EFFECT OF TRIPLE BOTTOM LINE REPORTING ON THE FINANCIAL PERFORMANCE OF LISTED OIL AND GAS FIRMS IN NIGERIA

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Abstract: Today stakeholders have become more and more aware of the ecological and social footprints adopted by companies worldwide, accountability, transparency and governance issues are considered to be main stream agenda in the corporate boardroom discussion. However, the challenge presented to modern day managers is on how to manage performance across the three dimensions of sustainability, in order to derive the synergistic benefits from triple bottom line implementation strategy. Thus this study seeks to examine effect of triple bottom line reporting on the financial performance of listed oil and gas firms in Nigeria. The study adopted Ex-post facto research design with Content analysis approach. The secondary data collected from 5 listed oil and gas firms on Nigerian stock market from 2012 to 2016 were analyzed using multiple OLS regression technique. The first findings revealed that social disclosure has no significant effect on return on assets of listed oil and gas firms in Nigeria while the second finding revealed that economic disclosure has no significant effect on return on assets of listed oil and gas firms in Nigeria. The final results also revealed that environmental disclosure has no significant effect on return on assets of listed oil and gas firms in Nigeria. Thus the study recommends that organizations should adopt and implement triple bottom line accounting methodologies to enable them identify, allocate and measure environmental and social costs affecting the business, and provide managers with strategies and techniques for managing corporate environmental, social and economic performance. Also, the implementation of triple bottom line accounting in organizations would enable managers identify products with greater environmental and social costs to the organizations; these could become a useful measure in department performance evaluation and product profitability assessment.

Keywords: Social disclosures, economic disclosures, environmental disclosures and return on assets.

INTRODUCTION

According to a PricewaterhouseCoopers report, The Value Reporting Revolution: Moving beyond the Earnings Game, "to create long-term economic cost for society--shareholders and different stakeholders alike--sustainability says that organizations must additionally create social and environmental value." To create obvious reports that furnish accurate and dependable data, as properly as a fair image of general performance, many organizations are now reporting consequences across the "triple bottom line" of economic, environmental and social performance (Ballou, Heitger, & Landes, 2009). Triple-bottom-line reporting informs stakeholder groups of the reporting organization's ability to manage key dangers (Ballou, Heitger, & Landes, 2009). Because these interests vary, the type of statistics varies; however, a great deal of it has to do with the company's economic, operational, social, philanthropic and environmental objectives (Ballou, Heitger & Landes, 2009). The 'triple bottom line' (TBL) catchphrase was coined by Elkington in 1994 to amplify the environmentalist agenda of these working closer to sustainability so that it more explicitly incorporates a social dimension (Elkington, 2004). He used the phrase as the basis for his e book Cannibals with Forks (Elkington, 1998), where he explains that TBL refers to the three bottom lines of “economic prosperity, environmental quality and social justice”. This could be attributed to developing needs from stakeholders for extra vast records on the operations and economic standing of businesses, accordingly necessitating that managers include data on sustainability associated issues (Jackson, Boswell and Davis, 2011). The most frequently viewed factors used in overall performance measurement are: economic, environmental, and social (“Global Reporting Initiative,” 2006; Wang & Lin, 2007). In the literature, there is no actual consensus as to the specific dimensions used for the performance measures (Jackson, Boswell and Davis, 2011). Some other dimensions used are neighborhood improvement, environment, entrepreneurship and
education (Sher & Sher, 1994). Stakeholder engagement, organizational integrity and stakeholder activism (Painter-Morland, 2006). In all instances, overall performance is being measured based totally on the impact of companies on society as a whole, both now and into the future (Jackson, Boswell & Davis, 2011). In the words of Elkington himself:

‘Triple bottom line focuses corporations not just on the economic value they add, but also on the environmental and social value they add – and destroy. At its narrowest, the term ‘triple bottom line’ is used as a framework for measuring and reporting corporate performance against economic, social and environmental parameters’.

Thus, sustainability considered as the integration of three performance areas: economic, social and environmental; is viewed as a necessary practice for the survival of modern-day corporations. With the shift in societal center of attention toward environmental longevity, corporations are prompted to seem to be at the big photo and see their effect on the world round them (Jackson, Boswell & Davis, 2011). A two essential two philosophy propagated two nowadays is how essential it is that businesses address all values in reporting in order to lessen the chance that their activities will cause damage to world resources, not only for today’s populace however for future generations (Jackson, Boswell and Davis, 2011). Organizations are now searching for efficient financial reporting mechanism that comprises transparency and accountability for economic, environmental and social purpose (Dutta, 2012). Sustainability reporting evaluates the overall performance of company’s primarily based on three distinct parameters such as economic, environmental and societal (Dutta, 2012). Such a reporting mechanism does not solely overcome the existing historic value based totally accounting principle but also affords a platform so that the company’s overall performance and its effect can be measured and communicated in an extra reliable manner (Dutta, 2012).

Today stakeholders have come to be greater and more aware of the ecological and social footprint adopted by using groups worldwide, accountability, transparency and governance problems are viewed to be principal circular agenda in the company boardroom dialogue (Dutta, 2012).

However, the task to modern day managers is on how to manage overall performance across the three dimensions of sustainability, in order to derive the synergistic benefits from triple bottom line implementation strategy. The thrust of corporate overall performance administration is to bring together these techniques and applied sciences into a built-in system and unified way of managing your enterprise that is greater effective than its individual components (PwC, 2008). A genuine “management system” integrates all areas of the enterprise from a common approach and vision, thru a common enterprise language, and establishes a culture of accountability and results (PwC, 2008). Elkington (1998 referred to in Mitchell, 2007) argues that the key to managing organizational growth toward sustainability is measurement: “what you can’t measure, you are probably to locate challenging to manage”. While he is a fervent believer that it is feasible “to measure growth against the triple bottom line”, he acknowledges two challenges. First, there is the problem in accounting for the social and environmental dimension. This is not simply a matter of how you measure social and environmental attributes. He notes that one of the main challenges of the triple backside line agenda is that “when we include the social and environmental dimensions of sustainability, the vary of sustainability-related problems and impacts develop dramatically” (ibid., p. 94). The 2nd challenge is to strengthen a method to measuring development in a built-in way throughout the triple bottom line. To particularly investigate the nexus between triple bottom line accounting structures and sustainable company overall performance management, this study sets out a broad objective to examine effect of triple bottom line reporting on the financial performance of listed oil and gas firms in Nigeria but it’s specific objectives includes:

(i) To examine the effect of social disclosure on the profitability of listed oil and gas firms in Nigeria.
(ii) To examine the effect of environmental disclosure on the profitability of listed oil and gas firms in Nigeria.
(iii) To examine the effect of economic disclosure on the profitability of listed oil and gas firms in Nigeria.
LITERATURE REVIEW

Concept of Triple Bottom Line Reporting

The phrase “the triple bottom line” was once first coined in 1994 with the aid of John Elkington, the founder of a British consultancy known as Sustainability (Elkington, 1998; 2004). His argument used to be that organizations need to be getting ready three exclusive (and pretty separate) bottom lines. One is the regular measure of corporate profit—the “bottom line” of the income and loss account. The 2d is the backside line of a company's “people account”—a measure in some structure or structure of how socially responsible an employer has been. The 1/3 is the bottom line of the company's “planet” account—a measure of how environmentally accountable it has been. The triple bottom line (TBL) accordingly consists of three Ps: profit, human beings and planet. It is ambitions to measure the financial, social and environmental overall performance of the organization over a duration of time. Only a business enterprise that produces a TBL is taking account of the full value involved in doing business. The triple bottom line is made up of "social, economic and environmental" factors. "People, planet and profit" succinctly describes the triple bottom lines and the purpose of sustainability. The phrase, "people, planet, profit", was once also coined through Elkington in 1995 whilst at Sustainability, and used to be later adopted as the title of the Anglo-Dutch oil enterprise Shell's first sustainability file in 1997. As a result of which, one country in which the 3P concept took deep root was The Netherlands.

"People" pertains to fair and advisable business practices toward labour and the neighborhood and area in which a organization conducts its business. A TBL business enterprise conceives a reciprocal social shape in which the well-being of corporate, lab our and other stakeholder interests are interdependent. A triple bottom line enterprise seeks to gain many constituencies, no longer make the most or endanger any group of them. The "up streaming" of a portion of profit from the advertising and marketing of completed goods returned to the original producer of raw materials, for example, a farmer in honest trade agricultural practice, is a common feature. In concrete terms, a TBL enterprise would no longer use infant lab our and reveal all contracted corporations for baby lab our exploitation, would pay truthful salaries to its workers, would preserve a secure work environment and tolerable working hours, and would now not otherwise make the most a community or its lab our force. A TBL business additionally typically seeks to "give back" by means of contributing to the strength and increase of its community with such matters as health care and education. Quantifying this bottom line is distinctly new, difficult and often subjective. The Global Reporting Initiative (GRI) has developed suggestions to enable companies and NGOs alike to comparably record on the social have an impact on of a business.

"Planet"(natural capital) refers to sustainable environmental practices. A TBL agency endeavors to benefit the natural order as much as viable or at the least do no damage and minimize environmental impact. A TBL Endeavour reduces its ecological footprint by, among different things, carefully managing its consumption of energy and non-renewable and decreasing manufacturing waste as properly as rendering waste much less poisonous before disposing of it in a secure and legal manner. "Cradle to grave" is uppermost in the ideas of TBL manufacturing businesses, which generally conduct a life cycle assessment of products to determine what the authentic environmental cost is from the increase and harvesting of uncooked substances to manufacture to distribution to eventual disposal by means of the end user. A triple bottom line agency does no longer produce hazardous or negative merchandise such as weapons, toxic chemicals or batteries containing hazardous heavy metals, for example. Currently, the cost of disposing of non-degradable or poisonous merchandise is borne financially through governments and environmentally by the residents near the disposal site and elsewhere. In TBL thinking, an organization which produces and markets a product which will create a waste hassle need to not be given a free experience by means of society. It would be extra equitable for the business which manufactures and sells a troublesome product to endure part of the price of its closing disposal. Ecologically destructive practices, such as overfishing or different endangering depletions of sources are averted with the aid of TBL companies. Often environmental sustainability is the extra worthwhile course for a commercial enterprise in the long run. Arguments that it costs greater to be environmentally sound are regularly specious when the path of the enterprise is analyzed over a duration of time. Generally, sustainability reporting metrics are higher quantified and standardized for environmental problems than for social ones. A lot of respected reporting institutes and registries exist inclusive of the Global Reporting Initiative, CERES, Institute 4 Sustainability and others.

"Profit" is the financial cost created by way of the organization after deducting the cost of all inputs, consisting of the cost of the capital tied up. It consequently differs from traditional accounting definitions of profit. In the
original concept, inside a sustainability framework, the "profit" element needs to be viewed as the real economic advantage enjoyed through the host society. It is the real economic effect the company has on its economic environment. This is often confused to be restrained to the internal profit made through a business enterprise or company (which although remains an imperative beginning point for the computation). Therefore, an authentic TBL strategy can't be interpreted as virtually typical corporate accounting income plus social and environmental impacts except the "profits" of other entities are incorporated as a social gain.

![The Three Spheres of Sustainability](source: www.vanderbilt.edu)

### Table 1: Seven Key Drivers of TBL

<table>
<thead>
<tr>
<th>Drivers</th>
<th>Old Paradigm</th>
<th>New Paradigm</th>
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<tbody>
<tr>
<td>Markets</td>
<td>Compliance</td>
<td>Competition</td>
</tr>
<tr>
<td>Values</td>
<td>Hard (economic figures)</td>
<td>Soft (additional values)</td>
</tr>
<tr>
<td>Communication</td>
<td>Closed (internal)</td>
<td>Open (wider stakeholder analysis)</td>
</tr>
<tr>
<td>Partnerships</td>
<td>Subvention</td>
<td>Symbiosis (win win)</td>
</tr>
<tr>
<td>Life cycle technology</td>
<td>Focused on products</td>
<td>Focused on functions</td>
</tr>
<tr>
<td>Time</td>
<td>Wide</td>
<td>Longer</td>
</tr>
<tr>
<td>Corporate governance</td>
<td>Exclusive</td>
<td>Inclusive</td>
</tr>
</tbody>
</table>

Source: Elkington (1997; 2004)
Revolution 1: will be pushed through competition, generally through markets. For the foreseeable future, business will operate in markets that are extra open to competition, each domestic and international, than at any different time in living memory. The ensuing economic earthquakes will radically change our world (Elkington, 2004).

Revolution 2: is pushed by means of the international shift in human and societal values. Most business people, indeed most people, take values as a given, if they suppose about them at all. Yet, our values are the product of the most effective programming that every of us has ever been uncovered to. When they change, as they seem to do with each succeeding generation, complete societies can go thixotropic. Companies that have felt themselves standing on strong floor for a long time all of sudden locate that the world as they knew it is being turned upside down and internal out (Elkington, 2004).

Revolution 3: is properly under way, is being fuelled by using developing worldwide transparency and will accelerate. As a result, enterprise will find its thinking, priorities, commitments and activities beneath an increasing number of extreme scrutiny worldwide. Some forms of disclosure will be voluntary, however others will evolve with little direct involvement from most companies. In many respects, the transparency revolution is now ‘out of control’. This opening up system is itself being driven through the coming together of new price systems and radically specific facts technologies, from satellite for PC to the internet. The give way of many forms of ordinary authority also skill that a vast range of distinctive stakeholders increasingly more demand statistics on what commercial enterprise is going and planning to do. Increasingly, too, they are using that statistics to compare, benchmark and rank the performance of competing businesses (Elkington, 2004).

Revolution 4: is driven by and – in turn – is driving the transparency revolution. Companies are being challenged about the TBL implications either of industrial or agricultural activities far back down the supply chain or about the implications of their products in transit, in use and – increasingly – after their useful life has ended. Here we are seeing a shift from companies focusing on the acceptability of their products at the point of sale to a new emphasis on their performance from cradle to grave – that is, from the extraction of raw materials right through to recycling or disposal (Elkington, 2004).

Revolution 5: will dramatically accelerate the rate at which new forms of partnership spring up between companies, and between companies and other organizations – including some leading campaigning groups. Organizations that once saw themselves as sworn enemies will increasingly flirt with and propose new forms of relationship to opponents who are seen to hold some of the keys to success in the new order (Elkington, 2004).

Revolution 6: will promote a profound shift in the way that we understand and manage time. As time-based competition, building on the platform created by techniques such as ‘just in time’, continues to accelerate the pace of competition, the need to build in a stronger ‘long time’ dimension to business thinking and planning will become ever-more pressing (Elkington, 2004).

Revolution 7: is driven by each of the other revolutions and is also resulting in a totally new spin being put on the already energetic corporate governance debate. Now, instead of just focusing on issues such as the pay packets of ‘fat cat’ directors, new questions are being asked. For example, what is business for? Who should have a say in how companies are run? What is the appropriate balance between shareholders and other stakeholders? And what balance should be struck at the level of the triple bottom line? (Elkington, 2004).

Suggest and Good sir (2000, cited in Potts, 2004) identified several generic characteristics of a TBL initiative, they include:

- **Accountability**: This refers to an organization being accountable to stakeholders, employees and the broader community in terms of the implementation of sustainable development.
Theoretical Framework

This study specially looked at legitimacy and stakeholders theories which are extension of the political economic idea which according to Miller (1994) emphasizes the quintessential interrelationship between political and economic forces in society. While Blomquist and Deegan (2000) take delivery of that society, politics and economics are inseparable, so that problems such as economic problems can't be regarded in isolation from social and environmental issues.

The legitimacy theory holds that companies seek to operate inside what is viewed desirable in society. What is regarded as appropriate practices modifications overtime and the company ought to be prepared for variants in the environment taking ethical elements into account (Islam and Deegan, 2007). Legitimacy may also additionally be viewed as a generalized perception or assumption that the movements of an entity are desirable, appropriate or appropriate within some society built system of norms, values, beliefs and definitions (Gotherstrom, 2012).

Deegan and Unerman’s (2006) stated that legitimacy theory, one of many social theories which is supported by way of the idea of the social contract has been long identified as an fantastic explanatory tool concerning the cause of environmental reporting through business groups.

The basic proposition of the stakeholders theory is that the firm’s success is dependent upon the profitable management of all the relationships that a association has with its stakeholders- a term at first introduced by means of Stanford research institute (SRI) to refer to those groups without whose support the enterprise would cease to exist (Freeman 1983). Freeman’s stakeholders’ principle asserts that, managers have to fulfill a variety of constituents (example, employees, customers, suppliers, host community and so on) who can impact the firm’s outcomes. According to this view, it is now not sufficient for managers to focus solely on the wants of stockholders, or the owners of the business. This implies that it can be advisable for the organizations to have interaction in certain environmental activities that non-financial stakeholders perceive important, because without this, these groups might withdraw their support from the business.

Empirical Review

Wang and Lin (2007), researched on the impact of environmental and social Accounting on corporate performance in Nigeria used fourteen (14) randomly selected quoted companies in Nigeria. Data were collected from annual report analyzed using Regression Analysis. They discovered that there is negative relationship between Environmental Accounting and Return on Capital Employed and Earning per Share and a significant relationship between Environmental Accounting and Net Profit Margin cum Dividend per Share.

Mitchell (2007), carried out a study on triple bottom line disclosure and financial performance in USA. The study which covers 333 firms out of 500 for years 2001-2005 revealed that triple bottom line disclosure and corporate financial performance have a significantly positive relationship in both directions and that corporate social performance leads to increase in gross margin. From the above reviews, relationship between triple bottom line disclosure and firm’s performance has not been clearly substantiated because; study shows both positive and
negative relationships. It is therefore, the purpose of this Paper to rest the case by establishing whether there is significant effect and the extent of relationship.

Ngwakwe (2008) establishes a possible relationship between sustainable business practice and firm performance. Using a field survey methodology, a sample of sixty manufacturing companies in Nigeria was studied. An investigation was undertaken into the possible relationship between firm performance and three selected indicators of sustainable business practice: employee health and safety (EHS), waste management (WM), and community development (CD). This study revealed that the sustainable practices of the firms are significantly related with firm performance. The paper concludes that, within the Nigerian setting at least, sustainability affects corporate performance.

Fauzi et al (2010), carried out similar study on impact of triple bottom line accounting on profitability of multinational companies in Nigeria. The study is an empirical investigation which sampled six (6) multinational companies in Nigeria from 2003-2012 using annual report and with the use of simple regression analysis reviewed that there is a significant relationship between expenditure on social responsibility and profitability of multinational companies in Nigeria.

Piper et al (2012), who carried out similar study on effect of Environmental regulations on financial performance of manufacturing companies in Tanzania. The study used regression analysis with a sample of five (5) selected listed manufacturing companies. The findings indicated that Environmental compliance has no significant effect on the financial performance of listed financial companies in Tanzania.

Bebbington (2017), carried out a research on the effect of sustainability reporting on firms profitability. The study was carried out using secondary data. Data collected were analyzed using ordinary least square regression analysis. The findings revealed that sustainability reporting has a significant effect on firms’ profitability. The study recommends that organizations should ensure that there report their social, economic, environmental activities for increase in profitability.

**METHODOLOGY**

The research design adopted for this study is Ex-post fact research design with Content analysis. The population considered for this study is made up of 11 quoted oil and gas firms in Nigeria. Using a judgmental sampling technique in generating its data, five oil and gas firms were selected as the sample size of the study from 2012 to 2016. In conducting this research, secondary sources of data is used as a means of eliciting the required information needed for this research. The secondary data was obtained from the annual reports and accounts of the selected firms for the period ranging from 2012 to 2016. In testing the hypotheses, ordinary least square based on multiple regression is used.

The models for this study are stated as follows;

\[
ROA = \beta_0 + \beta_1SD + \beta_1ED + \beta_1END + e \quad \text{------------------------------(1)}
\]

Where;

ROA = return on asset (profit after tax dividend by net asset)
SD = social performance disclosure (measured using content analysis 0’1 dummies for disclosures and non-disclosures)
ED = economic performance disclosure (measured using content analysis 0’1 dummies for disclosures and non-disclosures)
END = environmental performance disclosure (measured using content analysis 0’1 dummies for disclosures and non-disclosures)
\(\beta_0\) = intercept term
\(\beta_i\) = slope co efficient
e = error term
RESULTS AND DISCUSSIONS

Data Analysis

The data extracted was estimated based on the ordinary least squares based multiple regression analysis method to determine the relationship of the variables. Return on asset was used as the dependent variable while social disclosure, economic disclosure and environmental disclosure were used as the independent variables. The adjusted R square which is the coefficient of determination and the F statistic was used to ascertain the significance of the overall model. Specifically, the probability of the F-statistic test was used to test the hypotheses of the study to determine the relationship between the variables.

Table 1: Effect of Triple bottom line on ROA

<table>
<thead>
<tr>
<th>Variable</th>
<th>Unstandard coefficient</th>
<th>Standard coefficient</th>
<th>T-Statistic</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>.545</td>
<td>.351</td>
<td>1.549</td>
<td>.172</td>
</tr>
<tr>
<td>Social disclosure</td>
<td>-.005</td>
<td>.245</td>
<td>-.009</td>
<td>.984</td>
</tr>
<tr>
<td>Economic disclosure</td>
<td>-.122</td>
<td>.245</td>
<td>-.220</td>
<td>.637</td>
</tr>
<tr>
<td>Environmental disclosure</td>
<td>-.061</td>
<td>.208</td>
<td>-.119</td>
<td>.778</td>
</tr>
</tbody>
</table>

R = 0.337
R-Square = 0.256
Adjusted R-Square = 0.216
F -ratio = 0.119
Prob. of ratio = 0.946
Durbin-watson = 2.849

Source: Extracted from appendix

The regression results show the effect of triple bottom line disclosure on return on asset of oil and gas companies in Nigeria. The coefficient of determination R-square of 0.256 implied that 25.6% of the sample variation in the dependent variable return on asset (ROA) is explained or caused by the explanatory variable (social disclosure, economic disclosure and environmental disclosure) while 74.4% is unexplained. This remaining 74.4% could be caused by other factors or variables not built into the model. The value of R-square is an indication of positive but very low relationship between the dependent variable (ROA) and independent variable (social disclosure, economic disclosure and environmental disclosure). The value of the adjusted R² is 0.216. This shows that the regression line which captures 21.6 per cent of the total variation in ROA is caused by variation in the explanatory variable specified in the model with 78.4 per cent accounted for the stochastic error term. The F-statistic was also used to test the overall significant of the model. The F-value of 0.119 with p-value of 0.946 is an indication that the model is not statistically significant at 5 percent level of significant at degree of freedom df1= 1 and df2= 3. Finally, the test of autocorrelation using Durbin-Watson shows that the Durbin-Watson value of 2.849 falls outside the conclusive region of Durbin-Watson partition curve. Hence, we can clearly say that there is no sign of autocorrelation.

The t-value of all the variables (social disclosure, economic disclosure and environmental disclosure) have a negative sign which implies that social disclosure, economic disclosure and environmental disclosure have a negative effect on return on asset.
Test of hypothesis

$H_01$: Social disclosure has no significant effect on return on assets of listed oil and gas firms in Nigeria.

To test the hypothesis:

The $F$ statistic with 0.119 has probability of 0.984% level of significance. Since the probability of the $F$ statistics is greater than 5% level of significance, we would accept the null hypothesis, $H_0$ and therefore conclude that social disclosure has no significant effect on return on assets of listed oil and gas firms in Nigeria.

$H_02$: Economic disclosure has no significant effect on return on assets of listed oil and gas firms in Nigeria.

To test the hypothesis:

The $F$ statistic with 0.119 has probability of 0.637% level of significance. Since the probability of the $F$ statistics is greater than 5% level of significance, we would accept the null hypothesis, $H_0$ and therefore conclude that economic disclosure has no significant effect on return on assets of listed oil and gas firms in Nigeria.

$H_03$: Environmental disclosure has no significant effect on return on assets of listed oil and gas firms in Nigeria.

To test the hypothesis:

The $F$ statistic with 0.119 has probability of 0.778% level of significance. Since the probability of the $F$ statistics is greater than 5% level of significance, we would accept the null hypothesis, $H_0$ and therefore conclude that environmental disclosure has no significant effect on return on assets of listed oil and gas firms in Nigeria.

CONCLUSION

As the public become increasingly aware of the growing social and environmental consequences of modern day business activities, CSR maintains the forefront of modern business establishment. Managers are therefore forced to adopt and implement systems capable of enabling them identify, allocate and measure the impacts of their activities in their environment. Predicated upon the above findings, the nexus of triple bottom line accounting on sustainable corporate performance is established. The current speed of the globalization process facilitated by rapid advances in information technology (ICT) has posed a serious challenge for 21st century corporations. Thus, corporate survival is a function of the extent to which organizations react positively to economic and corporate troughs. The result of the analysis shows a very low relationship between components of triple bottom line and the performance of oil and gas firms in Nigeria. This is because triple bottom line disclosure is still voluntary and most companies do not report or disclosure in their financial statement.

RECOMMENDATIONS

The following recommendations become imperative:

- Organizations should adopt and implement triple bottom line accounting methodologies to enable them identify, allocate and measure environmental and social costs affecting the business, and provide managers with strategies and techniques for managing corporate environmental, social and economic performance.
- These triple bottom line systems should be developed within the national, industry and firm-level context to enable managers account for specific costs of operations affecting them.
- The implementation of triple bottom line accounting in organizations would enable managers identify products with greater environmental and social costs to the organization, these could become a useful measure in department performance evaluation and product profitability assessment.
- A necessary first step in the preparation of triple bottom line reports is the implementation of TBL accounting methodologies in the organization; these could serve as useful instruments in stakeholder conflict management.
REFERENCES


