The prevailing metrics that dominate the conversation about business, politics, society and the economy are driving everything in the wrong direction. Optimizing the organization for maximizing money profit and stock prices, and making policy so that GDP growth is maximized results in more corporate profit and investor wealth, but does little to improve society and the economy in a way that results in better quality of life for all.

The MDIA metrics are an integrated comprehensive system that uses a single set of data to measure state, progress and performance for: (1) profit; (2) people; (3) planet 1 (land); (4) planet 2 (water); (5) planet 3 (atmosphere); (6) place; (7) product; (8) organization; and (9) time.

All these data elements have different characteristics ... but they all have their purpose.

The prevailing dominant performance metric for an organization ignore externalities even though externalities have a bigger impact on socio-economic performance than money flow and profit.

Keeping track of metrics at the people level would be good, but is difficult to do because there are all sorts of issues around privacy. Trying to understand impact on the planet is difficult because it is too big. But people and planet meet in a place.

Place is much easier. The town I grew up in in England was documented in the Domesday Book by William the Conqueror immediately after 1066. It is still there, and not much bigger!

People can see things in a place and report on them. Others can check on the reporting and validate the data. People live in a place, and quality of life is impacted by what is in the place and goes on in the place.

Everything to do with planet happens in a place. It can be identified in a place. Waste originates in a place and landfills are in a place. Industries pollute (like oil in the Niger Delta) in a place. Factories have accidents (like textiles in Dhaka) in a place. These can be reported on and put into a dataset for tracking with data that enables accountability.

People (investors) invest in organizations that operate economic activities in a place. People (executives) make decisions in an organization in a place. People (workers) work in an organization in an economic activity in a place and get paid.

People earn money and people spend money. Workers' pay is a cost to the economic activity and to the organization. The same pay is a value to the worker, the workers' families and the
community (place). The pay either stays in the place or moves to another place.

The planet is very large ... but all the impacts that hit the planet start off with an economic activity in a place. The economic activity may or may not involve organizations and people, but something (nature) is happening that is important for the planet and enables everything else.

Product is important. It is the value chain link that exists in many organizations, many places, and is what people buy, use and junk or choose not to buy use and junk. Product is a part of the decisions that go into changing behavior. We know all about product and price, and what our friends on social media think about the product, and what organizations advertise about products, but we don't know much about the TruCost of the product (PUMA and others are trying, but it is tiny compared to what is needed).

Product is part of a supply chain, there is a buy or not to buy decision, there is the use of the product and then there is the post use waste chain.

Economic activities have products that are consumed and products that are produced. All the trucost elements flow into and out of an economic activity as part of a data coherent analytical set.

TVM-MDIA is not positioned to displace TBL but to embrace and enhance TBL so that it is part of a comprehensive analysis and reporting framework. TBL is has an organization focus. MDIA is broader and completely agnostic with respect to how society, the economy and businesses are organized. Being agnostic is a critical characteristic of good metrics.

MDIA has applicability in every sector everywhere. It gets beyond 'single silo' thinking and encourages multi-sector solutions.

There is also a focus on progress. Progress is change of state. It does not really matter how one gets there. Performance is the relationship between resources consumed and environment degraded relative to the progress achieved.

And all of this has to be quantified in a widely acceptable manner. This I propose to be done using a system of standard costs rather like standard costs in a cost accounting system.

Contact information:
Peter Burgess: Founder / CEO ... TrueValueMetrics
Website: http://truevaluemetrics.org
Address: 204 Seaham Court Bushkill PA 18324 USA
Telephone: mobile: 212 744 6469 landline 570 431 4385
Email: peterbnyc@gmail.com
Skype: peterburgessnyc
LinkedIn for Peter Burgess : www.linkedin.com/in/peterburgess1/
Twitter: @truevaluemetric @peterbnyc
Blogs: http://truevaluemetrics.blogspot.com http://communityanalyticsca.blogspot.com
Print on Demand Books: Search Peter Burgess at www.lulu.com