comparison of income and expense which are gathered from sustainability operations of the enterprise enables determining sustainability achievements. Moreover; income statements may be misleading as they cannot indicate such factors as increase in sales as a result of cost savings and “green image” arising out of the application of environment-friendly technologies. It is also difficult to digitize cost savings because of data complexity.

Table 3. The Consolidated Income Statement of TVK Company (Million HUF)

Number of Items	Item	2012
I.	Net Sales (Revenue)	416.308
	CO ₂ Emission Quota Sales	681
II.	Own Performance Capitalized	4.146
III.	Other Income	3.340
	Provision Secured for CO ₂ Emission Quotas	2.130
	Provision Secured for Environmental Protection	92
IV.	Material Costs	405.320
	Environmental Protection Costs	107
	Waste Disposal, Recycling Costs	135
	COGS-CO ₂ Emission Quotas	681

	Training Costs	66
	Health Care Costs	46
V.	Staff Costs	8.605
VI.	Depreciation	11.452
	Depreciation of Tangible Assets with Environmental Purposes	91
VII.	Other Expenses	14.470
	Expenses Related to CO ₂ Emission Quotas (Impairment)	1.540
	Providing GHG Emission Units	4.560
	Provision Secured for Environmental Protection	376
	Grants and Benefits	66
A.	Operating Profit or Loss for the Year (I+II+III-IV-V-VI-VII)	-16.053

Source: Fülöp and Hernádi, 2014

As the society start requesting the production of social and environmental reports as well as financial reports, sustainability reporting found meaning in “Triple Bottom Line Reporting” and enterprises started providing their economic, social and environmental performances jointly. TBL Model was brought in literature in 1994 by John Elkington and is currently accepted as the reference sustainability reporting approach today.

4. TRIPLE BOTTOM LINE

John Elkington, one of the leading sustainability experts in the world and founder of SustainAbility agency, tried to measure sustainability in mid-1990s within a new framework of measuring corporate American performance. This system which he called as Triple Bottom Line (TBL) was designed to cover environmental and social dimensions by going beyond the calculations of classical profit, investment income and shareholder value.

TBL deals with the concept of sustainability in three dimensions as economic, social and environmental dimensions. In this regard, TBL is defined as the joint evaluation of economic, social and environmental sustainability which are the basis of sustainability as well as efficient use of the sources (Elkington, 1997:71). Dimensions which compose TBL were named by Elkington as 3P when he worked for SustainAbility in 1995: People, Planet and Profit. (Elkington, 2004:2). Concepts of "People, Planet and Profit" were accepted as the title of sustainability report of Shell, an Anglo-Dutch petroleum company, in 1997. In conclusion, Holland is the country where the concept of 3P has started and has still a wide range of use.

Moreover, Elkington (2006) suggests that company managements are required to answer the following questions again in order to revise the execution of their management systems:

- Why does an enterprise exist?
- Who should have right to speak about operation of the enterprises?
- What is the most appropriate balance between shareholders and other stakeholders?
- What should be the balance within the scope of trilateral responsibility?

Answers to be given for all these questions are under the responsibility of executive management of the enterprise and should be included in the agenda of board of directors.

TBL is accepted as a social and ecological agreement between the enterprises and society. TBL which is the essence of sustainability enables the measurement of impact of enterprise operations on the world, including profitability and stakeholder values as well as its social, human and environmental capital. Since TBL is an accounting framework which combines enterprise performances in economic, social and environmental dimensions, it differs from traditional reporting system. Since there is less and less trust in financial reports today, major enterprises come face to face with their stakeholders' request of getting reliable information about their operations and performances. TBL approach provides more transparency and a larger framework to its stakeholders for their decision making process. Since everybody can participate in TBL processes such as workers or external stakeholders, they have a chance to increase their knowledge about the enterprise and develop their relations with the other stakeholders in the company (Roy and Mitra, 2015:33-34). So, enterprises become more transparent and more reliable. It's of high importance for enterprises to gain trust of their stakeholders.

TBL is used for achieving all values, matters and processes which the companies are required to underline in order to minimize damages which may arise out of the operations of enterprise and create an economic, social and environmental value (Ho and Taylor, 2007:124). However; there is no common unit of measurement in 3P system of TBL. Profit can monetarily be measured while environmental and social capital cannot be measured with a common unit of measurement which leads to an important problem. In some views, it is suggested that all TBL dimensions can monetarily be measured including damages of the enterprises in social and environmental level. Another solution emphasizes that TBL can be calculated based on an index. So, non-conformity of units which may arise out of measurement can be overcome and there can be a comparison between the assets.

Today, many enterprises are aware of the fact that economic achievement depends on social and environmental performance (Sarıkaya and Kara, 2007:227). Enterprises publish TBL reports in order to show their loyalty to sustainability applications. TBL reporting indicates increasing transparency and accountability. Stakeholders can be informed about impacts of the enterprises on the world as well as their financial information through TBL reports (Öztürk and Özçelik, 2014:131).

TBL approach suggests that decision making criteria should also include social and environmental factors instead of just being focused on profit maximization. (Winkler et al, 2015:484). TBL concept, as an indicator of success, accepts that profit is still important but it also emphasizes that environment which enables profit and people who live in that environment should not be damaged. Enterprises are required to report environmental and social outcomes in addition to financial outcomes (Tokgöz and Önce, 2009:264). In other words, general performance of a company should be measured by taking total contribution of economic welfare (profit), environmental quality (planet) and social capital (people) as a basis (Žak, 2015:252). Three dimensions of TBL which are shaped to report economic, social and environmental operations of the enterprise are indicated in Figure 1.

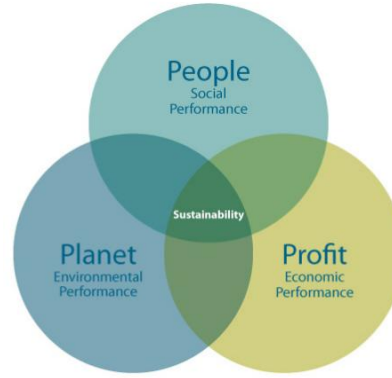


Figure 1. Triple Bottom Line 3P Formulation

4.1. Economic Bottom Line (Profit)

Economic dimension of TBL framework represents the impact of organization's operation application on economic system (Alhaddi, 2015:8). Economic dimension is focused on economic value and associates growth of the enterprise with the growth of its economy (Arowoshegbe and Emmanuel, 2016:104).

Economic dimension is related to capital of the enterprise and emphasizes that capital should efficiently be managed. Enterprises should both provide high level of earnings to their stakeholders and avoid suffering financial problems in order to enable its economic sustainability (Tüm, 2014:63-64).

Profit is used not only for enabling a strong and sustainable enterprise but also for providing benefit to the society (Schroeder and DeNoble, 2014:55). A profitable enterprise contributes much benefit to the society by providing cheaper goods and services of higher quality.

4.2. Social Bottom Line (People)

Social dimension of TBL framework represents the execution requirement of applications which are beneficial and fair to labor, human capital and society. Such applications as fair wage system and health insurance add value to society (Alhaddi,

2015:8). Ignorance of social responsibility by the enterprise negatively affects sustainability and performance of that enterprise. Recent studies indicate that execution of social responsibility increase costs of the enterprise. In short, social performance is focused on the interaction between community and enterprise and deals with social participation, relationship among employees and fair wages (Arowoshegbe and Emmanuel, 2016:105).

An enterprise which has an aim of following TBL method should consider the impact of its actions on all stakeholders. Enterprise should be developed in an organization which is accessible by the society. Communication between enterprise managers, employees and society should be clear and honest (Schroeder and DeNoble, 2014:55).

4.3. Environmental Bottom Line (Planet)

Environmental dimension of TBL framework is to direct next generations to applications which will not endanger environmental sources. Efficient use of energy sources is about decreasing greenhouse gas emissions and protecting ecological balance etc. (Arowoshegbe and Emmanuel, 2016:105). Operations of the enterprise which don't give any damage to environment should protect natural resources for the next generations (Gençoğlu and Aytaç, 2016: 52).

Protection of human health, life quality of animals and plants, protection of air, water and soil quality as well as biological variety are within the scope of environmental sustainability (Ergüden and Çatlıoğlu, 2016:205). An environmentally-sustainable enterprise should pay attention to having such sustainable applications as using renewable energy sources, minimizing energy use, using recyclable materials, disposing any poisonous waste securely (Schroeder and DeNoble, 2014:55).

5. REVIEW OF LITERATURE

Savitz and Weber (2006) suggest in their book that enterprises face with economic, environmental and social changes in the world and sustainability applications have been increasing in business world. They also mention real problems which enterprises face with and innovative solutions arising out of sustainability.

Ho and Taylor (2007) suggest in their study that enterprises in the USA and Japan have researched the scope of TBL reports. They conclude that the scope of TBL reports of Japanese large-scaled enterprises operating in production industry having low level of profit and low level of liquidity is at a higher level.

In their study, Wang and Lin (2007) have developed "Sustainability optimization" which supports sustainable development in social, environmental and economic areas where TBL is applied and includes environmental and social costs and values into economic activities in order to support management decisions by using quantitative models.

Fauzi et al (2010) suggest in their study that TBL should be measured by financial, social and environmental elements as a sustainable corporate performance.

They also put forward that content of measurement elements should constantly be measured in order to adapt them to changes occurring in the market and society over time.

In his study, Hernádi (2012) aims at suggesting how accounting can fulfill sustainability criteria as a business world language and information source. He also suggests interpretation of the principle of “going concern”, which is the most important principle of accounting, by analyzing different approaches for corporate sustainability.

In their study, Hollos et al (2012) test the impacts of sustainable supplier cooperation based on TBL. They apply surveys on the companies in Western Europe and conclude that sustainable supplier cooperation companies generally have positive impacts on their social, environmental and economic performances.

Merriman and Sen (2012) suggest in their study that there are studies regarding high level managers and research attitudes of medium level managers against TBL. They conclude that medium level managers have a higher interest on environmental initiatives if they are supported with incentive premiums.

In their book, Henriques and Richardson (2013) mention about the inclusion of TBL concept developed by John Elkington in 1994 into literature. They explain TBL as an excellent and comprehensive metaphor. They also address that TBL encourages many corporate activities by talking about environmental, social and economic dimensions of TBL.

In their study, Glavas and Mish (2014) research market mentality of the companies applying TBL as well as execution of their missions and achievement of their goals. They conclude that companies applying TBL are transparent in their process, focus on cooperation advantage instead of being focused on competitive advantage and deliberately create new markets which other companies can also benefit from.

In their study, Ralston et al (2015) research TBL of corporate responsibilities in economic, social and environmental terms taking BRIC (Brazil, Russia, India and China) countries as a basis. They determine that the best predictor of corporate responsibility attitudes is socio-cultural values in macro level while the next generation gives much more importance to economic corporate responsibility compared to social or environmental responsibility in generational level.

In their study, Roy and Mitra (2015) analyze annual corporate reports of social responsibility and sustainability of 15 energy companies which are included in BSE 500 index in Bombay Stock Exchange within the scope of TBL. They conclude that corporate TBL values of exemplary companies are gathered based on performance in terms of 3 main indicators as environmental, social and economic aspects.

In their study, Ozanne et al (2016) research difficulties for the enterprises which are tried to be managed by TBL concept and the roles of public policies. Authors carry out more than one case study which they choose regarding whether three dimensions of sustainability are managed or not. They conclude that enterprises which are managed

by TBL concept are more sustainable than the enterprises which are not managed by this concept. Moreover; they suggest that public policy plays an important role in making paradoxical tensions clear for the organizations following TBL.

6. CONCLUSION

Sustainability is defined as fulfilling the needs of today without removing the possibility of fulfilling the needs of next generations. Enterprises which are regarded as the source and one of the parties of technological, social and environmental risks start meeting with pressures in the issue of requirement of directing to new values and concepts as a solution seeking. Named as corporate sustainability, this approach tries to maintain the existence of enterprises in current market conditions and rearranges ideas, approaches and practices in the issue of management for welfare of the next generations within the scope of sustainable development.

Corporate sustainability is the consideration of economic, environmental and social factors together with the corporate management principles in the company operations and decision making mechanisms in order to create long term value in enterprises and an efficient management of risks which are related to these factors. Enterprises can achieve real success if they consider sustainability applications as a combination of sources, expertise, opportunities and innovations from which all the stakeholders derive benefit, instead of considering them as a burden. Sustainability has environmental and social dimensions as well as economic dimension and all of these dimensions should jointly be taken into consideration and integrated into decision making mechanisms for an accurate sustainability strategy.

Sustainability accounting, a sub branch of accounting, is used in enterprises for supporting the application of sustainability processes and reporting to executive management as well as producing information incredible information regarding corporate sustainability. Sustainability is an interdisciplinary area and joint evaluation of enterprise operations is only possible through accounting system. Since enterprise operations, processes, stakeholders and expectations of stakeholders from enterprises differ from each other, report contents of these foregoing will also differ depending on the enterprise. It is the mission of sustainability accounting system to provide environmental, social and economic indicators and information without losing any integrity, transparency and credibility.

It is not possible for enterprises which make future investments by ignoring the expectations of their stakeholders and focus only on economic sustainability by ignoring environmental, social and corporate management risks to protect or increase their competition under current conditions. Today, stakeholders expect the companies to act as a responsible legal entity and request much more information and transparency about the company's methods of making added value. Triple Bottom Line (TBL) aims at indicating social and environmental impacts arising out of enterprise operations on economic performance to fulfill this request as well as making progress and concretizing these impacts. In accordance with the idea behind TBL, enterprises which have long-term targets of achievement are required to fulfill needs of the society

without damaging environmental and social capital because investment of an enterprise in economic, environmental and social factors will bring it success.

Corporate sustainability adopts TBL approach. Accordingly, enterprises maintain their sustainability and increase their sustainability performance as long as they efficiently use economic, social and environmental sources without ignoring the relationship among them. It is required not only to manage the impacts of economic, social and environmental impacts of corporate operations, but also to share them with the stakeholders in order to maintain corporate sustainability performance. However; since there is no common unit of measurement in 3P system, it may lead to some problems. It is recommended to calculate TBL based on the index in order to overcome these problems so that comparisons can be made by using a widely-accepted calculation method. Sustainability index is defined as a common language in this measurement. It is of high importance for an enterprise to comprehend TBL fully in order to become a sustainable enterprise. This study contributes to literature for the enterprises to comprehend TBL mentality and apply TBL in their operations.

REFERENCES

- Akarçay, Çağatay (2014), “Sürdürülebilirlik Muhasebesi Standartları Kurulu”, Marmara Üniversitesi Öneri Dergisi, V. 42, July, pp. 1-11.
- Alhaddi, Hanan (2015), “Triple Bottom Line and Sustainability: A Literature Review”, Business and Management Studies, V. 2, September, pp. 6-10.
- Altınay Tarakçıoğlu, Ayşenur (2016), “Entegre Raporlama ve Sürdürülebilirlik Muhasebesi”, Süleyman Demirel Üniversitesi Sosyal Bilimler Enstitüsü Dergisi, V. 25, pp. 47-64.
- Aracı, Hakan – Yüksel, Filiz (2016), “Şeffaflık ve Hesap Verilebilirliğin Sağlanmasında Sürdürülebilirlik Raporları: BIST Sürdürülebilirlik Endeksindeki Şirketlerin Sürdürülebilirlik Raporlarının İncelenmesi”, Muhasebe Bilimi Dünyası Dergisi, 18/1, pp. 103-131.
- Arowoshegbe, Amos O. – Emmanuel, Uniamikogbo (2016), “Sustainability And Triple Bottom Line: An Overview Of Two Interrelated Concepts”, Igbinedion University Journal of Accounting, V. 2, August, pp. 88-126.
- Elkington, John (1997), “Cannibals with Forks: The Triple Bottom Line of 21th Century Business”, Oxford, Capstone Publishing.
- Elkington, John (2004), Enter the Triple Bottom Line, <http://www.johnelkington.com/archive/TBL-elkington-chapter.pdf> (10.02.2017)
- Elkington, John (2006), “Governance for Sustainability”, Corporate Governance, 14/6, pp. 21-45.
- Eren, Selim Said – Eker, Sevcan (2012), “Kurumsal Sosyal Sorumluluk Algısının Marka İmajı, Algılanan Değer, Müşteri Tatmini ve Marka Sadakatine Etkisi

- Üzerine Bir Saha Araştırması: X Markası Örneği”, Süleyman Demirel Üniversitesi İktisadi ve İdari Bilimler Fakültesi Dergisi, V. 2, pp. 451-472.
- Ergüden, Engin – Çatlıoğlu, Esra (2016), “Sustainability Reporting Practiceses in Energy Companies with Topsis Method”, Muhasebe ve Finansman Dergisi, July, pp. 201-221.
- Fauzi, Hasan – Svensson, Goran – Rahman, Azhar Abdul (2010), ““Triple Bottom Line” as “Sustainable Corporate Performance”: A Proposition for the Future”, Sustainability, V. 2, May, pp. 1345-1360.
- Fülöp, Gyula - Hernádi, Bettina Hódi (2013), “Quality Improvement in Accounting”, Club of Economics in Miskolc, 9/2, pp. 41-51.
- Fülöp, Gyula - Hernádi, Bettina Hódi (2014) “Sustainability Accounting: a Success Factor in Corporate Sustainability Strategy”, International Journal of Economics and Management Engineering (IJEME), 4/1, pp. 1-21.
- Gabruszewicz, Tomasz (2013), “Sustainability Accounting – Definition And Trends”, Research Papers Of Wrocław University Of Economics, pp. 37-46.
- Gençoğlu Gücenme, Ümit - Aytaç, Alp (2016), “Kurumsal Sürdürülebilirlik Açısından Entegre Raporlamanın Önemi ve BIST Uygulamaları”. Muhasebe ve Finansman Dergisi, (The Journal of Accounting and Finance), October, pp. 51-66.
- Glavas, Ante – Mish, Jenny (2014), “Resources and Capabilities of Triple Bottom Line Firms: Going Over Old or Breaking New Ground?”, J Bus Ethics, V. 127, pp. 623-642.
- Gray, Rob; Milne, Markus, J. (2017), “Sustainability Reporting: Who’s Kidding Whom?”, <http://www.st-andrews.ac.uk/~csearweb/researchresources/dps-sustain-whoskidding.html> (22.02.2017).
- Halıcı, Ali (2001), “İşletmelerde Sosyal Sorumluluk Stratejileri: Çanakkale İlinde Bir Araştırma”, Yönetim ve Ekonomi, V. 1, pp. 11-26.
- Henriques, Adrian – Richardson, Julie (2013), The Triple Bottom Line does it all add up?, Earthscan, London.
- Hernádi, Bettina Hódi (2012), “Green Accounting for Corporate Sustainability”, Theory Methodology, 8/2, pp. 23-30.
- Hillman, Amy - Keim, Gerald (2001), “Shareholder Value, Stakeholder Management and Social Issues: What’s the Bottom Line?” Strategic Management Journal, V. 22, pp. 125 – 139.
- Ho, Li-Chin Jennifer – Taylor, Martin E. (2007), “An Empirical Analysis of Triple Bottom-Line Reporting and its Determinants: Evidence from the United States

- and Japan”, *Journal of International Financial Management and Accounting*, 18/2, pp. 123-150.
- Hollos, Daniel – Blome, Constantin – Foerstl, Kai (2012), “Does sustainable supplier co-operation affect performance? Examining implications for the triple bottom line”, *International Journal of Production Research*, V. 11, June, pp. 2968-2986.
- İlic, Derya Kelgökmen (2010), “İşletmelerin Kurumsal Sosyal Sorumluluk Düzeylerinin Belirlenmesine Yönelik Bir Literatür Taraması”, *Ege Akademik Bakış*, V. 1, pp. 303-318.
- Merriman, Kimberly K. – Sen, Sagnika (2012), “Incenting Managers toward the Triple Bottom Line: An Agency And Social Norm Perspective”, *Human Resource Management*, V. 6, November–December, pp. 851–872.
- Milne, Markus J. (1996), “On Sustainability; The Environment and Management Accounting”, *Management Accounting*, V. 7, pp. 135-161.
- Ozanne, Lucie K. - Phipps, Marcus - Weaver, Todd - Carrington, Michal - Luchs, Michael - Catlin, Jesse - Gupta, Shipra - Santos, Nicholas - Scott, Kristin – Williams, Jerome (2016), “Managing the Tensions at the Intersection of the Triple Bottom Line: A Paradox Theory Approach to Sustainability Management”, *Journal of Public Policy & Marketing*, 35/2, Fall, pp. 249-261.
- Öztürk, Burcu Avcı – Özçelik, Funda (2014), “Sustainable Supplier Selection with A Fuzzy Multi-Criteria Decision Making Method Based on Triple Bottom Line”, *Business and Economics Research Journal*, V. 3, pp. 129-147.
- Roy, Sudipta Sahar – Mitra, Sarbani (2015), “Corporate Triple Bottom Line Reporting: An Empirical Study on the Indian Listed Power Companies”, *SDMIMD Journal of Management*, 6, September, 33-45.
- Sarıkaya, Muammer - Kara, F. Zişan (2007), “Sürdürülebilir Kalkınmada işletmenin Rolü: Kurumsal Vatandaşlık”, *Yönetim ve Ekonomi*, V. 2, pp. 221-233.
- Savitz, Andrew W. – Weber, Karl (2006), *The Triple Bottom Line How Today’s Best-Run Companies Are Achieving Economic, Social, and Environmental Success – and How You Can Too*, Jossey-Bass A Wiley Imprint.
- Schroeder, Bernhard – DeNoble, Alex (2014), “How to Design A Triple Bottom Line Organization: A Start-Up Case Study”, *Journal of Organization Design*, 3/2, pp. 48-57.
- Senal, Serpil - Ateş, Burcu Aslantaş (2012), “Kurumsal Sürdürülebilirlik için Muhasebe ve Raporlama”, *Muhasebe ve Denetime Bakış*, V. 4, April, pp. 83-97.
- Suchman, C., Mark (1995), “Managing Legitimacy: Strategic and Institutional Approaches”, *Academy of Management Review*, 20/3, pp. 571 – 610.

- Tokgöz, Nuray - Önce, Saime (2009), “Şirket Sürdürülebilirliği İçin Yeni Ölçümleme: Üçlü Performans”, Afyon Kocatepe Üniversitesi, İ.İ.B.F. Dergisi, V. 1, pp. 249-275.
- Tuna, Özlem – Besler, Senem (2015), “Kurumsal Sürdürülebilirlik Anlayışı ve Uygulamaları: Örnek Olay Çalışması”, İ.Ü.Siyasal Bilgiler Fakültesi Dergisi, V. 52, March, pp. 173-199.
- Tüm, Kayahan (2014), “Kurumsal Sürdürülebilirlik Ve Muhasebeye Yansımaları: Sürdürülebilirlik Muhasebesi”, Akademik Yaklaşımlar Dergisi, V. 1, pp. 58-81.
- Wang, Li - Lin, Li (2007), “A methodological framework for the triple bottom line accounting and management of industry enterprises”, International Journal of Production Research, V. 5, March, pp. 1063-1088.
- Winkler, Richelle - Deller, Steven – Marcouiller, Dave (2015), “Recreational Housing and Community Development: A Triple Bottom Line Approach”, Growth and Change, 46/3, September, pp. 481-500.
- Žak, Agnieszka (2015), “Triple Bottom Line Concept In Theory And Practice”, Social Responsibility of Organizations Directions of Changes, V. 387, pp. 251-264.