



Centre for ISA Information Sheet 1 Integrated Sustainability Analysis

What is ISA?

ISA is a scientifically rigorous, quantitative, consistent and comprehensive approach to Triple Bottom Line accounting. The ISA method builds on, and adds depth to existing Triple Bottom Line (TBL) accounting methods that are based on audits of local activities. ISA can be used by companies, government and organisations of all sizes for TBL accounting, and Carbon and Ecological Footprint analysis which are subsets of the TBL.

What do users of ISA¹ have to say about its benefits?

Captures the wider positive effects

The methodology allows organisations to capture the positive effects of their activities by reporting on indicators such as profits, employment, and family income. ISA reports these benefits in a much wider scope than existing audit-type methods, by capturing effects that go beyond the local and regional community.

Helps with risk management

... so that you can see the train coming ... ISA reveals current and potential environmental, social and economic risks because it calculates the true *bottom line*. ISA takes an in-depth look at important indicators like greenhouse gas emissions, land disturbance and water use, and calculates their effect in TBL terms throughout your full supply chain, covering the entire economy. Nothing remains hidden so there can be no nasty surprises down the track.

Facilitates strategic planning

ISA provides quantitative, reliable information necessary for strategic planning. It points to opportunities for improvements that would not otherwise be apparent. It identifies maximum leverage points for informed action. It enables comparisons to be made between business units within an organisation, encouraging internal consistency.

Allows for proper benchmarking

The method is consistent and repeatable and therefore provides real and durable benchmarks.

Comparison with competitors

Your competitors can't get away with 'greenwash'. Competitors not using this methodology cannot claim to be including all effects of their operations, negative and positive. Your competitors cannot therefore claim any meaningful comparisons and you can easily point out their reporting deficiencies.

¹E.g. Australian Conservation Foundation, Consumption Atlas http://www.acfonline.org.au/custom_atlas/index.html; Wollongong City Council, Federal Department of Environment and Heritage (a TBL Analysis of the Australian economy); EPA Victoria <http://www.epa.vic.gov.au/ecologicalfootprint/links/default.asp>; Sydney Water Corporation 2001 & 2002 Towards Sustainability Reports <http://www.isa.org.usyd.edu.au/research/efshtml>; Port Phillip and Westernport Catchment Management Authority (organisational EFs); Environment Protection Authority NSW (EF for the population of Sydney and New South Wales); City West Water, South East Water and Melbourne Water Corporation (organisational EFs); Office of Sustainability, ACT Government (EF for the population of Canberra) http://www.tams.act.gov.au/live/sustainability/sustainability_policy_unit/sustainability_reporting; and Norfolk Island businesses – <http://www.isa.org.usyd.edu.au/publications/NorfolkTBL.pdf>

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Will this mean more work for us?

ISA software², BL cubed (written BL³) requires only your organisation's expenditure and revenue accounts, plus some on-site data such as direct water and energy use. No additional data collection is necessary. Organisational financial data is the input from which the ISA software calculates your upstream Triple Bottom Line account, or Carbon or Ecological Footprint, for your sustainability report.

How does ISA work?

Our approach takes your expenditure and revenue data and processes it through the ISA model, to produce a comprehensive set of TBL results for your chosen indicators. For example, say you chose SO₂ emissions as an indicator, and you provided a value of, say, 100\$ for paper purchased. Then ISA calculates how many kilograms of SO₂ are 'embodied' in this 100\$ worth of paper. This will be added to the other expenditure items of your SO₂ 'budget'. And so on for other indicators such as water, energy, employment, and profits.

The outputs of the ISA software are diagrams and tables which form the backbone of a Carbon or Ecological Footprint report or a comprehensive sustainability report across a wide range of indicators. This includes aggregate figures, detailed breakdowns and rankings of indicators so that you can see at a glance where there are potential problems, where there is cause to celebrate and what you should highlight for stakeholders.

Contact

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² The Centre for Integrated Sustainability Analysis in collaboration with Dipolar Pty Ltd has developed TBL reporting and Carbon and Ecological Footprint Analysis software. The software is underpinned by the ISA methodology. For more information see <http://www.bottomline3.com/>



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