

## Corporate Reporting

### Measuring Contribution to Social Cohesion

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This is the second paper in a series of three. It outlines how a corporation's contribution to social cohesion (CoSH) is measured.

In these papers, the term "corporation" is shorthand for any formal organisation of people for the purpose of improvement in human prosperity. It includes incorporated entities, unincorporated entities, not-for-profit entities and government entities. The term "human prosperity" is used as shorthand for any term that describes positive human outcomes. It includes physical and mental wellbeing, quality of life, happiness, peace and flourishing.

CoSH measures a corporation's influence on the willingness and ability of people to collaborate, both economically and socially. The consequent impact on the cultural health of society is one of the major drivers of human prosperity.

#### Background

CoSH provides a link between individual corporate activity and the national measure of human prosperity. It complements monetary GDP, compensating for some of its limitations. There are currently no universally accepted method of accounting for contribution to social cohesion. This paper illustrates an example of good practice, based on the well-established Barrett Values Centre's assessment principles.

Any measure must embody two essential characteristics to be useful. It should be capable of being consistently applied between organisations and time frames, and it should be independently verifiable. So it needs to be clearly and unambiguously defined.

#### Process of Measurement

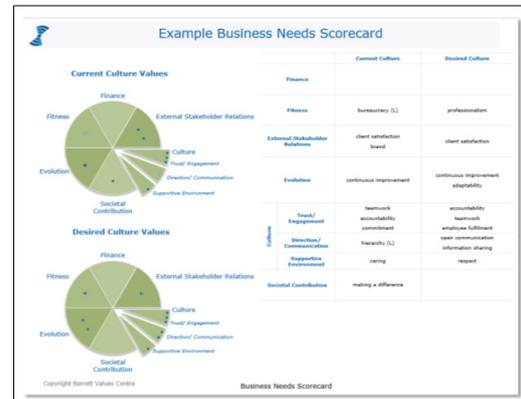
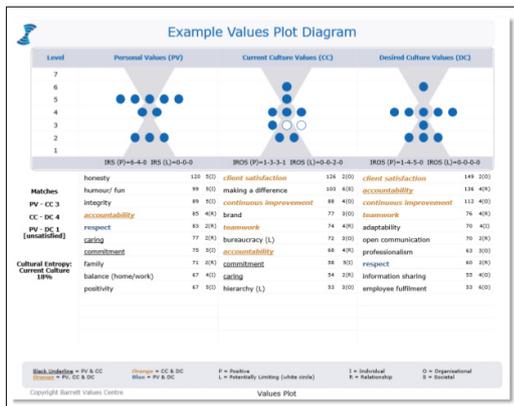
Under the Barrett Value Centre's methodology, three steps are taken to arrive at a measure.

1. All stakeholders are identified. They include at least the following: investors, employees, customers, suppliers and local communities affected directly by the corporation. They may additionally include competitors and wider members of communities affected either directly or indirectly.
2. A representative sample of each stakeholder group is asked to complete a simple, three question survey. The questions are:
  - a) Which values are most important to you?
  - b) What values do you see in the organisation
  - c) What values do you think the organisation needs to adopt to make the organisation perform better

There is a choice of around 90 values, from which the respondent chooses the 10 most appropriate answers.

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3. The values are categorised within seven levels of societal needs, based on considerable amount of research and experience. The values of all the responses are merged in order to arrive at a single measure of “Cultural Health”. The result is reported as a percentage, where a low score corresponds with a corporate with an entropic, or disruptive influence on social cohesion, and a high score corresponds with a positive, or supportive influence on social cohesion.



Examples of management reports. To download the full example report and explanations, [click here](#)

The result, Contribution to Social Cohesion (CoSH), is a quantitative measure of the qualitative perception of a corporations’ values through the eyes of its stakeholders.

### Evaluating the Results

CoSH is independently verifiable. It helps investors, customers and other stakeholders to cut through a corporation’s marketing spin. It provides information on the long-term financial health of an organisation and on its contribution to human-centred outcomes for society. It is useful for investors - who can understand the long-term focus of corporations; for management - who can understand the extent of alignment of the corporation’s activities with the needs of stakeholders; and for policy makers - who can understand the impact of government, business and social organisations on the social fabric of society.