Triple Bottom Line (Tbl) Performance from Sustainable Reporting Perspective

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ABSTRACT:

Purpose - The article refers to a tool to measure the impact of businesses on the economy, society, and environment in sustainable development, which is the Triple bottom line (TBL). The article outlines different approaches to TBL in the enterprise: 3 ESE issues: Economic, social, environmental, 3 P's approach: Profit, People, Planet. By analyzing factors affecting the application of TBL in enterprises, the article examined the influence of each factor on the application of TBL in enterprises and on the level of sustainability of the business.

Methodology - The article uses a descriptive statistical method through data analysis of 192 manufacturing enterprises. It evaluates the factors affecting the application of TBL in enterprises and the influence of TBL application and other elements on sustainable development.

Findings – The article identifies and tests the influence of factors on the application of TBL: Characteristics of enterprises, measurement tools available at the enterprise, and business strategy that affect the application of TBL in enterprises. Enterprise information systems and competition of enterprise do not affect TBL. In addition, by advanced testing techniques, the article also shows the influence of factors on the level of sustainable development of enterprises: The Triple Bottom Line, characteristics of enterprises, enterprise information system, and competition of enterprise affect the level of sustainability of enterprises, while measurement tools available at the enterprise and strategy of business do not affect the level of sustainability of enterprises.

Research limitations/implications: Research reports on manufacturing companies only, not all business types

Practical implications - Indicate the possibilities of applying TBL and evaluate the sustainable development of manufacturing enterprises

Social implications: The article studies aspects related to the environment, saving natural resources, and sustainable development. From there, it refers to the issue of sustainable development by measuring the consumption of natural resources.

Originality/value - This article is unique because it assesses the factors influencing the adoption of TBL to measure sustainability in manufacturing enterprises.

Keywords: Triple bottom line (TBL), Sustainability Reporting, Economic Social and Environmental Reports, TBL Report

Paper type Research paper

1. INTRODUCTION

in the mid-1990s, serial entrepreneur volans co-founder john elkington 1998 coined the name "triple bottom line" (tbl) as he sought to measure emerging concepts in the sustained performance of american businesses. tbl expands the framework of traditional accounting by measuring profit and shareholder value by including the measure of the social and environmental impact of the organization. by focusing on multifaceted results in terms of profits, people and planet, tbl is a tool to gauge the value of a business in meeting its sustainability goals. according to elkington, tbl is not only an accounting and reporting tool; it is also a tool for

speculating the future of decision-making regarding the market and capital solutions.

according to lorenzoni, i., jordan, a., hulme, m., turner, r. k., & o'riordan, t. (2000), the tbl theory explains the balanced development of the entity in terms of economy, society, and environment. the main goal of the entity is not just profit. more and more organizations are referring to tbl in the sustainable development of enterprises, in which performance measurement is based on economic, social, and environmental factors. ignoring social and ecological aspects can lead to businesses facing the risks of losing market share and paying environmental and other costs to regain consumer confidence.

the article aims to answer the following questions:

1. what is the role of tbl in the business?
2. tbl approaches in the enterprise?
3. factors affecting the application of tbl in enterprises?
4. will the application of tbl affect the sustainable development of the business?

2. LITERATURE REVIEWS

triple bottom line (tbl) is a process to report, evaluate, and improve performance about organizational sustainability. tbl is gaining recognition in several places as a tool to report on the entry or exit of sustainability and to incorporate tbl principles into corporate practice.

john elkington coined the term triple bottom line in the 1980s to highlight the importance of accounting for the non-market and non-financial aspects of performance incorporations, including social performance. according to elkington, from tbl's point of view, businesses should focus on economic value and pay attention to whether they improve or harm society and the environment?

more specifically, the meaning of the word 'triple bottom line' is a framework for measuring and reporting business performance in terms of economy, society, and environment. a triple bottom line is not a new metric but rather an approach to performance assessment and management that is interdependent between the three economic, social, and environmental aspects. the triple bottom line is the best view of the multidimensional performance management, measurement, and reporting process integrated with the management process.

the triple bottom line has emerged as a moral guide that builds the foundation for accounting-society-environmental issues for the development of business and society. while the concepts and theories of tbl gradually become standard, the application of tbl in practice is still controversial and can confuse. the lack of information to make decisions about sustainable development can confuse.

epstein and birchard (1999) argue that incorporating social and environmental aspects in managerial decision-making in an enterprise is the best way to run a business. these three aspects can be represented by social and environmental accounting and reporting tools, found social balance sheets, social-environmental audits, social scorecards, social and financial balance sheets, social and financial income statements, and pollution audits. reports that combine economic, social, and environmental aspects are considered the most comprehensive reports that reflect an enterprise's current state and create confidence for information users.

according to savitz, a. (2013), a researcher on corporate sustainability strategy, tbl has grasped the importance of measuring the impact of businesses on the world on valuable content, shareholder value, and the effect of the company on society, people, and the

environment. for a long time, businesses often do not pay attention to their environmental and social impacts and do not take measures to improve and minimize their effects. therefore, it is considered that the essential and long-term issue is that businesses need information related to society and the environment and financial information to support decision-making. according to dascalu, c., caraiani, c., lungu, c. i., colceag, f., & guse, g. r. (2010), the tbl model can provide businesses with information on all three aspects. when it comes to performance indicators, we cannot use just one category to evaluate the overall image of corporate performance. this is explained by: (1) a change in one aspect (economic, social, or environmental) can affect the other two. (2) sustainability strategies often use one sustainability area as the standard against which goals are defined in other areas. (3) the sustainable development process requires a combination of actions to achieve the entire performance indicators rather than just improving a specific area.

the concept of tbl is analyzed and understood concerning other ideas of an organization's roles and responsibilities for its performance. in this context, an interdisciplinary conceptual framework is required to enhance a multidimensional understanding of the roles and responsibilities of business (lungu, c. i., caraiani, c., & dascalu, c., 2007). among the three problems of tbl, only the economic one is easy to measure, while the other aspects (social and environmental) are difficult to measure precisely, which is one of the top complaints about the approach. this close. profits are measured in dollars, but how can you measure social capital and environmental and ecological health?

al-zawahreh, a., & al-madi, f. (2012) argues: "part of the challenge in managing up to the three bottom lines is

that it's hard to come up with dollar-specific figures. la for all the benefits from your efforts. "what is the value of reducing your co2 emissions? how many employee benefits will that flexible work policy generate, and what is its significance? ". according to robins, f. (2006), another solution is calculating three lines of an index. this eliminates the problem of incompatible units and allows comparisons between entities.

3. THEORETICAL FRAMEWORK OF RESEARCH

3.1. approach to tbl according to ese (economy - society - environment)

tbl is often understood in terms of sectoral (development, agriculture, legal, industry, etc.) and dimensional (environmental, social, economic) contexts at varying scales (local, national, regional, and international). the result is that sustainability can mean different things to different players. still, it should be guided by a standard set of principles and goals at the highest level, creating stability and equality in distributing goods and services. it encompasses social action and direction, conservation and development of resources, environmental protection and restoration, promotion of corporate governance, increased transparency, democracy, and participation. decision-making should also follow an integrated approach to socio-economic issues regarding the basis of socio-economic rules applicable to enterprises. ultimately sustainability is about doing things better to promote social, environmental, and economic strength. tbl in the agenda of the proximity of local government to local communities has been assessed as a tool to encourage agents in the community on sustainability (evans, b., & theobald, k., 2003).

the tbl accounting approach eliminates the need for a single presentation and analysis of outputs. accounting with a tbl approach is not looking for a new system of metrics to represent performance but rather a journey to re-establish and manage performance issues to increase their social and economic importance and interdependence between society and the environment.

from the perspective of accounting, social and environmental accounting needs to answer three questions: what do units need to report? how are these reports constructed? how to link different sections of the report? the literature on applying this conceptual framework is not objectionable because the idea of tbl is based on a non-rigid philosophy and goal. in current social knowledge, the importance of information about various aspects of business is overgrowing: knowledge management is already beginning to overtake the management of material, production, or staff.

arguments from stakeholders such as government, academics, and ngos can force business leaders to use sustainability reporting to make a difference, helping them change fundamentals in thinking and perceiving the nature of corporate development (adams, c. a., & whelan, g., 2009).

as with previous studies, we consider the combination of economic, social, and environmental reports as constantly changing and challenging with the development and expansion of concepts. organizations need to create incentives to create and disclose these reports to serve their employees, create goodwill in the community, convey important messages to critical audiences, overcome negative information in the past, maintain standards, and expectations, promoting the achievements of the business ...however, the tbl report also becomes a tool for disclosing non-financial information. the unit can better prepare for future opportunities and requirements based on monitoring economic, social, and environmental performance indicators (caraiani et al., 2007).

Figure 1: TBL according to economic-society-environmental measure
(Lungu, C. I., Caraiani, C., & Dascalu, C. (2007).

triple bottom line (tbl) is an emerging process that aims to report, assess and improve organizational performance about sustainability. it is gaining recognition within local government to report progress towards or away from sustainability and incorporate its principles into management practices.

john elkington coined the term triple bottom line in the 1980s to highlight the importance of accounting for the non-market and non-financial aspects of performance.

tbl and sustainability strategies, however, require comprehensive reporting and assessment of the full

range of economic, social, and environmental issues, combined with the integration of these factors into council operations and strategic planning.

environmental indicators are a core component of reporting but should be integrated with relevant social, economic, cultural, and governance measures. hence, a broad interdisciplinary and interdepartmental approach is required.

the social dimension of tbl reporting sustainability reporting is driven by the desire to improve our measures of progress across an integrated social, environmental, and economic front. just as at the national level, there are debates over our measures of progress and the fallibility of the gdp, so too are debates emerging at the local level. measuring local community sustainability and social progress are critical issues within the indicator debate, as is the emerging field measuring social capital.

however, besides the performance analysis in the socio-economic-environmental relationship, a new dimension is needed to be added called integrated performance. if each organization only reports information about one area, it is impossible to define a standard set of integrated performance indicators.

based on performance reporting reality at a global level, integrated indicators are classified into two categories: systemic indicators and integrated indicators

systemic indicators represent performance indicators within the limits of an organization's capabilities. for example, the amount of waste/year – the rate the local authority allows, or the number of new jobs created during the year. systemic indicators are understood as the extent to which performance can affect the performance of a larger organization.

integrated indicators related to 2 out of 3 fields are economic, social, and environment, expressed in relative value. eco-efficiency metrics such as waste/product/revenue are commonly used in businesses. for comparing and evaluating performance, many units have proposed standardizing the measurement criteria of resources used or environmental impact concerning other economic and social indicators. the integrated indicators show the positive and negative influence of each variable change.

the economic performance reflects all economic issues of an organization, the interplay of which includes traditional indicators used in accounting and other intangible factors that are not shown in the financial statements. the financial indicators aim at the profitability aspect of an organization to inform leaders and shareholders. in contrast, the economic indicators, in a sustainable context, also look at how an organization affects its economic stakeholders, either directly or indirectly. however, the main goal of measuring economic performance is to detect changes in the economic positions of stakeholders because businesses are not only interested in their financial situation but also the economic development of their stakeholders. in some cases, financial indicators exist that can directly measure these changes. however, in other cases, the traditional information in the financial statements is not suitable or available to assess the impact of related parties.

the environmental dimension of performance concerns the organization's influence on the natural environment, such as ecological environment, soil, and water, in absolute and relative terms. fundamental metrics provide information about the extent and scope of impact, allowing information users to analyze performance in the context of larger systems. comparable metrics describe an entity's effectiveness and

allow for comparisons between units. for environmental-related indicators, organizations are encouraged to present broader ecological system-related indicators such as pollutant absorption capacity and comparison in their operating environment. with local, regional, national, and global data with specific information such as energy consumption and its origin; waste management, how to exploit land...

social performance can be measured by analyzing its impact on stakeholders at the local, regional, territorial, and global scales. in some cases, social performance indicators affect intangibles such as human capital and reputation. the social performance aims to interact with the organization, human resources, and other related individuals. social performance indicators include employee relations, health, safety at work and human resources, wage/cost of living ratios, elimination of discrimination, and respect for local communities. social performance indicators are often complex, so there is less consensus than environmental performance indicators because they relate to specific aspects such as labor productivity, human rights, and general issues affecting consumers, communities, and other stakeholders. some social performance indicators are transformed from the economic and environmental performance indicators. many social problems are difficult to measure precisely but can only be measured by the quality of activities such as policies, procedures, and management practices. these indicators are not related to general policy but to specific social issues that are narrowly defined, such as forced labor or freedom of association. in the case of some regions and types of businesses, controversy over sustainable performance is necessary when accounting and social concerns may affect the ability to grow operations or

harm an organization's reputation and values. the new corporate process law has begun to draw attention to the broader discussion of sustainability concerns. new technologies have linked to integrated economic, social and environmental performance assessment. as with other business analysis tools, performance metrics need to be established for each specific industry to be compared appropriately. the metrics should also cover all tangible and intangible costs, identifiable costs, sunk costs, and other multi-stakeholder concerns (maurer, a., 2012).

slaper, t. f., & hall, t. j. (2011) recommend that we evaluate the initial three bottom lines of a business using the following measures:

economic measurement
• average income
• underemployment costs
• job distribution by sector
• revenue by sector

environmental measurement
• greenhouse gas emissions
• amount of waste generated
• use recycled, post-consumer materials
• water and electricity consumption
• fossil fuel consumption
• waste management

social measurement
• average household income
• unemployment rate
• crime per capita
• average life expectancy
• academic level

3.2. how to approach tbl according to 3p (people - planet - profit)

the triple bottom line is a sustainability-based accounting approach that focuses on people, profits, and the planet. tbl differs from traditional reporting formats because it contains social and ecological dimensions that are difficult to measure. therefore, the idea of developing any sector, you have to complete the whole business. the pillars of tbl under the 3p approach include

people, planet, and profits (majid, i. a., & koe, w. l., 2012). the triple bottom line can be envisioned as a three-legged stool, with one leg representing people, one leg representing the planet, and one leg representing profit.

people

tbl measures the impact of a business on human capital. a company using tbl has a responsibility not only to its shareholders but also to its employees, merchants, customers, the communities in which it operates, and wherever the business has a direct or indirect impact. tbl recognizes the interdependence of all human relationships and interactions that keep a company running. it is reflected in providing quality health care activities, flexible working schedules for employees, opening up opportunities for career advancement and training, opening up a working environment, and working safely and committing to fair work.

planet

businesses adopting tbl will work to reduce their ecological footprint. they work with the motto that the smaller the business's impact on the environment, the longer it will operate. it is the basic foundation related to not producing unsafe, unhealthy products for the planet and the people on it and also includes reducing consumption and reducing waste and emissions. it deals with specific issues such as using renewable energy sources, reducing energy use, handling hazardous substances, and adopting corporate green policies.

profits

all businesses are concerned about their financial situation, but tbl companies see profits as an issue for shareholders and investors and how they use their profits. under this model, businesses will assist in promoting economic development and creating employee wealth using fair

remuneration, supporting local suppliers in their business operations, creating innovation, and paying taxes fairly. enterprises also make prudent financial decisions based on professional ethics regarding input materials, products, and labor quality.

according to alhaddi h. (2015), with tbl, you can maximize the value of the company because at some point, when you only deal with the problem of profit, people and planet distinctively, they are also not mutually exclusive and promote each other so that one area can positively affect the other.

implementing tbl also requires you to evaluate policies and benefits for employees, salary issues, health care, and flexibility in working time to determine the level of care for people. enterprise labor. you also need to assess whether there are issues where you can reduce energy consumption, reduce waste and increase the introduction of green initiatives.

regardless of how businesses act to adopt tbl, the most important thing is that their employees and managers are encouraged to do more than just profit.

tbl needs to be part of a company's culture and values to be most successful, said vanclay, f. (2010). everyone wants to be a part of something that has a significant impact on the world.

4. FACTORS AFFECTING THE APPLICATION OF TBL IN ENTERPRISES

4.1. RESEARCH SAMPLE

we surveyed 192 businesses through an online questionnaire to identify and measure the factors affecting tbl adoption in vietnam using amos data analysis software. we analyzed 192 listed companies: 17.7% are rubber processors, 14.1% are steel producers, 6.8% are pharmaceutical manufacturers, 29.2% are plastic packaging, and 16.6% are mining companies.

survey respondents are representatives of the board of directors in charge of finance and accounting. the survey and data collection period is from december 2021 to april 2022. this study's primary data analysis method is the structural equation modeling (sem) with amos - spss. to obtain a reliable estimate for this method, according to tauchen (1986), the sample should usually be more significant than 200 (n > 200). based on the empirical rule of hair et al. (2010), for one estimator, the minimum sample size needed for this study is n > eight × the number of variables = 8 × 23 = 184. we combine the above principles and the sample size with n = 192. the study uses the variable tbl measured by available measurement tools related to tbl, the level of competition of enterprises in the same field, the strategy of the enterprise, and the information system of the enterprise (rounaghi, m. m., 2019, martinez-hernandez, e., leung pah hang, m. y., leach, m., & yang, a., 2017, oberle, b., bringezu, s., hatfield-dodds, s., hellweg, s., schandl, h., clement, j., ... & zhu, b., 2019). at the same time, the article also proves that the application of tbl affects the sustainability of enterprises.

Table 1 – Factors affecting the adoption of Triple bottom line (TBL) and level of sustainability (SUS) of listed companies in Vietnam

	Measurement tools available at the enterprise (ME)
	Measurement tools available at the enterprise (ME)
1	Economic measuring tool (ME1)
2	Social measurement tool (ME2)
3	Environmental measurement tool (ME3)
	The level of competition of enterprises in the same field (CP)
4	Pressure from competitors to apply TBL (CP1)
5	Market domination rate of the enterprise (CP2)
6	The proportion of exported products (CP3)
7	Competition from customers' requirements (CP4)
	The strategy of the business (ST)
8	Strategies for effective use of resources require businesses to apply TBL (ST1)
9	A clean production strategy requires businesses to apply TBL (ST2)
10	Ensuring the interests of stakeholders requires businesses to apply TBL (ST3)
	Characteristics of the business (CH)
11	Production technology is updated with TBL (CH1)
12	Managers' competencies ensure the application of TBL (CH2))
13	Information systems ensure the application of TBL (CH3)
14	Tools and methods of measuring inputs and outputs to enable TBL measurement (CH4)
	Enterprise information system (IS)
15	Management software system (IS1)
16	Human resources in information technology (IS2)
17	Information infrastructure (IS3)
18	Ideas of business leaders on information systems (IS4)
	Applying TBL (Dependent variable) (TBL)
19	Measure of economic sustainability (TBL1)
20	Measure of social sustainability (TBL2)
21	Measure of environmental sustainability (TBL3)

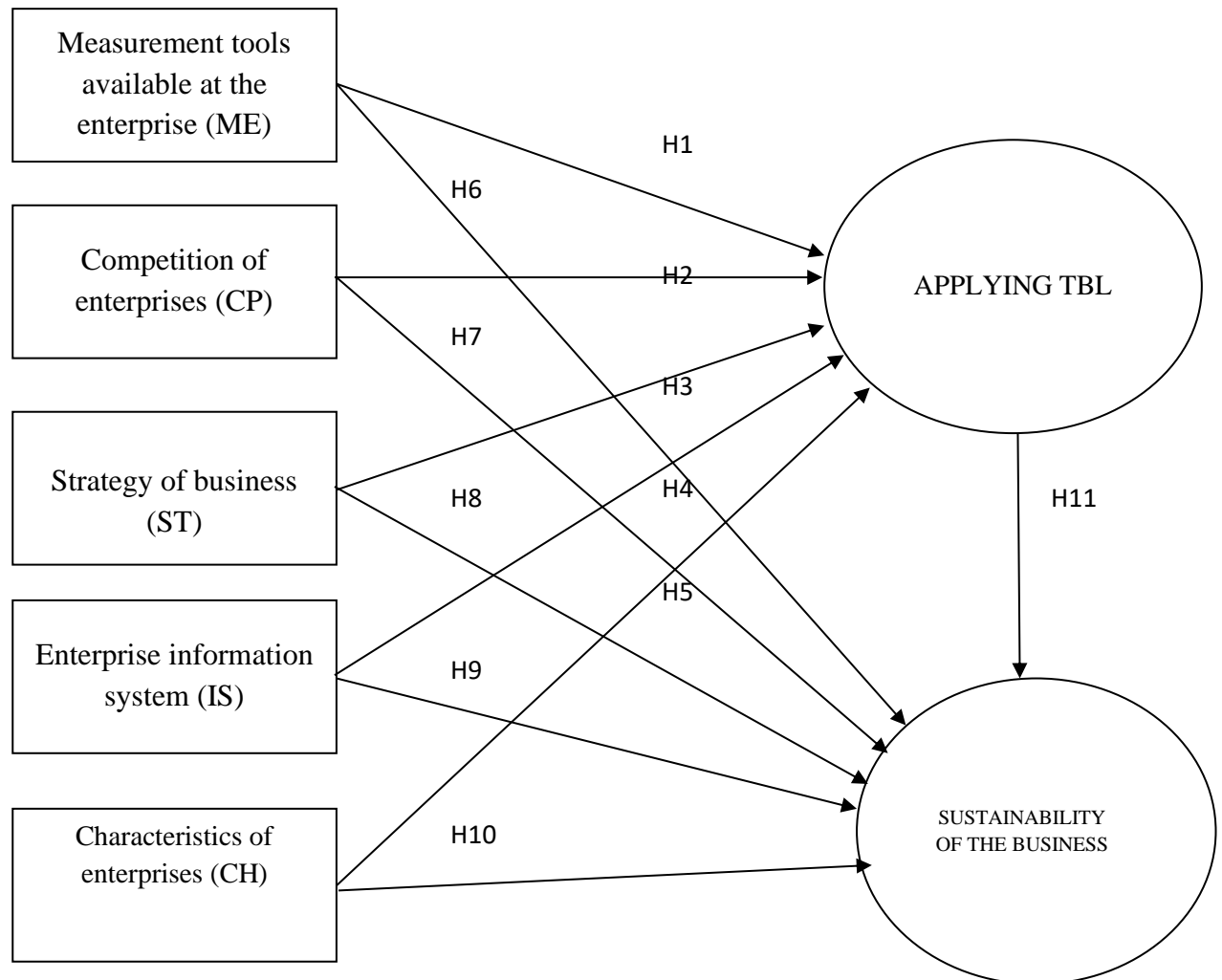|	Level sustainability of business (SUS) (Dependent variable)
22	Economically sustainable (SUS1)
23	Social sustainability (SUS2)
24	Environmentally sustainable (SUS3)

Figure 2- Model of research

Our research hypothesis is:

H1: Measurement tools available at the enterprise affect the application TBL

H2: The level of competition of enterprises in the same field affects the application of TBL

H3: The strategy of business involves the application of TBL

H4: The enterprise information system affects the application TBL

H5: The characteristics of enterprises affect the application of TBL

H6: The measurement tools available affect the level of sustainability of the business

H7: The story of competition of enterprises affects the level of sustainability of a business

H8: The strategy of the company involves the level of sustainability of a business

H9: The enterprise information system affects the level of sustainability of a business

H10: The characteristics of enterprises affect the level of sustainability of a business

H11: The application of TBL affects the level of sustainability of a business

4.2. FACTORS AFFECTING THE APPLICATION OF TRIPLE BOTTOM LINE (TBL) AND THE LEVEL OF SUSTAINABILITY OF A BUSINESS

Table 2- KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.875
Bartlett's Test of Sphericity	Approx. Chi-Square	2805.325
	df	276
	Sig.	.000

First of all, we use SPSS 26 software to test the reliability. After running the rotation matrix, the coefficient KMO = 0.875>0.5, sig = 0.000 <0.05, so the model is satisfactory, there are seven groups of factors that converge and have cumulative loadings at 66.648%>50%, which showed that the independent variables explained 66.648% of the dependent variable.

Table 3 - Total Variance Explained

	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
Factor	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	8.667	36.110	36.110	8.341	34.754	34.754	5.375
2	2.218	9.240	45.351	1.870	7.792	42.546	5.322
3	2.133	8.887	54.237	1.840	7.666	50.212	5.123
4	1.666	6.943	61.180	1.360	5.667	55.879	5.014
5	1.405	5.855	67.036	1.071	4.462	60.341	4.772
6	1.162	4.843	71.879	.814	3.391	63.732	4.004
7	1.013	4.221	76.100	.700	2.916	66.648	4.522
8	.641	2.670	78.771				
9	.587	2.445	81.216				
10	.498	2.076	83.292				
11	.457	1.902	85.194				
12	.424	1.767	86.962				
13	.391	1.629	88.591				
14	.374	1.560	90.152				
15	.349	1.455	91.607				
16	.302	1.258	92.865				
17	.277	1.154	94.018				
18	.247	1.028	95.047				
19	.242	1.007	96.054				

20	.219	.911	96.965				
21	.209	.870	97.835				
22	.196	.818	98.653				
23	.178	.744	99.396				
24	.145	.604	100.000				

Extraction Method: Principal Axis Factoring.

a. When factors are correlated, sums of squared loadings cannot be added to obtain a total variance.

Table 4 - Pattern Matrix[a]

	Factor						
	1	2	3	4	5	6	7
CH2	.861						
CH1	.831						
CH4	.803						
CH3	.778						
IS4		.923					
IS3		.796					
IS1		.756					
IS2		.711					
CP2			.844				
CP1			.809				
CP3			.632				
CP4			.556				
TBL2				.851			
TBL3				.851			
TBL1				.795			
ME2					.845		
ME1					.803		
ME3					.702		
SUS2						.848	
SUS3						.804	
SUS1						.726	
ST1							.936
ST3							.715
ST2							.616

Extraction Method: Principal Axis Factoring.
 Rotation Method: Promax with Kaiser Normalization.

a. Rotation converged in 7 iterations.

Pattern Matrix rotation is used to analyze factor confirmatory in AMOS software, to see whether the factors are convergent and discriminant.

Table 5 - Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
TBL	<---	CH	.348	.093	3.742	***	
TBL	<---	IS	-.025	.095	-.263	.792	
TBL	<---	CP	-.106	.124	-.851	.395	
TBL	<---	ME	.439	.111	3.954	***	
TBL	<---	ST	.225	.094	2.393	.017	
SUS	<---	TBL	.348	.091	3.832	***	
SUS	<---	CH	.211	.092	2.290	.022	
SUS	<---	IS	.328	.092	3.569	***	
SUS	<---	CP	-.239	.118	-2.022	.043	
SUS	<---	ME	-.014	.110	-.130	.896	
SUS	<---	ST	-.018	.090	-.199	.843	

From Table 5, we see that only variables CH (Characteristic of enterprises), Measurement tools available at the enterprise (ME), and ST (Strategy of business) influence TBL because sig < 0.05, hypotheses H1, H4, and H5 are accepted. The independent variables IS (Enterprise information system), and CP (Competition of enterprise) does not affect TBL because sig > 0.05, and hypotheses H2 and H3 are rejected.

The variables TBL (Triple Bottom Line), CH (Characteristic of enterprises), IS (Enterprise information system), and CP (Competition of enterprise) influence SUS (Level of sustainability of enterprises) because sig < 0.05, hypotheses H7, H9, H10, H11 are accepted, while ME (Measurement tools available at the enterprise) and ST (Strategy of business) do not affect SUS because sig > 0.05, hypotheses H6, H8 are rejected.

Table 6 - Standardized Regression Weights: (Group number 1 - Default model)

			Estimate
TBL	<---	CH	.336
TBL	<---	ME	.371
TBL	<---	ST	.220
SUS	<---	TBL	.389
SUS	<---	CH	.229
SUS	<---	IS	.358

Three variables affecting TBL in order of decreasing impact include ME 0.371, CH 0.336, and ST 0.22. Three variables

affecting the Level of sustainability of enterprises in descending order include: TBL 0.389, IS 0.358, and CH 0.229
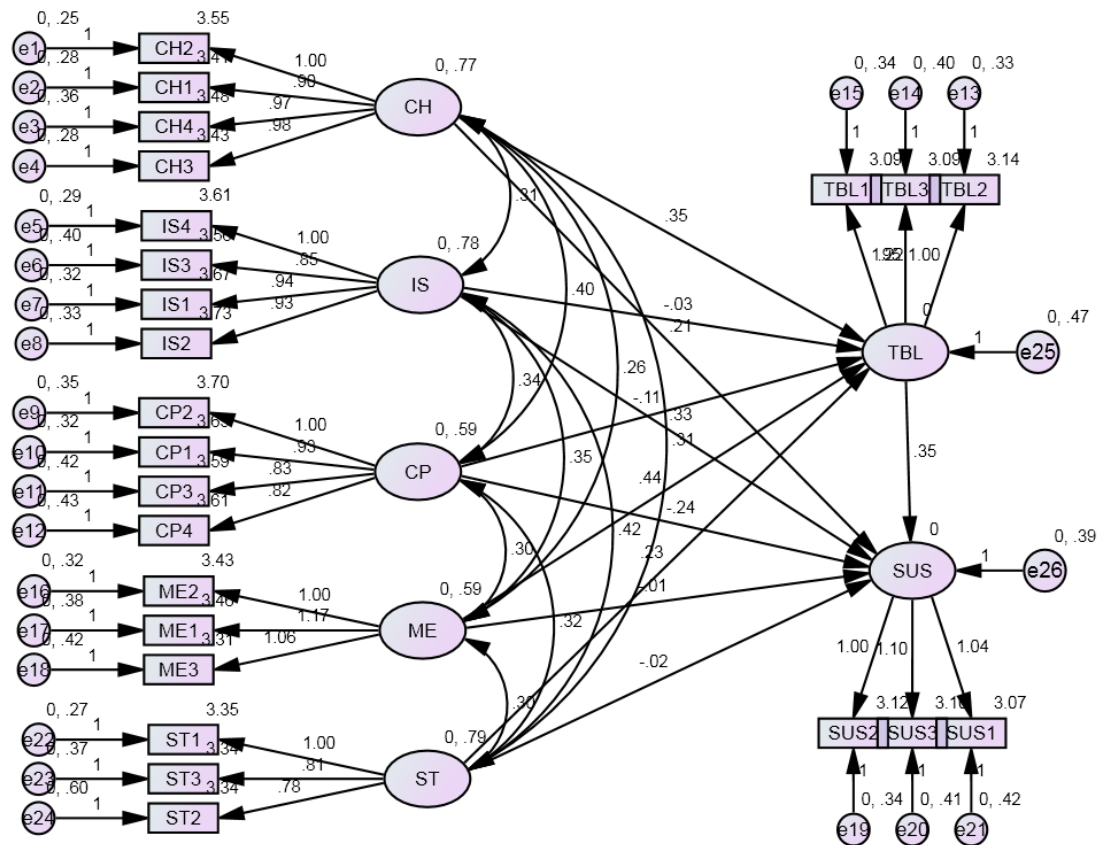
Figure 2 – Model results affect the application of TBL and the level of business sustainability

5. CONCLUSION

The best way to achieve financial success in the future is to expand the integration of corporate interests with those of society and the environment. Transparency and accountability, along with close relationships with stakeholders, will help businesses grow to serve the interests of shareholders and create a better environment. The reporting of information under the TBL may reflect the growing work commitments between the employer organization, business partners, government agencies, and environmental and community stakeholders.

For the TBL Report to bring added value to the organization, combining business activities with social and environmental issues is necessary. Organizations are experiencing significant changes in operational performance as TBL has brought many benefits such as:

✓ Implement matters related to professional ethics and company procedures at all unit levels. Currently, most corporate process initiatives are limited to the management level. TBL provides integration at all levels and corporate culture based on values;

✓ Improve risk management by implementing a performance monitoring and management system. Risk awareness can lead to more effective resource allocation and action planning decisions.

✓ Formalize and strengthen dialogue with information users (financial sector, suppliers, customers, or community). These allow organizations to take a proactive approach to future requirements

✓ Attract and retain highly qualified personnel by focusing on the value and continuity of the organization

✓ The ability to design performance metrics both within and across industries, creating a competitive advantage for suppliers and customers, and increasing access to finance resulting from lending decisions affect non-financial performance.

All of these make TBL have a positive effect on increasing the unit's market value. The increased economic, social, and environmental information reporting aims to integrate Internal Reports with external Reports to enhance accountability. Points to note for TBL performance metrics:

✓ Price effect

In a situation of perfect competition, price influences the performance or non-execution decision and directly affects the efficient use of resources. In practice, there are cases where the price does not guarantee the convergence of the conditions of costs, benefits, and social goals. In these situations, decisions often cannot be tied to the requirements of equilibrium of objectives

✓ Present financial results and non-financial results separately

Separate presentation of financial and non-financial results enables investors to evaluate financial results in other non-financial dimensions (e.g., the ratio of financial returns and environmental capital use or externalities). This allows the company to assess the profitability of the company due to capital flows not owned or controlled by the company, such as labor capital, natural capital, or externalities (environmental or social), helping the business realize to understand the need to manage these types of capital

The article answered the questions posed, confirmed the role of TBL in the business, and showed the approach of TBL in 2 ways: according to ESE (Economy, Society, Environment) and 3 P (Profit, People, Planet). The article also points out the factors affecting the application of TBL in enterprises and the level of sustainable development of enterprises.

Regarding the influence of factors on the application of TBL: Characteristic of enterprises, measurement tools available at the enterprise, and strategy of business influence TBL. Enterprise information systems and competition of enterprise do not affect TBL

On the influence of factors on the level of sustainability of enterprises: The Triple Bottom Line, characteristics of enterprises, enterprise information system, and competition of enterprise influence the level of sustainability of enterprises, while measurement tools are available at the enterprise and strategy of business does not affect the level of sustainability of enterprises.

Three variables affecting TBL in descending order of impact include Measurement tools available at the enterprise at 0.371, Characteristic of enterprises at 0.336, and Strategy of business at 0.22. Three variables affecting the Level of sustainability of enterprises in descending order include The Triple Bottom Line at 0.389, enterprise information system at 0.358, and Characteristic of enterprises at 0.229.

This result shows that with TBL in enterprises, it is necessary to have a full range of economic, social, and environmental measures. The application of TBL also depends on the operating characteristics of the business. The enterprise's strategy also has a significant influence. If the business leader does not intend to synchronously evaluate the economic, social and environmental sustainability aspects, the enterprise cannot apply TBL. Considering the influence of factors on the level of sustainable development of enterprises shows that using TBL is the

driving force and foundation for businesses to develop sustainably because sustainability indicators are regularly measured. Measurement and warning for businesses. Operational characteristics of enterprises and information systems are also factors that significantly affect the sustainable development of enterprises.

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