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NON-FINANCIAL TOOLS AND INDICATORS FOR MEASURING THE IMPACT OF CO-OPERATIVES

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Abstract

The guiding question for this research is: What tools and indicators are available to co-operatives to measure their non-financial impact, such as social, environmental, sustainability, or co-operative? This study aims to provide a better understanding of the non-financial reporting and measurement landscape for co-operatives especially what tools and indicators are available and could be taken up by co-operatives.

About the Author:

While Fiona has deep family roots in the Saskatchewan co-operative movement, her interest in co-operatives began in earnest while doing her Masters and PhD in Adult Education and Community Development at the University of Toronto. Since completing these, she has worked for Co-operatives Secretariat for the Government of Canada as a Senior Policy and Research Analyst and as a Research Officer for the Canadian Co-operative Association. She now conducts research focussing on co-operatives, social economy, sustainability and community economic development and teaches in these areas as well.

In her work as the Research Fellow for CEARC, she co-leads the Co-operative Performance Index project, which is a participatory action research project to advance social, environmental and co-op impact assessment. Other research projects she has worked on include: the National Study on the Impact of Co-operatives (Canada), New Co-operative Development in Canada, International Co-operative Alliance Co-operative Sustainability Study, Sustainability Reporting Guidebook, Women's Co-operatives in Turkey, and Gender Equality and Women's Empowerment Literature Review, as well as studies on Higher Education and Co-operatives, and Social-Economic Demographics of Housing Co-operatives' Members.

She is currently the President of the Canadian Association for the Study of Co-operation (CASC), and has sat on the management committee of the Canadian Co-operative Research Network and the Measuring the Co-operative Difference Network. She is a member of many co-operatives and sits on the board of a number of non-profit organizations and a number of board committees for co-operatives.

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Introduction

How are co-operatives able to talk about their impact?[1] Where are co-operatives obtaining the information about the number of women leaders, or the percentage of post-tax revenue donated to the community, or the reduction of greenhouse emissions, or the number of employees who carpool? How do co-operatives begin to understand their impact beyond the financial?

All stakeholders – producers, consumers, employees, beneficiaries, management, members, shareholders etc. – of co-operatives want to know more about the impact of the organization with which they are interacting. Impact measurement and reporting has become a catch phrase in the past decade as more and more organizations of all types attempt to better understand their impact including financial and much more.

As a Certified General Accountants of Canada report stated in 2005 the growing desire and need for expanded reporting practices need to become the norm. They identify the following reasons and motivations for exploring expanded impact measurement, reporting, and assessment.

> As the public appetite for increased transparency and accountability continues to gain momentum, companies will be challenged to find new ways of demonstrating and communicating that they are successfully managing all corporate risks, including those prompted by social and environmental concerns. Intuitively or forcibly motivated, companies are ascribing to the heightened level of transparency commanded by the markets as they gravitate to the renewed standard that is required to gain the requisite and interdependent confidence of investors, governments, regulators, and the public. (Certified General Accountants of Canada, 2005)

The guiding question for this research is: What tools and indicators are available to co-operatives to measure their non-financial impact, such as social, environmental, sustainability, or co-operative? This study aims to provide a better understanding of the non-financial reporting and measurement landscape for co-operatives especially what tools and indicators are available and could be taken up by co-operatives.

This paper will begin with an outline of non-financial impact reporting and measurement and then turn to how this relates to the co-operative sector. Following this, the methodology describes how the research was conducted including the data collection methods and inclusion criteria. In the analysis section, the data is analyzed deductively and inductively to allow themes to emerge. To conclude, findings, future research, and reflections are offered.

[1] Funding for this research was provided by Centre of Excellence in Accounting and Reporting of Co-operatives. Additional thanks to Tony Birch, MBA student at Saint Mary's University, for his support in data collection and analysis.

Literature review

Interest in non-financial impact and reporting

There is a growing interest in and drive to understand the impact of organizations beyond the economic bottom line. Many have questioned the reliance on financial indicators to tell the full story regarding the impact of organizations (Stiglitz, Sen, & Fitoussi, 2010; Pannozzo, et al., 2009; Helliwell, R., & Sachs, 2013). For example, Helliwell, Layard and Sachs's research on happiness is an example of expanded and differentiating measurement (2013). There are concerns that economic measurements such as GDP at the national level or profit margins at the individual business level do not capture important factors such as the well-being of humans or sustainability of the environment (Pannozzo, et al., 2009). Additionally, corporate social responsibility (CSR) frameworks that involve awareness of and support of environmental practices and ethical labour practices or different forms of philanthropy such as donations given to non-profit organizations with causes aligned with the enterprise making the donation (Duguid & Balkan, 2016) do not negate the sometimes "dirty" work of the enterprise. Thus, relying solely on financial performance does not provide a complete picture of an organization's prospects (Gazdar, 2007; Global Alliance for Banking on Values, 2014). Additionally, measuring performance based on financial measurements alone are not conducive to the need to be transparent and accountable to a range of stakeholders including governments, employees, customers, communities and NGOs (Gazdar, 2007). Indeed, as far back as 1991, there have been calls for non-financial performance information (Eccles, 1991).

Reporting on non-financial impact – sustainability; corporate social responsibility (CSR); environment, social and governance (ESG) – is part of a growing interest in understanding the impact of an organization (e.g., corporations, co-operatives, nonprofit associations etc.). Stakeholders from all business sectors are increasingly looking to businesses to address pressing social and/or environmental issues (Adams, 2004; Knox, Maklan, & French, 2005; Adam & Frost, 2006; Gao & Zhang, 2006; Reynolds & Yuthas, 2008). Not only does the research show the growing demand for non-financial measurement, but also the research shows the pressure is stronger than ever from stakeholders to be provided with non-financial information concerning an organization's performance, including sustainability, social and environmental indicators. As Stiglitz, Sen and Fitoussi state in their book, *Mismeasuring Our Lives*, "for a long time there have been concerns about the adequacy of current measures of economic performance" (2010).

Co-operatives and non-financial reporting

The above literature discusses the advances in reporting and the increasing interest in non-financial impact. This section will focus on the research that has been done in the co-operative sector on non-financial impact reporting and measurement.

One could speculate that if the values-driven nature of co-operatives is what demonstrates the co-operative difference, one would expect co-operatives to use non-financial indicators to demonstrate their value. However, because there is little research on this, it is difficult to comment on this exactly. In general, there is an understanding within the co-operative movement that because of the seven underlying principles there should be observable and predictable outcomes that differ from outcomes observed in other corporate forms (Birchall, 2005; Cooperatives UK,

2006; Fairbairn, 2004). One such study by Server and Capo (2011), does look specifically at corporate social responsibility (CSR) and co-operatives. The authors state, "Co-operative companies, because of their social nature, their commitment to the development of society and the integration of stakeholders in their management, can be a reference for the integration of CSR in companies" (Server & Capo, 2011, p. 18). In other words, according to Server and Capo's study, co-operatives have a unique opportunity due to it organizational structure to better connect CSR practices with and to the practices of the co-operative (Server & Capo, 2011). However, similar to the Duguid and Balkan study (2016) Server and Capo also found that "it will be necessary to properly publicize their sustainability reports' publications, which must show the applications of CSR measures" (2011, p. 18).

Within the co-operative sector, some work has been done by International Cooperative Alliance. In 2013, the Alliance launched a *Blueprint for a Co-operative Decade*, an action plan for co-operatives around the world by 2020 to become: the acknowledged leader in economic, social and environmental sustainability; the model preferred by people; and the fastest growing form of enterprise (International Cooperative Alliance, 2013). Research conducted for the Alliance on sustainability reporting and co-operatives found that the co-operative and sustainability concepts overlapped extensively (Dale, et al., 2013; Newel, et al., 2015). From the findings of the *Sustainability Scan 2013* (Dale, et al., 2013), a supporting resource was created called *Sustainability Reporting for Co-operatives: A Guidebook* (Sustainbility Solutions Group, 2016). The guidebook provides co-operatives with resources for sustainability and non-financial reporting.

In terms of research conducted specifically on non-financial reporting and measurement of co-operatives there are a handful of studies. What has been found is that understanding more about co-operatives' non-financial impact will help to demonstrate their specific value proposition. As Rixon (Rixon, 2013b; Rixon, 2013a) and Beaubien and Rixon (2012) show in their studies, financial services' co-operatives report a minimal number of indicators that reflect social and environmental performance, and overall they did not use this information to reflect the seven principles of co-operatives and/or to differentiate from investor-owned corporations (IOCs). Brown and Hicks (2007) and Novkovic (2006) in their studies on non-financial reporting and measurement of co-operatives report similar findings. According to a study conducted by Ragainis (2015), through a survey of co-operatives in Ontario, Canada only 11% of the co-operatives which responded use any form of social or sustainability accounting tool, 33% said they have considered but have not implemented it, and 56% have neither implemented nor considered social/sustainability accounting. Bollas-Araya et al (2014) looked specifically at sustainability reporting in European co-operative banks. They found that traditional banks were more likely to produce formal sustainability reports than co-operative banks; however, despite this, they also found that co-operative banks use the latest standards, integrated reporting, and that they provide more on social issues than economic or environmental issues (Bollas-Araya, Segui-Mas, & Polo-Garrido, 2014). And finally, a study published in the *Journal for Co-operative Accounting and Reporting* by Duguid and Balkan (2016) looked at how Canadian co-operatives were reporting about their sustainability practices. Through website searches it was found that in general very little is communicated regarding the sustainability activities of co-operatives.

The purpose of this research is to investigate the tools and indicators available to co-operatives to help measure and report on non-financial impact. In general, there are some reporting tools that have been designed for expanded reporting and measurement for organizations within the social economy. For example, in the book *What Counts: Social Accounting for Nonprofits and Cooperatives* (Quarter, Mook, & Richmond, 2007) the authors outline how co-operatives can account for the hours of volunteer work. And even more specialized under the umbrella of co-operative measurement, in 2014, Saint Mary's University hosted a global conference on tools to measure co-operative impact and performance (Brown, et al., 2015; McNamara, 2014). At this conference and in the subsequent publications, there are a number of co-operative-specific "tools" described including the Co-op Index (Hough, 2015), the Sustainability Scorecard (Brown, Hicks, & Leclerc, 2015) and the Co-operative Sustainability Scorecard (Christainson, 2015). The scope for needed research into tools and indicators in general and those specifically for co-operatives is apparent.

Methodology

A descriptive approach to researching this topic was employed to answer the question: What tools and indicators are available to co-operatives to measure their non-financial impact, such as social, environmental, sustainability, or co-operative? As Saunders and Lewis (2012) state, descriptive research is often thought of as a means to an end rather than an end itself and can tell a lot about the world around us which is very valuable in its own right. Through systematic collection methods and analysis this research aims to accurately describe the tools and indicators available to co-operatives to use.

To create the dataset that would help to answer the research question, the tools and indicators available needed to be unearthed. This was accomplished using purposive sampling that accounted for maximum variation, and snowball sampling meaning if a tool or indicator presented itself through another tool or indicator it may or may not be included based on the criteria.

Regarding the criteria used for inclusion in the dataset, definitions and variables for appropriate tools and indicators were created. Not dissimilar from the sustainability reporting literature, tools are generally defined as integrated systems of collection, measurement and reporting on expanded impact assessment. Variables looked for and considered included: scope, target audience, source, developer, for collection and reporting, analysis options, time frame, and benchmarking opportunities. A measurement or reporting tool helps the organization go beyond the headcount option to one of analysis and assessment. What was also quickly identified was the sheer number of standalone indicators available for use. In many cases, these were not integrated into a system of sorts or a formal tool, but offered ways of measuring and reporting a wide range of economic, social and environmental impact and the intersection of these components' impact. Indicators also often go beyond the headcount including analysis points or assessment opportunities. Some variables used to identify appropriate indicators include: type of indicator, metric for measuring the indicator, source, and description.

To create a dataset to work with, an online, web-based search was conducted for anything that could fall under the criteria described above. Terms used to search for tools and indicators included: sustainability metrics/indicators, sustainability measures/assessment, social

performance indicators, social performance measures, environmental impact indicators, environmental impact measures, non-financial performance indicators, co-operative assessment tools/indicators, measures of co-operative performance, co-operative performance indices/indicators/measures, social and environmental metrics, environmental social governance (ESG) indices/indicators, social impact measures/metrics/indicators, sustainability reporting tools/techniques, social and environmental auditing tools/techniques/frameworks, and sustainability tools/frameworks.

Data collection was done during the summer and fall of 2015. The timeframe is important because in today's age of instant online updates, website content represents a snapshot in time, and changes to the source websites may have occurred since the data was collected.

While there were criteria imposed to find the data and create the dataset, the analysis approach taken was a combination of deductive and inductive. Deductive in the sense that the research question was looking to be answered: What tools and indicators are available to co-operatives to measure their non-financial impact, such as social, environmental, sustainability, or co-operative? An inductive analysis approach was also employed to allow explanations to arise from the data (Saunders & Lewis, 2012). This allowed the net to be cast wide to be inclusive of anything that could be used by co-operatives to measure and report on non-financial impact.

Once a co-operative-specific tool and indicator dataset had been created, a second method was used. Interviews with key participants, people who either developed, owned, used or promoted co-operative-specific tools were conducted. One of the findings of this study is that very little information exists on the take-up of co-operative-specific tools. Once it had been found that co-operative-specific tools did exist, it became obvious that very little recording of usage of these tools had been done; hence the need for short, pointed interviews to find out about take-up and how co-operatives were using the tool. These interviews needless to say, brought the developer perspective to light not the user perspective.

To turn to some limitations of this research, by no means is the list of tools and indicators available exhaustive. There are new tools and indicators to measure non-financial impact either for general use or co-operative specific designs being developed every year. Also importantly, because the study was predominantly looking at English language content and English language tools, the numbers of tools created in other languages is not reflected here.

Analysis

Non-financial tools for all organizational structures

To begin, it was important to get a lay of the land of non-financial indicator measurement tools in general. In other words what tools are currently available to co-operatives and IOCs to report on social, environmental and/or other non-financial indicators? To date, over 80 different tools have been found that aim to or have the objective of reporting on non-financial indicators.[2] The following list are the tools talked about the most: Global Reporting Initiative (GRI), Social return

[2] The Centre of Excellence in Accounting and Reporting for Co-operatives (CEARC) has been working on creating a database of reporting tools including the co-operative-specific tools and based on a number of the variables cited in this research. This searchable database will be made available online in 2018 on the CEARC website.

on investment (SROI), AccountAbility, International Integrated Reporting Framework (IIRC), and Social Accounting. These are the usual suspects when it comes to measuring social or environmental or sustainable impact. These are taken up by IOCs and co-operatives alike, although the target is for IOCs' auditors, accountants, shareholders, and management.

The following are also in the non-financial reporting limelight: B-corps, STARS, Earth Charter, and United Nations Global Compact. These are tools, accreditations or charters that IOCs, non-profit organizations, universities and co-operatives can sign onto pledging their commitment to sustainability in general or specific aspects of sustainability depending on the focus of the tool. These accreditations or charters are sometimes used in tandem with other reporting tools.

Besides these popular non-financial impact reporting tools, there are many proprietary tools that are purpose-built to be used only by the company that developed it and sometimes to be used only once. These are often developed and implemented by larger IOCs. These tools are equally as important although have no intention of being transferred to other companies (or co-operatives), are not standardized, do not have assurance mechanisms from outside organizations built in, and have multiple different motivations for design and implementation by the companies that have built them.

Non-financial tools that are co-operative-specific

This begs the question: What tools exist specifically for co-operatives? What tools have been developed for co-operatives to understand their social, environmental, or sustainability impact? The first point to consider is the World Co-operative Monitor (WCM).[3] As stated on their website, "The main goal of the World Co-operative Monitor project produced by EURICSE and the Alliance is to develop a multi-dimensional database reporting on the socio-economic value and impact of co-operatives both within a global scenario and in their regional and national contexts" (The Alliance, 2016). The WCM is a voluntary survey of co-operatives that includes head count type questions, sector questions, and financial questions. The WCM is a good example of a collection tool that intends to capture something about the global nature of co-operatives, the scope of industries, membership numbers, and governance structures etc.; however, there is very little on the social or environmental nature of co-operatives. There are two questions that could be understood as having a social nature: How many volunteers are there in the co-operative and does the co-operative have any other non-financial reports and can they be sent to the WCM. In the report on the WCM's findings, the volunteer numbers are reported, but there is no mention of the other non-financial reports or what the other reports state. It can be assumed that the reporting on this question is not significant. In terms of future research, it would be interesting to know if any other reports are in fact submitted to WCM researchers and if anything can be said about them that can be standardized across co-operatives like the other WCM data points.

Fifteen co-operative-specific tools were found and one database warehouse (see Figure One). The tools in the first column have indicators identified and some have metrics attached to the indicators.

[3] While the World Co-operative Monitor is not exactly a tool as defined earlier, it is important to discuss it by way of acknowledging what is collected about co-operatives on the global scale.

Those in second column have a more charter or philosophy for working nature to them. And the last column is the one database warehouse.

These fifteen English language co-operative-specific tools were analyzed considering the following variables: purpose or motivation for using the tool, distinct indicators, sustainability component, methodology, and country of origin. As stated earlier, there are probably more, but these are the ones that emerged time and again.

Figure One: Co-operative-specific Tools

Identified indicators/metrics	Charter/philosophical in nature	Database
Simply Performance (CoopsUK)	**Simply Finance (CoopsUK)**	**CoMetrics (Database warehouse)**
Co-operative Index	**Simply Governance (CoopsUK)**	
Cooperative Housing International Good Governance Test	**Worker Cooperative Code of Governance (Cooperatives UK)**	
Seward Coop Scorecard	**Co-operative Sustainability Scorecard**	
EuroCoop	**Cooperative Green Pact**	
Gerard Perron Cooperative Certification	**Good Governance Charter for Housing Cooperatives**	
The Consumer Co-operative Sustainability Reporting and Planning Scorecard (Co-op Atlantic Scorecard)	**Cooperative Board Evaluation**	

In some cases, the answers to the variables were found through a web search on the specific tool. In terms of purpose or motivation for using the tool, there was a mixture of reasons why a co-operative would employ one of these tools including: ensuring adherence to Co-operative Principles, measuring sustainability, strategizing about the future of the co-operative, assessing co-operative governance, and addressing social responsibility.

Seven of the 15 tools (first column) have a distinct set of indicators, for example, asking the co-operative to report on community donations.[4] Identified indicators fall mostly into the social

[4] Only two (Simply Performance and Cooperative Housing International Good Governance Test) of the seven tools with indicators were publicly available, others are proprietary so not available. The numbers reported on indicators are therefore only from the two tools.

component (31), followed by economic (8), sustainability (2), and environment (1). Few of the tools have identified metrics for reporting on the indicators, for example, those of a more social nature ask: hours of staff training provided, average number of members voting in elections, average attendance at general meeting of members or number of hours of volunteer time. Indicators of a more economic nature tend towards metrics such as the dollar value of community donations, percentage of members' wages in comparison to total wages, member savings, or percentage of net profit of member funds. The environmental indicator identified was reduction in greenhouse gas emissions and waste and the sustainability indicator was the investment in community and co-operative initiatives. There seems to be an emphasis on the social component of sustainability for co-operative tools over environmental component, as well as a strong link to the Co-operative Principles.

What column two represents are tools that, instead of using indicators and metrics, employ a philosophical stance. These tools instead ask the co-operative to investigate its commitment to sustainability. For example: what does your co-operative do regarding sustainability? Or have philosophical statements the co-operative is asked to commit to.

Related to this, and looking at all of the tools found, the methodology buttressing the tool is directly dependent on the distinctiveness of the indicator. Some have metrics built in (Simply Performance), some are points based (Cooperative Index), other tools supply an overarching guide, framework or philosophy (Co-operative Sustainability Scorecard), and other tools have a scorecard or questionnaire (Co-op Atlantic Scorecard, Cooperative Index).

Another variable looked at was where tools were developed. Taking into consideration that this was predominantly an English language study, the tools found were developed in the UK, Canada, USA, and the Philippines.

In some cases an interview with the contact person was needed as the information on the variable – scope of application or take-up, ownership model, development, payment scheme, level of control, transferability, dissemination, and future plans – was not readily available on the web.

Rarely was there any information reported on the scope of application or take up of the tool. It was difficult to know whether these were developed but never used or developed and co-operatives were widely implementing them. From the interviews, it was found that very few of the "owners" of the tools knew very much about how many co-operatives had used their tool and/or to what ends. The tool used most often was Simply Performance (approximately 25 co-operatives), followed by the Cooperative Index with nine and Co-op Atlantic Scorecard with four co-operatives using it and some other co-ops testing it. Others are free and available online with no way of monitoring take-up (e.g., Co-operative Sustainability Scorecard), others are proprietary and intended for only one co-operative (e.g., Seward Scorecard) and others I was unable to obtain information on the take-up or application of the tool.

There are a number of different ownership models in play for the co-operative tools. Most of the co-operative tools are owned by the co-operatives that developed them for their use (i.e., Seward Co-operative), but there is also an example of a co-operative federation (i.e., Cooperatives UK) owning the Simply series of tools, a co-operative that was established specifically to offer the tool

(i.e., Co-operative Index), and co-operative consultants (i.e., Co-operative Sustainability Scorecard, Perron Certification) owning and offering the tool. Regarding the development of the tool, sometimes it was developed by the co-operative itself (e.g., Seward Scorecard), sometimes by a consultant or academic (e.g., Perron Certification), sometimes in a team involving consultants, academics and/or co-operatives (e.g., Simply series, Co-op Atlantic Scorecard), and sometimes it is based on a philosophy built around the co-operative values and principles (e.g., Co-operative Sustainability Scorecard).

Hand in hand with the ownership model are different modes of payment. Sometimes a licence is connected to the tool and sometime a licencing fee as well. Other tools have a reporting fee or usage fee and others are free. The modes of payment are also connected to the level of control the owner has. If there is no fee, it is online, there are no services offered in conjunction with the tool, and the take-up of the tool is not tracked, clearly the owner is more interested in an open source type of usage (e.g., Co-operative Sustainability Scorecard). Whereas, other tools have a much higher level of control from the owner that could involve purchase, services rendered or support.

The next three variables – transferability, dissemination and future – all relate to the outward focus of the tools. Some of the tools are universal, could be applied to any co-operative (e.g., Cooperative Index, Simply series), whereas others are intended solely for the co-operative it was designed for (e.g., Seward Scorecard). Some tools (e.g., Co-op Atlantic Scorecard) though develop for a co-operative group could be adapted to other co-operatives with minor modifications. The transferability variable is interesting when thinking about the standardization and universal aspects of tool building. Regarding dissemination, the tools were mostly downloaded or shared after the co-operative found out about it through word of mouth or found the tool website. The future of the tools depended on the purpose and motivation of development. Some tools are clearly meant to be taken up and used by many co-operatives (e.g., Simply series, Cooperative Index, Perron Certification, Co-operative Sustainability Scorecard); whereas, others will be used repeatedly by the co-operative (e.g., Seward Scorecard, Coop Atlantic Scorecard).

Not to be forgotten in the analysis, is Cometrics. Cometrics has been included despite its slightly different nature. Cometrics is a co-operative that builds databases and tools based on data for businesses. According to their website "CoMetrics enables independent businesses, cooperatives and nonprofit organizations to harness the power of data to transform their performance and impact" (Cometrics, 2017). Needless to say while the co-operative can build impact assessment tools and house the data in tool, it does not have a co-operative performance tool available for take up and use.

Indicators for all organizational structures

As part of the purposive and snowball sampling method to investigate non-financial measurement tools, it became clear that there was a bounty of singleton indicators. These indicators do not belong to a formalized, standardized, official, and/or uniform tool. These indicators are sometimes standalone, sometimes one-offs. The indicators sometimes had metrics attached to them and sometimes not. Over 100 were found during the web search.

For the purposes of analysis, indicators not found in a formalized tool have been organized into the following categories: community, social, environmental, safety, and governance. Community type indicators pertain to quantified investments in the community, such as the number of people who participate in an event towards a cause, or/and the number of events facilitated towards a number of causes. The key is that community type indicators foster interaction amongst members of the community and engages the people in the locality.

Indicators of a social nature can be seen as the human element. Anything that pertains to the improvement and welfare of people within the organization and other pertinent stakeholders. Human rights records and policies, efforts at creating diversity and promoting inclusivity, as well as investments in training and development, are some of the metrics found in this category.

The organization's impact on the environment is taken into consideration in the environment category of indicators. Quantities of paper used, waste generated, carbon emission rates and numbers of trees planted are some of the measures that look at the impact on the environment.

Safety also emerged as category of indicators. Many organizations, especially in manufacturing and the like, keep track of the number of accidents that take place at work and use the information to review health and safety policies to ensure that as the number of injuries that happen within the workspace are kept as close to zero as possible. This sometimes includes mortality rates, and records on life-changing injuries.

And finally, governance was also an indicator that was found. These indicators are used to verify determine the extent to which a firm's leadership is ethical and transparent, and look to minimize corruption and the abuse of power. Examples are the number and frequency of workshops on ethics, commitments to bodies that verify reporting standards, and the level of participation of other stakeholders. Sometimes it includes measures on the level of diversity of staff in senior management roles.

The above categories and range of indicators and/or metrics found did not differentiate between co-operative-specific and available to all organizational structures. This, however, would be an interesting point to investigate more thoroughly to see if there are co-specific indicators and/or to differentiate between co-operatives and other organizational structures.

Summary

The purpose of this research is to answer the question: What tools and indicators are available to co-operatives to measure their non-financial impact, such as social, environmental, sustainability, or co-operative? While a very exploratory study by nature, a number of key findings have been discovered.

While there are many non-financial impact measurement tools available, they are not standardized across tools, however, could be used in tandem for different purposes. There are very few co-operative-specific tools. They have been developed for very different purposes and have different motivations and implementation practices. There are very few with measurable indicators and aligning metrics. Within these tools, there seems to be an emphasis on the social component of sustainability for co-operative tools over environmental component, and this social link has a

connection to the Co-operative Principles. And finally, there is very little information on the take-up of co-operative-specific tools.

In terms of future research, the opportunities abound and include: a comparison between co-operative-specific and general tool content – what makes them different? A deeper investigation into co-operative-specific tools and how they are used from a user's perspective. An investigation into whether co-operative-specific tools are necessary and/or can be used in conjunction with other tools. And finally, research into the motivations for using tools and/or indicators to better understand non-financial impact of co-operatives.

As a result of this research some new questions emerge around the future of non-financial impact measurement and reporting for co-operatives. Is there a need for a universal co-operative-specific tool to measure non-financial impact? And/or could one of the existing tools rise to the occasion? The opportunity is there given the driving forces behind understanding more about impact.

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