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Publication Date

2018-09-18

Peer reviewed

Measuring Business Impacts on Well-being: A Goal Oriented Approach

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Published in [Compendium](#) of Selected Papers on Measuring the Impacts of Business on Well-Being and Sustainability, which presents the papers selected as part of the Call for Papers on Measuring the Impact of Business on Well-being and Sustainability, issued in July 2017 by the OECD and HEC Paris/SnO centre.

Abstract

While there is increasing interest in evaluating the impact of business on well-being, there is not yet a standardized approach to measure this impact. Governmental organizations and the private sector are offering different approaches to measure well-being. As a result of the lack of standardization, the performance of businesses in areas of Environmental, Social and Governance (ESG) and Sustainability, as well as other dimensions of well-being, remain hard to examine and learn from, and many business leaders are still trying to figure out what this means for their companies. The consequence is that most firms are still far from being engaged with measuring well-being. In this paper, we identify the two main logics that prevail in the frameworks proposed to measure the business impact on well-being, and stress their convergent vision but also important differences. Drawing on the academic literature on goal settings, we propose a dual approach to enhance convergence between states' policies regarding SDGs and firms' strategies associated with ESGs and well-being indicators. This approach can help firms develop material well-being goals that are Specific, Measurable, Attainable, Relevant and Timely (s.m.a.r.t). We emphasize that this approach need to be guided and supported by both intergovernmental organizations, rating experts and the research community.

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Introduction

Firms play an important role in the well-being of the community in which they operate. They have a strong impact on the life of their employees, their consumers, their suppliers, and on the communities they serve. From determining the working conditions, health coverage, training and employability of workers, to the environmental impact of their operations on the community, and the taxes levied by public authorities, business organizations have a critical impact on people's and society's well-being.

Improvement in community well-being provides potential opportunities for businesses to achieve greater commercial success. This is, for example, reflected in public declarations by the global business community, as highlighted by the World Business Council for Sustainable Development: 'Pursuing sustainable development makes firms more competitive, more resilient and nimble in a fast changing world and more likely to win and retain customers. It can also help them find and keep some of the best brains on the market. In addition, it can make them more attractive to investors and insurers, while reducing their exposure to regulatory and other liabilities.'¹ In the same vein, publications offering guidance to business on engagement with the SDGs highlight a range of benefits, from employee retention, customer appreciation, to arguing for public authorities' support for their activities.²

While there is increasing interest in evaluating the impact of business on well-being, there is not yet a standardized approach to measure this impact. Governmental organizations and the private sector are offering different approaches to measure well-being. For example, the Organization of Economic Cooperation and Development (OECD) has developed a framework for measuring well-being and progress, and the United Nation has proposed 17 Sustainable Development Goals (SDGs). The SDGs present a novel approach to global governance where goal-setting features as a key strategy but present important challenges in its implementation (Biermann et al., 2017). In the private sector, socially responsible investors have developed a multitude of metrics to measure Environmental, Social and Governance (ESG) indicators. As a result of the lack of standardization, the performance of businesses in areas of Environmental, Social and Governance (ESG) and Sustainability, as well as other dimensions of well-being, remain hard to examine and learn from, and many business leaders are still trying to figure out what this means for their companies. The consequence is that most firms are still far from being engaged with measuring well-being.³

In this paper, we identify the two logics that prevail in the analysis of business impact on well-being and stress their convergent vision but also important differences. Drawing on the goal-setting perspective, we then offer pathways to connect the two logics, and make state actions and firms' interests more coherent, to the benefit of countries and firms altogether.

Coherent visions but different logics

There are different overlapping frameworks to address well-being. These are either developed by international governmental organization or by socially responsible investors. The governmental approach includes the OECD framework for measuring well-being and progress. The OECD well-being measurement framework builds upon the work of the Stiglitz et al. report (2010), arguing that GDP as an indicator of economic performance and social progress is limited while well-being is multidimensional, and, therefore, well-being should be measured considering a multitude of indicators. The OECD well-being measurement framework is composed by eleven topics under two main headings (quality of life and material conditions). Furthermore, in 2015, the General Assembly of the United Nations (UN) adopted 17 sustainable

development goals (SDGs). The SDGs are further decomposed into 169 targets, and there are currently about 230 indicators that have been proposed for realizing these targets.

In parallel, the emergence of socially responsible investing has led to the development of a large number of methodologies for rating corporate social responsibility. These include among others MSCI ESG Research, Trucost, and Thompson Reuter Asset4. MSCI ESG Research provides research, ratings and analysis of the environmental, social and governance-related business practices of thousands of companies worldwide.⁴ Its ratings (e.g. KLD) have been widely used by academic research over the years. Trucost, assesses risks relating to climate change, natural resource constraints, and broader environmental, social, and governance factors.⁵ Thompson Reuter ASSET4, provides environmental, social and governance (ESG) information based on more than 250 key performance indicators (KPIs).⁶

In addition, different sustainability reporting standards are emerging such as SASB and the Global Reporting Initiative (GRI). SASB develops and maintains sustainability accounting standards—for 79 industries in 11 sectors—that help public corporations disclose financially material information to investors in a cost-effective and decision-useful format. GRI has developed standards to help businesses communicate their impact on sustainability issues such as climate change, human rights, governance and social well-being.

Increased availability of non-financial information about business' programs, actions, outputs and outcomes related to sustainability generates an abundance of riches upon which to base purchasing and investment decisions, but it also raises issues of commensurability, information overload, and confusion. First, there are important differences in the logics used to develop the governmental frameworks and those developed by the private sector. Second, there are important differences in the methodologies used within each framework. For example, research found a low commensurability in the accuracy of SRI ratings (Chatterji et al., 2016), which might indicate low validity of common practices.

Materiality logic

While ESG ratings might differ in terms of their coverage, or the terminology used, there is often a core set of issues that are commonly identified. For example previous research analyzing data from three main purveyors of ESGs found that two dimensions—environmental processes and environmental outcomes—explained roughly 80% of the variance of the data (Delmas et al., 2013). ESGs are based on the notion of “materiality.” They are targeted towards investors. The notion of materiality comes from accounting. In accounting, information is deemed material if omitting it or misstating it could influence decisions that users make on the basis of the financial information of a specific reporting entity. Accordingly, to the Financial Accounting Standards Board (FASB), “information is material if omitting or misstating it could influence decisions that users make on the basis of the financial information of a specific reporting entity.”⁷ In this context, materiality is defined for financial information intended to investors. This is to ensure they investors have access to the relevant information they need in order to make investment decisions in securities.⁸

The idea of materiality has been expanded for nonfinancial information. It includes information that is relevant for decision making in order to increase the firm value. In this context, the emphasis is placed on defining the user of the information, typically described as “stakeholders” rather than “shareholders,” and underlining the importance of considering the impact of not providing information (Eccles et al, 2012). The

NGOs AccountAbility, SASB, the Global Reporting Initiative (GRI), and the United Nations have all offered definitions of materiality for nonfinancial information.

Political logic

Goals and metrics developed by government to address and measure well-being respond to a different logic than those developed by investors. For example, the SDGs goals are result of intergovernmental discussions, which was undertaken through a lengthy, open, and transparent process with many actors involved in the various levels of discussions (Stevens & Kanie, 2016; Chasek et al. 2016). As such, these goals constitute a compromise reflecting a multiplicity of concerns and interests, rather than a specific, coherent systemic view of how the socio-economic engine works and delivers outcomes along all the dimensions covered by the goals (Le Blanc, 2015). The weight provided on one criterion might come from the power of a country or a set of actors. The adoption of some goals by some countries might depend on local political agenda and economic interests. The metrics to “follow-up and review” progress towards has not been standardized yet. Since the goals are not binding, economic actors select objectives and actions more connected to their activities and tend to produce output-based measures indicating progress about one SDG (e.g. education –goal 4- inequalities –goal 10- or sustainability –goal 12).

Furthermore, the goals are non-independent. This means that improvement on one goal can count towards the other goals, or impact negatively another. Indeed sustainable development is an outcome of positive synergies between multiple elements, but may be undermined by negative trade-offs between them (Waage et al., 2015). The non-independence across SDGs poses problems of commensuration and identification of effects; i.e. education and inequalities are correlated, and acting in favor of basic education, and job training can be seen too as fighting against inequalities). SDGs are also unequally connected, with some goals having greater overlap with the other goals than others (Le Blanc, 2015). In his analysis, Le Blanc (2015) found that out of the 107 SDGs targets, 60 explicitly refer to at least one other goal than the one to which they belong. 19 targets link three goals or more. For example, target 3.8 under SDG 3, which relates to achieving universal health coverage, refers to both inequality and poverty.

Resulting enthusiasm but confusion of signals

There is great enthusiasm among investors and managers about well-being goals at the country or planet level. For example, Viviana Berla, Co-Managing Partner, Sarona Asset Management, states: “The SDGs are a powerful, visible and colorful set of flags around which investors can gather to learn a common language. Improved communication, complemented by bigger data on the consequences of choices made in the past, will lead to a better understanding and better investment decisions for the future.”⁹ The ShareAction report provides some empirical evidence on investors’ interest in SDGs. For the report, researchers surveyed 52 institutional investors based in every region of the world with over £4trillion assets under management. The results shows that 95% of respondents plan to engage with investee companies about issues covered by the Goals, 84% will allocate capital to investments supporting the Goals, and 89% will support regulatory reforms that promote the Goals. However, most investors are still confused on how to make decisions about SDGs and more than half of surveyed investors worth \$5.9trn remain undecided on how to proceed on the SDGs.¹⁰ So far, only few investors committed to using SDGs as an investing framework. This includes Swedish and Dutch pension funds and some global investors such as UBS.¹¹

Indeed, out of the 17 SDG goals, only a few map easily to firm activities.¹² For example, goal 9, which aims to build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation,

involves the private sector in several ways. Some indicators suggested by the Leadership Council of the Sustainable Development Solutions Network to monitor goal 9 include the “total energy and industry-related GHG emissions by gas and sector,” “personnel in R&D” and “employment in industry.” This correlates to GRI Disclosure 305, by which companies have to report their GHG emissions and also the presence of emissions reduction initiatives, if any. The impacts of firm actions can be linked to the progress of SDG goals from this perspective. ¹³

In the ShareAction report, action by investors to support Goals 8, 9 and 13 (promoting decent work and economic growth; building industry, innovation and infrastructure; and taking action to curb climate change) were those considered by respondents to the survey to have potential to meet their long-term investment objectives.

However, many of the other goals do not match as directly to business practices. For example Goals 4 and 10 mentioned before about education and inequalities are not considered central by many firms who think these goals are indirect outcomes of their actions. Therefore these goals are then less likely to be directly assessed on a regular basis.

Furthermore, the political and corporate logics might be conflicting. The materiality logic is about financial impact, while the political logic is about social welfare. Many economic decision makers think many of the SDG goals (e.g. goal 15 on biodiversity or goal 16 on peace and justice strong institutions) are not their responsibility. Therefore, while SDGs and ESGs converge on some ideals and indicators, they are not fully connected and rely on distinct logics (political and economic) and levels (SDGs are at the country level, ESGs are at the firm level which both operate locally but across many countries).

In addition, the measurements provided by many companies and in many cases validated by consulting companies, do not assess real impact but sheer output –the difference between the two being one of real effect: outputs are simple counts whereas impact assess the effect of action relative to what would have occurred in absence of action. For instance, claiming to provide basic education to 1,000 beneficiaries (output) differs from establishing that in absence of the action only 500 people would have had access to education.

Recommendations for developing robust tools with business relevance

Because of the availability of so many different metrics, managers are confused on how to set-up well-being goals for their firm. There is the need to design strategies to reconcile these logics to select indicators. We present below arguments underlying the choice of indicators in measuring business impact on well-being and sustainability. Based on our analysis of the different frameworks, and drawing on the existing academic literature on goal settings, we propose a dual approach that managers can use to enhance convergence between states’ policies regarding SDGs and firms’ strategies associated with ESGs and well-being indicators.

Setting up effective organizational goals

We argue that the psychology literature on goal setting can be helpful to overcome some of the challenges to develop methodologies to choose effective business sustainable goals. First, scholars have suggested that appropriate goal setting is important in an organization because it provides focus, increases motivation, improves group cohesion and help in performance measurability (Vigoda-Gadot & Angert, 2007). Effective goals, are those that motivate members of the organization to attain them. Goals are related with

organizational performance enhancement because they organize effort, directs attention and encourages determination and plan development (Reed, 2012). Second, goals have been shown to influence performance, in part, by stimulating the development of task strategies (Earley & Perry, 1987; Locke et al., 1981; Smith, Locke, & Barry, 1990). It has been suggested that goals induce a more careful consideration of the task and the best means to accomplish it. In defining the relationship between goals and performance levels two main concepts have been proposed: the concept of goal difficulty and goal specificity.

The literature proposes that setting harder to reach, or ‘stretch,’ goals results in greater and more sustained behavior change toward that goal (Locke & Latham, 2006; Kerr & Landauer, 2004). Murphy (2013) suggested that ambitious goals can contribute to the motivational increase of individuals and thus enhance the overall performance levels. Notably, stretch goals have been recommended specifically in the domain of sustainability, although they have not yet been tested empirically (Fischer, 2008; Manning, Lindenmayer, & Fischer, 2006). On the other hand, some research demonstrates that comparison to high-performing reference groups can be demoralizing. For example, the Self-Evaluation Maintenance model posits that when individuals find out that others are performing better than they are on a given task, they start to view the task as less important to their self-definition, which in turn could cause them to exert less effort in that domain (Tesser & Campbell, 1980; Tesser, & Cornell 1991). In a demonstration of the “ostrich effect,” investment data illustrate that people are motivated to engage with their portfolios when they are performing well, but in fact disengage and ignore their portfolios in response to feedback that they are performing poorly (Karlsson, Loewenstein, & Seppi, 2009).

The second factor that influences goal effectiveness is goal specificity. Locke et al. (1981) defined goal specificity as "the degree of quantitative precision with which the aim [goal] is specified" (p. 126). Increasing the specificity of a goal increases the consensus regarding the interpretation of that goal (Locke et al., 1989). That is, as goal specificity increases, room for interpretation decreases as does the number of outcomes that are consistent with the goal. The problem with SDGs is that they are ambitious but not specific. There is therefore no consensus on what they should be.

Against this background, a well-known goal-setting technique in the organizational behavior literature encourage firms to develop goals that are specific, measurable, attainable, relevant and timely (S.M.A.R.T) (Doran, 1981). This framework can be useful to develop effective business goals for well-being.

Specific and Measurable. When goals are specific, companies must spell out precisely what indicators they track, what measures are to be used in order for third parties to crosscheck the attainment (or not) of the objectives.

Attainable. While goals should be difficult, they should also be based in reality. In other words, if a goal is viewed as impossible to reach, it will not have any motivational value. In fact, setting impossible goals and then punishing people for not reaching these goals is absurd and counterproductive. The targets needs to be credible, which means striking a balance between what can be practically achieved while setting the bar at a level where real improvements will accrue. If the targets cannot be achieved, the company’s sustainability track record will appear as weak. But targets that are too soft could be derided as meaningless, and could attract accusations of “green”- or “social-washing.”

Relevant. Meaningful goals cannot be set in isolation from the world at large. Collaboration with external organizations, NGOs and partners is necessary to advance a sustainability agenda. The best sustainability strategies involve working with a number of external stakeholders to identify needs and to create new

opportunities and solutions for some of the world's toughest challenges. Companies need support from NGOs and other relevant third-party 'watchdogs' to advance sustainability causes and communicate with the public at large in a credible and authentic manner.

Timely. Clarity is about knowing exactly what you are trying to achieve and by when. The goal should contain a statement regarding when the proposed performance level will be reached.

The acronym has also expanded to incorporate additional areas of focus for goal-setters. s.m.a.r.t.e.r for example, includes the criteria of evaluation and review of the goals. This incorporate the appraisal of whether the goals have been achieved and the reflection and adjustment of the approach taken to reach the goals.

From economic to political logic: Connecting s.m.a.r.t goals for well-being to materiality

For firms, the objective of pursuing SDGs associated with well-being cannot be taken as a realistic assumption for expressing and explaining their *raison d'être* and their decisions. As mentioned earlier, the economic logic on which they rely obeys different principles. This is not because these principles are distinct, that they necessary misaligned with the political logic of the SDGs. The crucial pathway connecting the two appears to us to be materiality, and the capacity to develop s.m.a.r.t goals for well-being tailored to each organization that have positive and material impacts.

Existing frameworks strive to connect the materiality of firms' actions with superordinate impacts such as those formulated by SDGs. For instance, the Integrating Reporting (IR) framework "proposes three steps that companies ought to follow in their materiality determination process. The first is the identification of relevant matters; the second is the determination of the importance of the matters; the third is the prioritization of material issues" (Fasan & Mio, 2017:291). By including a materiality analysis in the process of defining s.m.a.r.t. goals, firms perform a stakeholder review that turn certain phenomena and demands into salient issues, worthy of consideration and of becoming a goal and way of progress. As shown, both issue salience and cost-benefit analysis of action and inaction relative to a goal explain why firms will act in a substantial or only symbolic way (Durand, Hawn, and Ioannou, 2017). Indeed, companies seek out the interests of their stakeholders (customers, suppliers, community members and employees) to help the company prioritize its material issues but can react differently for a same level of salience on two distinct goals or identically for different levels of salience depending on the materiality of the issue itself.

In their effort to identify the relevant issues, firms can generate a materiality map by asking stakeholders what issues they consider as most material. The materiality analysis within the sustainability reporting process can be defined as "the specific activity by which an organization identifies and prioritizes its own material aspects, thus determining the materiality matrix" (Bellantuono et al., 2016:3). As an example, Nestle completed a materiality matrix in 2016 to compare issues that stakeholders were most interested in, with the risks and opportunities that would have the greatest potential to impact the business. In 2016, food safety, water stewardship and safety and health were the three most important factors for Nestlé's stakeholders¹⁴, which also represented the three significant risks identified by the company. With the matrix, Nestle was able to set its priorities to focus on food safety and to assure the quality of Nestlé's products to its customers. At the same time, and not unsurprisingly, these issues can lead to enunciating s.m.a.r.t goals for the organization which are aligned with SDGs 2 (hunger and food security) and 3 (health).

Organizational relevance is a key component of s.m.a.r.t. goals but so are their specificity, measurability and attainability. For this, firms need the support of inter-governmental agencies.

From political to economic logic: Connecting national statistics with firms' impact

Goal specificity, measurability and attainability require the development of specific indicators but also that firms can compare their progress with other firms, and their impact towards the goal. Corporate Sustainability involves leading change not just within a company's boundaries, but in the wider industry and society beyond (Lyon et al., 2018). However, the lack of standardization of well-being metrics can be used strategically by firms to greenwash or lobby against environmental and social regulation behind closed doors, while taking public sustainability stances (Delmas et al., 2016).

Governments and inter-governmental agencies can play a major role to elaborate a set of standardized well-being indicators that have the potential to demonstrate which goals are on track, and where further effort should be expended. Let's take the example of the SDG 9: "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation." The target is by 2030, to upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities. One proposed indicator that is relevant for firms is "CO₂ emission per unit of value added." However, firms need to be able to compare their CO₂ emissions per unit of value added to their competitors, and understand how much their sector contributes to the target. Clearly, "metrics need to be developed to measure progress towards the targets on local, national, regional and global levels and across sectors. Monitoring and evaluation procedures and standards need to be set up" (Lu et al. (2015): 432).

Goals must also have a defined time frame. Improvement in environmental performance is a long process. It might take a few years before changes can be implemented. Looking at trends provides insights into companies' commitment to improvement of their environmental performance. Indicators that are based on multi-year data are more robust. Businesses are often criticized for their short-term perspective (Bansal and Desjardine, 2014). Providing goals with different time frames might guide them towards improvement over time. But firms have been focusing on short-term and individual gains rather than long-term sustainability.

In addition, in order to reach as many SDGs as possible in as many countries as possible, it is necessary to connect the political logic that underpins SDGs with the economic imperatives that weigh on firms. The task for countries to define, measure, track, and report on sustainability goals is sensitive to many aspects. Politically, identifying and measuring health, education, and many other issues at the national level may not be in the interest of the country leaders; it could shed a crude light on unspoken problems, be perceived as representative of a foreign domination on internal affairs, and fuel opposition to current leadership. Operationally, national statistics offices may lack resources and competences to follow indicators that they do not or cannot position at the top of their list. These difficulties and others reinforce the role of transnational institutions, either governmental or non-governmental, as playing the conveyor belt role between firms' impacts and SDGs.

Time is prime for more coordination and better integration of the data produced by firms at the local level to be aggregated by the national statistics institutes or on their behalf by other organizations. Alongside national politics and sponsorship targeted at alleviating environmental and social problems, the complementary and sometimes very substantial impact of local and multinational companies' ESG policies

builds the case for a well-thought combination that country authorities can report to the international organizations such as UN and to their population as well. We see this dual movement as converging and promising: a first movement starts from governments aiming at tackling identified problems among and beyond the SDGs list and devising public policies within which the private economic sector plays a key role; a second movement proceeds from small-scale local firms and multinationals that define s.m.a.r.t goals connected with the broader SDGs and follow-up and measure appropriately their impacts that could be aggregated at the national level.

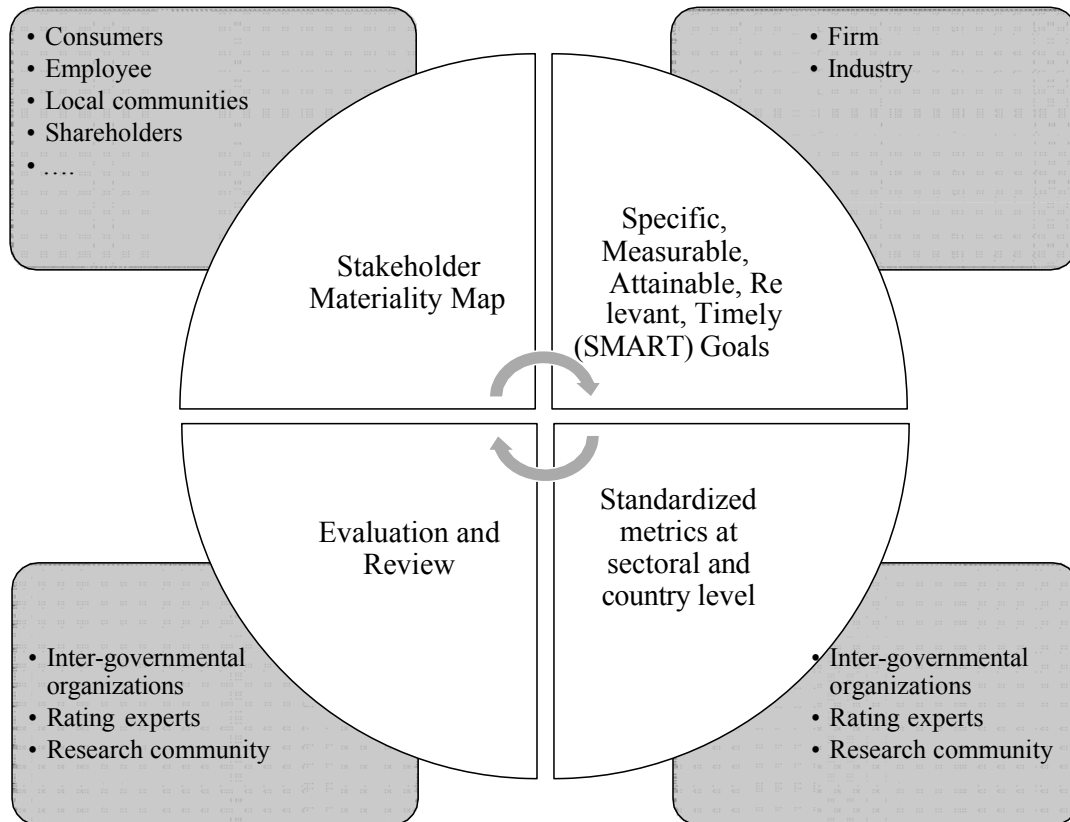
We therefore advocate for more consistency and coordination among and between institutions and organizations that aim at helping this dual movement to converge and complement each other. At the more macro-level, for instance under the OECD's auspices, the creation of an "Intergovernmental Panel on Well-Being" could gather policy makers and national statistics officers, rating experts and management scholars specialized in firms' environmental and social strategies. Based on a deep knowledge on what states can commit to and what firms do, this panel would help coordinate at a global scale the rapprochement between SDGs and ESG indicators and suggest harmonization among the many existing referential. At the more micro-level, i.e. the level of companies, there is a need to set standards that favor commensurability across firms' impact. The OECD in isolation or in collaboration with other public or private organizations could provide the broader framework as well as metrics that firms can use to evaluate their progress. A higher level of standardization is required in this space, so that comparability across firms is enhanced, and that investments are well-oriented, rewards and returns from actions benefit the right-doers instead of the loud-speakers, and that overall global coherence takes place toward alleviation of the plagues of our time.

In addition, we argue that the research community has an important role to play, to help measure genuine progress, align the goals with existing governance arrangements, and facilitate the integration of economic, social, and environmental dimensions. While the United Nations' Sustainable Development Goals emphasize the importance of evidence-based decision-making, there is currently no forum to coordinate the research on corporate sustainability with intergovernmental initiatives. Corporate sustainability researchers have shown that a lack of transparency about environmental processes and performance has allowed firms to undertake symbolic rather than substantive actions and to resist progress in the regulatory arena. They can help devise methodologies, in concert with intergovernmental agencies to meet the challenge of substantive progress in corporate sustainability. Furthermore, because of potential trade-offs between the economic, social and environmental dimensions of well-being, it is imperative that the research communities approaches devises metrics and measures progress through inter- and transdisciplinary research projects. The food-water-energy nexus is an example of an integrated approach for sustainability, as well as a stronger focus on the social dimension (Biermann et al., 2017).

In summary, we argue for an approach where firm establish a list of smart goals through a stakeholder materiality map and where intergovernmental agencies with the support of researchers devise standardized metrics at the sectoral and country level that help firms benchmark their progress. Firm transparency on well-being metrics will need to be required for data comparison and standardization. Finally these metrics will be evaluated and review periodically in collaboration with researchers. Our framework is portrayed in

Figure 1 below.

Figure 1 s.m.a.r.t Pathways to Measuring Business Well-being



Conclusion

Despite their different logics, SDGs and ESG indicators are prime to converge and bring about positive results on many aspects contributing to well-being. We argued that s.m.a.r.t (specific, measurable, attainable, relevant and timely) goal setting along the various SDGs can provide a compass to managers who need clear, comparable targets that can steer them and their organization in an agreed direction. By benefitting firms in their market positioning and competitiveness, impactful ESG policies contribute to well-being as well. We advocate for better measurement, standardization of indicators, and an increased comparability across firms. For such an objective, better pathways are required that combine and compare impacts, that associate impacts at the national level to nurture country-based reporting on SDGs attainment. Transnational governmental and nongovernmental organizations are at the crux of this challenge resolution, and scholars can help to find the best trails that lead to the best complementarity between the political and economic logics around well-being.

Notes

1. World Business Council for Sustainable Development. WBCSD FAQ. <http://wbcsdpublications.org/faq/>.
2. GRI, UN Global Compact and WBCSD (2015). SDG Compass: The Guide for Business Action on the SDGs; Corporate Citizenship (2015). From My World to Our World: What the Sustainable Development Goals Mean for Business. http://sdgcompass.org/wp-content/uploads/2015/12/019104_SDG_Compass_Guide_2015.pdf.
3. <https://www.edie.net/news/7/PwC--Businesses-still-not-meaningfully-engaging-with-SDGs>.
4. <https://www.msci.com/esg-integration>.
5. <https://www.trucost.com/>.
6. https://www.sri-connect.com/index.php?option=com_comprofiler&Itemid=4&task=userProfile&user=1007283.
7. <https://www.iasplus.com/en/standards/other/materiality>.
8. Financial Accounting Standards Board. Statement of Financial Accounting Concepts No. 8, <http://www.fasb.org/cs/BlobServer?blobcol=urldata&blobtable=MungoBlobs&blobkey=id&blobwhere=1175822892635&blobheader=application%2Fpdf>. Likewise, For the US Securities and Exchange Commission (SEC), materiality concerns the significance of an item to users of a registrant's financial statements. A matter is "material" if there is a substantial likelihood that a reasonable person would consider it important (Securities and Exchange Commission. SEC Staff Accounting Bulletin: No. 99 – Materiality, <http://www.sec.gov/interps/account/sab99.htm>, accessed March 2012).
9. THE SDG INVESTMENT CASE_PRI, <https://www.unpri.org/download?ac=1436>.
10. <https://shareaction.org/press-release/investors-can-play-a-central-role-in-achieving-the-sustainable-development-goals/>.
11. <https://www.2degreesnetwork.com/groups/2degrees-community/resources/esg-stepping-stone-direct-contribution-sdgs/>, <http://sdg.iisd.org/news/dutch-financial-institutions-recommend-sdg-investment/>.
12. <https://shareaction.org/press-release/investors-can-play-a-central-role-in-achieving-the-sustainable-development-goals/>.
13. Goal 14 can also be naturally linked to firm activities. Goal 14 strives to protect, restore and promote sustainable use of terrestrial ecosystems. Firms that operate in a particular area have direct impact on land use. Firm impacts on this goal can be monitored by GRI Disclosure 304, by which companies report on the impacts of their operational sites on biodiversity activities, products and services.
14. <https://www.nestleusa.com/csv/what-is-csv/materiality-and-stakeholder-engagement>.

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