

## Overview of Social Equity Indicators

Prepared for Eugene Mayor Piercy's Sustainable Business Initiative

### What is An Indicator?

An indicator is something that helps a community or business understand where they are, which way they are going and how far they are from where they want to be. An example of an indicator is the gas gauge in your car. The gas gauge shows you how much gasoline is left in your car. This allows you to make decisions early to prevent running out of gas.

A good indicator measures where you are in relation to the ideal condition you want to achieve. It alerts you to a problem before it gets too bad and helps you recognize what needs to be done to fix the problem. Indicators of sustainable development measure areas where the links between the economy, environment and society are weak. The purpose of a suite of indicators is to show how well a "system" is working.

Good indicators have certain common characteristics. Effective indicators are:

- **Relevant**; they measure something about the business or community that people need to know.
- **Easy to understand**, even by people who are not experts.
- **Reliable**; you can trust the information that the indicator is providing.
- Include both "**lead**" and "**lag**" measures. Lead indicators measure activities or trends that may result in success or problems down the road (e.g. the amount of fossil fuel use today will determine greenhouse gasses in the future). Lag indicators measure the effects of past activities (e.g. water quality indicators measure the amount of pollution introduced in the past).
- **Actionable**: measure conditions or activities that can be changed in a positive direction by local actions.
- Based on **accessible data**; the information is available or can be gathered while there is still time to act.
- **Quantifiable**. An indicator is not the same thing as an indication, which is generally not quantifiable, but just a vague clue.

### Indicators of Sustainability

Indicators of sustainability are different from traditional indicators of economic, social, and environmental wellbeing. Traditional indicators -- such as stockholder profits, asthma rates, and water quality -- measure changes in one part of a community as if they were entirely independent of the other parts. Effective sustainability indicators reflect the reality that the three different segments are very tightly interconnected.

Effective sustainability indicators are therefore often very different than traditional single measure indicators. Sustainability indicators are similar to traditional indicators in that they indicate where you are, where you want to be, and where you are headed. In a technical sense they serve as a proxy or metaphor for something that cannot be directly measured. Social sustainability indicators give organizations the ability to measure complex multi-dimensional links between economy, environment, and social arenas.

General Characters of Sustainability Indicators:

- Overlap between economic, environmental, and social areas.
- Relevant, easy to understand, reliable, and consists of accessible data.
- Can be relevant to an entire sector or community or very narrow to accommodate a specific business and community.
- Continually changes and evolves with ongoing experiences and stakeholder dialogue.

**Traditional Versus Sustainability Indicators<sup>1</sup>**

| <b>Economic Indicators</b>                                      |  |  |  |
|---|--|--|--|
| <b>Traditional Indicators</b>                                   | <b>Sustainability Indicators</b>   |  | <b>Emphasis of Sustainability Indicators</b>   |
| Median income<br>Per capita income relative to the U.S. average | Number of hours of paid employment at the average wage required to support basic needs   |  | What wage can buy<br>Defines basic needs in terms of sustainable consumption                         |
| Unemployment rate<br>Number of companies<br>Number of jobs      | Diversity and vitality of local job base<br>Number and variability in size of companies<br>Number and variability of industry types<br>Variability of skill levels required for jobs   |  | Resilience of the job market<br>Ability of the job market to be flexible in times of economic change |
| Size of the economy as measured by GNP and GDP                  | Wages paid in the local economy that are spent in the local economy<br>Dollars spent in the local economy which pay for local labor and local natural resources<br>Percent of local economy based on renewable local resources |  | Local financial resilience   |

| Environmental Indicators                     |  |  |  |
|--|--|--|--|
| Traditional Indicators                       |  | Sustainability Indicators  | Emphasis of Sustainability Indicators      |
| Ambient levels of pollution in air and water |  | Use and generation of toxic materials (both in production and by end user)<br>Vehicle miles traveled                   | Measuring activities causing pollution     |
| Tons of solid waste generated                |  | Percent of products produced which are durable, repairable, or readily recyclable or compostable                       | Conservative and cyclical use of materials |
| Cost of fuel                                 |  | Total energy used from all sources<br>Ratio of renewable energy used at renewable rate compared to nonrenewable energy | Use of resources at sustainable rate       |

| Social Indicators                      |  |  |   |
|--|--|--|---|
| Traditional Indicators                 |  | Sustainability Indicators  | Emphasis of Sustainability Indicators   |
| SAT and other standardized test scores |  | Number of students trained for jobs that are available in the local economy<br>Number of students who go to college and come back to the community | Matching job skills and training to needs of the local economy                          |
| Number of registered voters            |  | Number of voters who vote in elections<br>Number of voters who attend town meetings  | Participation in democratic process<br>Ability to participate in the democratic process |

### Indicators of Social Equity

Factors to consider when creating Social Equity Indicators

- Social Indicators are quantities that reveal qualities.
- Narrow Indicators are generally more effective than comprehensive indicators
- Indicators that look at causes not symptoms are more successful.
- Indicators are more effective if an organization has control over the causes.

## **EXAMPLES OF SOCIAL EQUITY/CAPACITY INDICATORS**

### **Community Examples<sup>ii</sup>**

#### **Santa Monica, CA**

The City of Santa Monica has an ongoing sustainability program with periodic assessment. The table below illustrates a narrow, less comprehensive, approach to creating social indicators.

#### **COMMUNITY AND ECONOMIC DEVELOPMENT**

| <b>Sustainability Indicator</b>                                 | <b>1990<br/>Baseline</b> | <b>1993</b> | <b>1995</b>        | <b>1997</b>         | <b>1998</b>         | <b>2000<br/>Target</b> |
|---|--------------------------|-------------|--------------------|---------------------|---------------------|------------------------|
| Create and Implement Sustainable Schools Program at SMMUSD      | N/A                      | N/A         | Proposal developed | No Further Progress | No Further Progress | Full Implementation    |
| Deed-Restricted (Public) Affordable Housing Units <sup>14</sup> | 1172                     | 1313        | 1470               | 1603                | 1725                | 1903**                 |
| (Private)   | N/A                      | N/A         | N/A                | 652                 | 661                 | 928**                  |
| Public Open Space (acres)                                       | 164                      | 164.8       | 179.5              | 180.6               | 180.6               | 180                    |
| Number of Community Gardens                                     | 2                        | 2           | 2                  | 2                   | 2                   | 5                      |
| Trees in Public Spaces <sup>15</sup>                            | 28,000*                  | 28,000*     | 28,000*            | 28,907              | 29,263              | 31,263                 |

\* estimated

\*\*Target year is 2003

#### **Minneapolis, Minnesota<sup>iii</sup>**

Minneapolis used social equity centered, ecology centered, and economy centered measures to indicate their level of sustainability. Below are the social equity centered indicators:

1. Transportation mode split (walking, bicycle, bus, light rail, car pool, single occupant vehicle) by percent.
2. Average time and distance of commute for (a) residents and (b) commuters into city.
3. Domestic abuse rates.
4. Percentage of babies born at adequate weight.
5. Infant mortality rates.
6. Reading test scores for third graders.
7. Achievement test scores (ACT/SAT) for high school juniors/seniors.
8. Graduation rate for students in Minneapolis Public Schools, by race.
9. Teen suicide rate.
10. Arrest, conviction and incarceration rates for males of color.
11. Number and percentage of gang-related homicides.
12. Health disparities involving STDs, diabetes, cardiovascular disease, obesity, HIV transmission, asthma, cancer (especially breast, cervical and prostate), by race/ethnicity/immigration.
13. Percentage of city residents who carry adequate health insurance.
14. Percentage of eligible voters who vote.
15. Number of people participating in faith-based neighborhood- and social-improvement initiatives for Minneapolis.
16. Percent of parents and students creating art through school and after-school programs.

## **Jacksonville, Florida<sup>iv</sup>**

Jacksonville, Florida used more detailed measurements to determine their level of social equity. Aside from the categories shown below, their indicators included a section on “Growing a Vibrant Economy” and “Preserving the Natural Environment.

### **Achieving Educational Excellence**

Public high school graduation rate  
Public high school dropout rate  
High school dropout education outcomes  
High school dropout employment outcomes  
Tenth graders reading at grade level  
Tenth graders at grade level in math  
Public school attendance  
Public school first grade promotions  
Fourth graders writing at grade level  
Average public school teacher salary  
Teachers with advanced degrees  
Students attending racially balanced schools  
Magnet school enrollment  
High school graduates employed or in college  
High school graduates prepared for college  
Exceptional ed students complete high school  
Satisfaction with public education  
Higher education degrees and certificates  
Total participation in continuing education  
Expanding literacy: Early literacy  
Expanding literacy: School-age literacy  
Expanding literacy: Adult literacy

### **Promoting Social Wellbeing/Harmony**

Is racism a local problem?  
Have you personally experienced racism?  
Births to teen mothers per 1,000 live births  
Subsequent births to teen mothers  
Foster children per 10,000 children  
Median length of stay in foster care  
Births to mothers with 12 years of education  
Children of parents becoming divorced  
Do you volunteer?  
Do you volunteer more than seven hours a week?  
Philanthropy given to federated campaigns  
Homeless count per 100,000 people

### **Enjoying Arts, Culture, and Recreation**

Public performances/events at selected facilities  
Public and private support per person for the arts  
Public-park acreage per 1,000 people

Participants in sports activities at parks and pools  
Attendance at musical shows per 1,000 people  
Attendance at sports facilities per 1,000 people  
Attendance at selected events per 1,000 people  
Library use (as measured by circulation per person)  
Recreation expenditures for activities/maintenance  
Boat ramps per 100,000 people

### **Sustaining a Healthy Community**

Racial disparity in infant deaths  
Infant death rate  
Newborns with healthy birth weights  
Early prenatal care  
Children receiving scheduled immunizations  
Alcohol use reported by youth  
People with no health insurance  
Jacksonville health care rated as high quality  
Deaths due to heart disease per 100,000 people  
Cancer deaths per 100,000 people  
Lung cancer deaths per 100,000 people  
Packs of cigarettes sold per person  
Nursing-home patient days per person over 65  
People receiving home-delivered meals  
Newly diagnosed AIDS cases per 100,000 people  
Sexually transmitted disease reports  
HIV racial disparity  
HIV/AIDS-related deaths per 100,000 people  
2003 Quality of Life Progress Report

### **Maintaining Responsive Government**

Elected leadership rated as high quality  
School Board leadership rated as high quality  
Can you influence local government?  
Voter registration  
Percent of registered voters who vote  
Satisfaction with public-safety services  
Keeping up with local government news  
Diversity of elected officials  
Satisfaction with basic city services  
Can you name two City Council members?  
Households watching local early-evening news

### **Moving Around Efficiently**

Commute times of 25 minutes or less  
Average seats on airplane flights  
Destinations served by direct flights from JIA

Total passengers flying in or out of JIA  
Average weekday JTA bus ridership  
Average weekday miles of JTA bus service  
JTA bus headways within 30/60 minutes  
Average weekday Skyway ridership

## **Keeping the Community Safe**

Index crimes per 100,000 people  
Juvenile delinquents per 1,000 youth  
Serious student conduct violations  
Juvenile alcohol/drug arrests per 1,000 youth  
People feel safe in their neighborhood at night  
People report being victims of a crime  
Rescue-call response times under four minutes  
Fire-call response times under four minutes  
Police-call response times under five minutes  
Child abuse reports per 1,000 children  
Domestic-violence-related crime reports  
Domestic-violence-related homicides  
Motor-vehicle accidents per 1,000 people  
Violent deaths per 10,000 youth

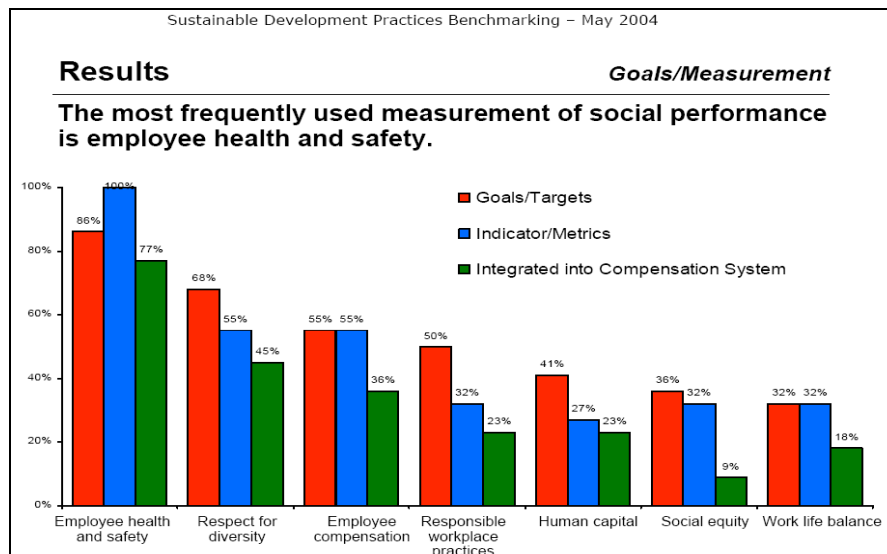
## Private Sector Examples

### Global Environmental Management Initiative

**GEMI, the Global Environmental Management Initiative, is a non-profit organization of companies who use collaborative efforts to promote sustainable development. Their indicators are centered on large companies but are solid starting reference points for good social equity indicators.**

| Category | Element                | Definition   |
|----------|------------------------|--|
| Social   | 1. Employee Well-Being | Protecting and preserving the fundamental rights of employees, promoting positive employee treatment, and contributing to employee quality of life.                                    |
|          | 2. Quality of Life     | Working with public and private institutions to improve educational, cultural, and socio-economic well-being in the communities in which the company operates and in society at large. |
|          | 3. Business Ethics     | Supporting the protection of human rights with the company's sphere of influence, and promoting honesty, integrity and fairness in all aspects of doing business.                      |

The graph below represents research done within a large company context but gives an idea how effective social equity indicators can be in measuring complex issues such as social performance.



## **Norm Thompson Outfitters, Portland, OR**

Local company, Norm Thompson Outfitters, has created a “Tool Kit” that educates merchants on how to buy sustainable goods. Their code of conduct is a policy that allows Norm Thompson and its vendors to benchmark sustainable social equity practices.

### **Norm Thompson® Outfitters Vendor Code of Conduct**

**Norm Thompson Outfitters’ corporate values include partnering and doing the right thing. These values extend to relationships with our vendors, whom we expect to uphold the following human rights standards.**

#### **Forced Labor**

There shall not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.

#### **Child Labor**

No person shall be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

#### **Harassment or Abuse**

Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

#### **Nondiscrimination**

No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

#### **Health and Safety**

Employers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.

#### **Freedom of Association and Collective Bargaining**

Employers shall recognize and respect the right of employees to freedom of association and collective bargaining.

#### **Wages and Benefits**

Employers recognize that wages are essential to meeting employees’ basic needs. Employers shall pay employees, as a floor, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and shall provide legally mandated benefits.

#### **Hours of Work**

Except in extraordinary business circumstances, employees shall (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country do not limit the hours of work, the regular work week in such country plus 12 hours overtime and (ii) be entitled to at least one day off in every seven day period.

#### **Overtime Compensation**

In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate.

## **Food Alliance of Portland's Indicators of Safe and Fair Working Condition**

Below is summation of categories and the indicators used to measure the Food Alliance of Portland's s. To become Food Alliance Certified applicants must score 3 out 4 in each bulletin are. Details are can be found at:

<http://www.foodalliance.org/certification/standards.htm>



### *Safe and Fair Working Conditions*

- Labor Relations
  1. Grievance procedures and policies
  2. Recognizing and Supporting employees input for the workplace improvement
- Best Management Practices
  3. Labor-management cooperation
  4. Hiring practices and communicating expectations and policies
  5. Discipline process
- Employment Standards
  6. Workforce development and new skill training
  7. Minors, children and family membership in the work place.
  8. Nondiscrimination policy
- Compensation and Benefits
  9. Employee Benefits
  10. Compensation practices
  11. Worker housing and family support services
- Health and Safety
  12. Pesticide handler/applicators safety

## **UK Aluminum Industry**

Below is the framework of social sustainability indicators that the UK Aluminum Industry uses. The sustainability indicators start more generally at the global level and become more specific at the sector and company level with the inclusion of proxy indicators. Indicators using percentage are predominantly used in this framework.

### *Internal Indicators*

#### Global

- The effective development and implantation of policy and practice, which assumes social justice in the workplace.

#### Company

- Discrimination
  1. Equal Opportunity Policy
  2. Discrimination-related litigation (cases per year)
- Work/Life Balance
  1. % of employees working over 48hrs per week
  2. Complaints received regarding overtime (number)
- Staff Development

1. Time and \$ spent on training per yr as a % of profits.
  2. Membership in “Invest with People”
- Remuneration/compensation
    1. Workforce average wages vs. % of national average wage in manufacturing.
  - Health and Safety
    2. Lost days through H&S incident as % of total days

## *External Indicators*

### Global

- The effective development and implementation of fair trading policies and practices and corporate governance structures, policies and reporting mechanisms, which contribute to more socially responsible external stakeholder relations.

### Company

- Stakeholder Relations
  1. Production of report with coverage of internal/external stakeholder generated issues (yes/no).
  2. Ranking of company by surveying stakeholders on access to information (1-5 scoring)
- Social Impact Assessment
  1. Company policy or plan to commission SIA for major changes or developments (yes/no)
- Social Investment
  1. Time and expenditure on social investment activities( % hrs&\$ per year spent)
- Community Satisfaction
  1. Recorded complaints from local community (number per year).
  2. Ranking of company by surveying community (1-5 scoring)
- Use of UK suppliers of services
  1. Total investment spending in UK economy (amount)
- Ethical Trading
  1. Membership in Ethical Trading Initiative (yes/no)
  2. Ethical Trading Policy in mission/value statement of company (yes/no)
- Customer Satisfaction
  1. Recorded Complaints
  2. Customer satisfaction gauged by survey

## **Shore Bank Pacific, Portland Oregon**

Shore Bank Pacific uses the terms community development to encompass the social aspect of the triple bottom line, focusing their measurements on work, necessities, and stability/quality of life. According to Shore Bank:

- **Work** includes jobs, job quality, benefits, job safety and opportunities for personal growth.
- **Necessities** include shelter, other buildings, infrastructure and transportation, education, food, medical care. Some green building components are also included: walkability, reduced driving and multiple modes of access.
- **Stability/Quality of Life** includes wealth creation, leadership, connectivity, education, entrepreneurial development and other aspects of vital thriving communities.

Shore Bank ranks a businesses performance on a scale of 0 to 3 with 0 being business as usual and 3 being sustainable practices. Below is an example of the indicators used for one of the categories.<sup>v</sup>

## COMMUNITY: Work

Financially healthy working environment makes this a community of choice for workers

| Concepts  | Score   |                        |   |  |
|---|---|------------------------|---|--|
|   | 0   | 1                      | 2   | 3  |
| Not Applicable  |   |                        |   |  |
| <b>Working Conditions</b>   |   |                        |   |  |
| Rationale: Workers have safe environment in which to work   | Conventional safety practices   | Improves worker safety | Significant improvement in worker safety by redesigning process | Excellent improvement in worker safety by redesigning process                              |
| <b>Wages, benefits</b>  |   |                        |   |  |
| Additional: Job options are available for advancement, and include living wage pay                            | All or most jobs are minimum wage, no way to advance                              | Some living wage jobs  | Living wage plus, with growth options                           | Full range of jobs, (minimum wage may be in part) to living wage and above, growth options |
| Additional: Benefits include competent medical coverage   |   | basic benefits         | some medical benefits   | full benefits available for living wage jobs and above, some for lower wages               |
| <b>Job Retention/Creation</b>   |   |                        |   |  |
| Rationale: Available workforce is well-utilized   | Turnover higher than normal for category  |                        |   | Worker retention is excellent, turnover is well below average for category                 |
| Rationale: Job retention and creation are appropriate to community in scale, steady diversity in job creation | change in ownership reduces jobs in community, not related to business conditions |                        |   | New ownership, business grows with additional job creation                                 |

## **The University of Waterloo Campus Sustainability Assessment Framework**

The University of Waterloo adopted a Campus Sustainability Assessment Framework with quantitative and qualitative measures. Although many of these indicators are merely descriptive they are a good example of how an organization created narrow specific indicators.

|                                    |  |  |                                     |
|------------------------------------|--|--|-------------------------------------|
| Incidents of Assault               | Total annual number of reported incidents of rape, sexual assault, racism, physical assault, homophobia, and other similar events divided by the total number of CCMs; multiply by 1000  |  | Zero per 100 CCMs                   |
| Physical Health Care Practitioners | Total number of CCMs divided by the total number of certified FTE physical health care professionals on-campus in assessment year (doctors, nurses, naturopaths, physiotherapists, etc.).  | X CCMs/ FTE professional                                       | X CCMs/ FT professional             |
| Sick Days                          | Total annual number of sick days taken by FTE staff and faculty, divided by the total FTE staff and faculty members.   |  | Zero                                |
| Smoking                            | Total number of CCMs who smoke daily in assessment year, divided by the total number of CCMs.  | 14.5% <sup>i</sup> or less                                     | Zero                                |
| Mental Health Care Practitioner    | Total number of CCMs divided by the total number of certified FTE mental health care professionals on-campus in assessment year (psychiatrists, psychologists, counsellors, etc.).   | X CCMs/ FTE professional                                       | X CCMs/ FT professional             |
| Retention Rate                     | Measure annual retention rates of staff, students and faculty and average them based on the total FTE populations of each group.   | At least 85%   | 100%                                |
| Spiritual Services                 | Total number of CCMs practicing a spiritual discipline who are serviced by spirituality outlets available on-campus (with care taken not to double count individuals using more than one service) divided by the total number of CCMs; multiply by 100.  |  | 100%                                |
| Mental Illness                     | Total annual number of people reporting depression, alcohol/drug abuse, etc., divided by the total campus headcount; multiply by 100.  |  | Zero                                |
| Student Suicide Rate               | Total annual number of student suicides, divided by the total headcount of students; multiply by 1000.   |  | Zero per 100 students.              |
| Accessible Greenspace              | Total hectares of greenspace accessible to CCMs within 1 kilometre of campus (both on- and off-campus) in assessment year divided by the total number of CCMs; multiply by 1000.   | X hectares per 1000 CCMs                                       | X hectares per 1000 CCMs            |
| Noise Pollution                    | Number of unoccupied classrooms and offices with noise levels of 35 decibels or less <sup>ii</sup> divided by the total number of classrooms in assessment year; multiply by 100.  | At least 50%   | 100%                                |
| Light Pollution                    | Subtract average upright level above built campus space (in foot-candles) from ambient upright levels (i.e. levels with all campus lights turned off) <sup>iii</sup> . Divide the difference by the built campus upright levels; multiply by 100.  | 25% or less contribution of campus lighting to upright levels. | Zero                                |
| Volunteerism                       | Total annual number of CCMs who volunteer at least 2 hours per week divided by the total number of CCMs, and multiplied by 100. Volunteering can be with one, or several different groups working on any issue but must be based on-campus. Organizations actively working against the concepts of sustainability (i.e. racial discrimination, waste of resources, etc.) shall not be included, and double counting of people should be avoided. | At least 30%   | 100%                                |
| Financing Volunteer Groups         | Total annual amount of money university gives to each on-campus volunteer driven organization (excluding those working against sustainability), divided by the total number of organizations (excluding those working against sustainability). Money from both university and student government administrations should be included.   | At least \$250 per group each year.                            | At least \$500 per group each year. |
| Alumni                             | Total annual hours of volunteer work done by university  | At least 12  | At least 24                         |

<sup>i</sup> More details on indicators, as well as the set of traditional vs. sustainability indicator charts, can be found at Sustainable Measures at <http://www.sustainablemeasures.com/Indicators/index.html>

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<sup>ii</sup> Smart Communities Network's website contains links to 19 community's set of sustainability indicators.  
<http://www.sustainable.doe.gov/measuring/melocal.shtml#SanFrancisco,California>

<sup>iii</sup> For the remainder of Minneapolis's indicators, see full report at  
<http://www.crcworks.org/msi/indicators.pdf>

<sup>iv</sup> For full report, see Jacksonville Community Council at <http://www.jcci.org/statistics/qualityoflife.aspx>

<sup>v</sup> For the remainder of Shore Bank Pacific's indicators, see <http://www.eco-bank.com/images/presentation.pdf>