THE PERFORMANCE MEASUREMENT CONSTRUCTION FOR DEVELOPING PROSPERITY AND SUSTAINABILITY OF SOCIAL ENTERPRISES

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ABSTRACT

Objective: This research seeks to enhance existing knowledge by proposing an approach for social enterprises to evaluate their impact across social, environmental, and economic dimensions.

Method: Drawing on insights in accounting and anthropology, we employ a synchronic-diachronic approach. Our research utilizes deep ecology to build a comprehensive framework for measuring SE performance.

Results and Conclusion: Our study advocates a multidimensional perspective rooted in the principles of deep ecology, which includes environmental and community well-being, internal processes, human and natural empowerment, and equitable distribution. By embracing this multidimensional view, SEs can work towards achieving their ultimate goals of sustainability and well-being.

Implications of The Research: Despite the proliferation of methodologies and tools to assess social impact, there is a lack of systematic analysis and comparison across these approaches. SEs should adopt systematic performance measurement to inform decision-making and promote environmental and social sustainability.

Originality/Value: This research contributes to the existing literature by specifically focusing on the performance measurement of social enterprise, with comprehensive approaches using deep ecology.

Keywords: Performance Measurement, Prosperity, Sustainability, Social Enterprises.

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Implicações da pesquisa: Apesar da proliferação de metodologias e ferramentas para avaliar o impacto social, há uma falta de análise e comparação sistemática entre essas abordagens. A SE deve adotar uma medição sistemática do desempenho para fundamentar a tomada de decisões e promover a sustentabilidade ambiental e social.

Originalidade/Valor: Esta pesquisa contribui para a literatura existente, concentrando-se especificamente na medição do desempenho da empresa social, com abordagens abrangentes usa a ecologia profunda.

Palavras-chave: Medicação de Desempenho, Prosperidade, Sustentabilidade, Empreendimentos Sociais.

LA MEDICIÓN DEL DESEMPEÑO DE LA CONSTRUCCIÓN PARA EL DESARROLLO DE LA PROSPERIDAD Y LA SOSTENIBILIDAD DE LAS EMPRESAS SOCIALES

RESUMEN

Objetivo: Esta investigación busca mejorar el conocimiento existente proponiendo un enfoque que las empresas sociales evalúen su impacto en las dimensiones social, ambiental y económica.

Método: Basándonos en conocimientos en contabilidad y antropología, empleamos un enfoque sincrónico-diacrónico. Nuestra investigación utiliza la ecología profunda para construir un marco integral para medir el rendimiento de la SE.

Resultados y conclusión: Nuestro estudio defiende una perspectiva multidimensional arraigada en los principios de la ecología profunda, que incluye el bienestar ambiental y comunitario, los procesos internos, el empoderamiento humano y natural y la distribución equitativa. Al adoptar esta visión multidimensional, las SE pueden trabajar para lograr sus objetivos finales de sostenibilidad y bienestar.

Implicaciones de la investigación: A pesar de la proliferación de metodologías y herramientas para evaluar el impacto social, hay una falta de análisis sistemático y comparación entre estos enfoques. La SE debe adoptar una mediación sistemática del desempeño para fundamentar la toma de decisiones y promover la sostenibilidad ambiental y social.

Originalidad/Valor: Esta investigación contribuye a la literatura existente al centrarse específicamente en la mediación del rendimiento de la empresa social, con enfoques integrales que utilizan la ecología profunda.

Palabras clave: Medición del Desempeño, Prosperidad, Sostenibilidad, Empresas Sociales.

1 INTRODUCTION

Over the past decade, social enterprise has seen a remarkable global expansion, particularly in sectors like agriculture, healthcare, education, and the creative industries (Hasanah, 2019; Maulinda, 2019; Tenrinippi, 2019). This growth can be attributed to innovative practices within the social enterprise sphere, which have notably contributed to economic development, especially in empowering marginalized communities. Furthermore, social enterprises are increasingly seen as potential providers of solutions to both social and environmental challenges. While still in its nascent stages in Indonesia, the success of these
social enterprises’ accounts for approximately 1.91 percent of the country's GDP, equivalent to IDR 19.4 billion.

The rise of social enterprises is spurred by shifting corporate orientations, as businesses recognize the interconnectedness between their operations and various stakeholders, including societal and environmental factors (Barros et al., 2020; Islam, 2020; Schoneveld, 2020; Tykkyläinen & Ritala, 2020). Consequently, business strategies are evolving to incorporate social and environmental considerations (Fatima & Elbanna, 2020; Quezada et al., 2019; Lesáková & Dubcová, 2016). Many business leaders now acknowledge the consequences of profit-driven ventures that disregard natural and social environmental impacts (Janjua et al., 2020; Nicoletti Junior et al., 2018; Gimenez et al., 2012). The Environmental Kuznets Curve (EKC) illustrates how industrial-led economic growth correlates with increased environmental degradation (D. Stern, 2018; D. I. Stern, 2004). Such ecological decline poses a threat to ecosystems surrounding businesses, jeopardizing their long-term viability (Janjua et al., 2020; Nicoletti Junior et al., 2018; Gimenez et al., 2012).

As a hybrid business, SEs combines profit-making orientation with charity (Nielsen & Lund, 2014a; Yunus, 2010a) which is expected to broaden the outlook and direction. So that business is focused on pursuing profit and pays attention to the natural and social environment. Thus, this concept will enable management to generate earnings by caring for and empowering the natural and social environment (Halberstadt et al., 2020; Nielsen & Lund, 2014; Yunus, 2007, 2010).

As a result, SEs are unique because they occupy a position as a profit and non-profit business entity (Schoneveld, 2020). Compared to for-profit organizations, SEs give primary importance to social and environmental goals. Profit organizations generally provide social and environmental plans to create economic value and increase profits (Sikka, 2008). SEs instead use their earnings to develop social and ecological value. Instead of designing and selling products or services for profit, SEs create synergies between social and financial goals (Gali et al., 2020a). Balancing different goals simultaneously is a challenge for SEs managers to maintain the sustainability of business and social activities.

The hybrid nature of these SEs makes performance measurement a critical discourse to measure the achievement of the goals of their activities towards socio-economic development (Gali et al., 2020b). Measuring the performance of SEs can assist in the decision-making process, provide SE managers with the information needed to guide their decisions, and improve the effectiveness and efficiency of operating business activities (Arena et al., 2015a). Measuring SEs performance can ensure accountability and transparency to internal and external
stakeholders (Arena et al., 2015b), including volunteers, employees, local communities, investors, and banks often discouraged from investing in SEs due to lack of performance information. In addition, the lack of performance information causes local communities and the public to have less awareness of the existence of SEs.

At the same time, measuring performance on SEs is not an easy task because it requires consideration of multiple perspectives, goals, and outcomes for internal and external stakeholders. Sometimes the interests of stakeholders conflict with each other (Dart, 2004a). Additionally, SEs are very diverse because they operate in many different industrial areas, including financial services, commercial services, agriculture, and healthcare. Each industry field has a different organizational structure and business activity. This diversification can lead to additional information needs and different expectations of stakeholders (Bielefeld, 2009a). It also impacts the possibility of other metrics to evaluate the performance of SEs (Halberstadt et al., 2020b).

Furthermore, the study of performance measurement becomes a vital discourse to ensure the welfare and maintain the sustainability of the existence of SEs. It is in line with the dynamics of a more comprehensive business orientation (Dam & Ghose, 2015; Geissdoerfer et al., 2020; Nielsen & Lund, 2014; Rašković et al., 2020; von Delft & Zhao, 2020). The role of performance measurement as a tool to maintain sustainability and distribution of company welfare for social and environmental purposes. If the goals with the nature of social enterprise can be realized through appropriate performance measurement, it will benefit stakeholders, especially the community and the environment. The social enterprise will be able to create a balance of welfare for all parties without negating the existence of others.

Based on an academic perspective, there has been an explosion in methodologies and tools for assessing social performance and impact, but with little systematic analysis and comparison across different approaches (Arena et al., 2015b). Some of them are social return on investment (SROI) and balanced scorecard (BSC). In Indonesia, there is still a lack of environmental and social-oriented performance measurement studies because of social enterprises, which are relatively new in Indonesia (Hasanah, 2019). In addition, based on the practitioner's perspective, SEs need to start systemically measuring their performances to support decision-making and ensure the development and sustainability of the environment and society.

In this context, the aim of this paper is to advance the current literature by devising an approach for social enterprises (SEs) to assess their social, environmental, and economic impacts. Drawing upon insights from accounting and anthropology, the proposed methodology
will identify key performance dimensions and employ a systematic process to develop and implement performance measurement systems, particularly tailored for SEs in Indonesia. The paper begins with an exploration of the evolution of performance measurement systems and the emergence of SEs, providing a brief overview of performance measurement concepts and the unique characteristics of SEs. The proposed approach integrates principles from accounting and sociology, utilizing a synchronic-diachronic review of literature to delineate performance dimensions. The paper concludes with a discussion in the ‘conclusion’ section, underscoring the contributions and limitations of this study.

2 LITERATURE REVIEW

2.1 THE EVOLUTION OF PERFORMANCE MEASUREMENT SYSTEMS

The development of the concept of performance measurement experienced a shift in perspective. At first, the idea of performance measurement only focused on a financial view (Fleming et al., 2009a; Fried, 2010; Speklé & Verbeeten, 2014; Zamecnik & Rajnoha, 2015). However, along with the development of management accounting, the performance measurement perspective has expanded to a non-financial view (Arnaboldi & Azzone, 2010; Asiaei & Jusoh, 2017a; Erwina et al., 2015; Mehrpouya & Samiolo, 2016; Sutheewasinnon et al., 2016a). It is due to the change in the competitive industrial era (1850-1975) into the age of digitalization and information (internet of things) (Hou, 2018a; Jin et al., 2018a; Laurell & Sandström, 2018a). The change in this era is called disruption, where the reality built in human conditions wants to fulfill needs in real-time, on-demand, open and exponential (Kasali, 2017a). This reality triggers business entities to measure results and targets and sustain and disrupt processes (Hou, 2018b; Jin et al., 2018b; Laurell & Sandström, 2018b).

Tableau de bord (TBD) is one of the pioneers of performance measurement and is developing in Europe, especially in France during 1885-1975 (Bessire & Onnée, 2010; Bourguignon et al., 2004a; Daum, 2005a; Pezet, 2009a). Not only as a measure of performance but TBD can also be used as a tool to evaluate the organization over a certain period (Bourguignon et al., 2001a, 2004b; Pezet, 2009b) in the form of quantitative visualization for easy understanding (Pezet, 2009b). The indicators measured in TBD are: activity indicators (quantitative, purchase volume, turnover), financial indicators (expenses, additional costs), profitability indicators (net profit, operating margins), and quality indicators (production time, satisfaction, customers, and complaints) (Bourguignon et al., 2001b, 2004b; Pezet, 2009b).
In addition to TBD, there is a balanced scorecard pioneered by Kaplan and Norton (1992) inspired by Michael Porter on the company's value chain. BSC as a strategic management tool and provides in-depth insight to make decisions about long-term and short-term goals, internal and external performance, and financial and operational performance (Awadallah & Allam, 2015a; Clarkson et al., 2008; Evans et al., 2012; Lubis et al., 2016). BSC has attracted much attention in the United States (Bourguignon, 2005; Ittner et al., 2003) and in many other countries in Europe, Asia, and Australia (Bjorn-Andersen & Pedersen, 1980; Malmi, 1999). Many private, government, and non-profit organizations have used the BSC (Hahn, 2007; Islami et al., 2017; Rokhayati, 2015). In some respects, there are indeed similarities between TBD and BSC, and some authors even state that TBD inspired BSC in its development (Chiapello, 2007). Later in its development, Key Performance Indicators (KPI) emerged, which became the standard for technical measurement, especially in the BSC (Bryer, 2006; Kunz & Pfaff, 2002; Nugrahayu, 2015).

The advantage of this TBD is that it is easy to apply to companies, especially those with French culture, because the development of TBD begins with the local culture (Bourguignon et al., 2001b, 2004b; Pezet, 2009b). In addition, the display of TBD is very interactive and to the point in describing the activity and financial performance (Daum, 2005; M. J. . Epstein & Manzoni, 1997). BSC also has advantages that are superior to TBD (Bessire & Baker, 2005; Bourguignon et al., 2001; Pezet, 2009), which can overcome the shortcomings of traditional performance measurement tools that only focus on finance (Kaplan, 2009; Kaplan & Norton, 1993) and can inform past performance with the future to be used as a tool to determine strategy, vision, and corporate structure (Awadallah & Allam, 2015b; Giannopoulos et al., 2013; Madsen & Stenheim, 2014; Nazim, 2014).

However, in practice, TBD and BSC are not absolute performance measurements because they have several weaknesses. TBD has a defect, namely that it can only be applied to companies with French culture (Basuony, 2014a) and cannot capture business realities currently increasingly progressive and complex between material and non-material aspects (Kalender & Vayvay, 2016a; Perego & Verbeeten, 2013). Meanwhile, BSC also has various drawbacks, including that it is only suitable for manufacturing companies (Fernandes et al., 2006; Irwin, 2002a; Kald & Nilsson, 2000) because the internal process perspective is not suitable for service companies. BSC also only serves shareholders' interests, which is shown in Return on Capital Employed (ROCE) as the main objective in measuring performance (Kamayanti, 2010; Triyuwono, 2015, 2016). While ignoring the interests of other key stakeholders such as suppliers, government, and the environment, it will potentially lead to an incomprehensive
strategy (Antonsen, 2014a). In the face of increasingly complex market dynamics and competition, the BSC has not been able to deal with this because of limitations in capturing the uncertainty of conditions, market position, and increasingly complex internal factors (Basuony, 2014b; Irwin, 2002b; Keller, 2007; Skoog et al., 2001).

It is understood that these weaknesses focus on the inability of performance measurement (especially TBD and BSC) to capture the reality of complexity and dynamics. It is because performance measurement is still in the corridor of quantitative calculations on the material and eliminates a qualitative manner (Kamayanti, 2010b; Triyuwono, 2007, 2011). The logic of measurement is only based on quantitative because it is considered more effective in reporting various activities of business entities (Asiaei & Jusoh, 2017b; Kaplan & Norton, 1993b; Lesáková & Dubcová, 2016) in the form of a matrix so that it can be understood by shareholders ((Bourne et al., 2018a; Melnyk et al., 2014a). With this concept, companies are trapped to have measurements that must be achieved using quantitative data (M. Epstein et al., 1976; M. J. Epstein & Manzoni, 1997b; Harahap, 2006).

The trapping of the concept of corporate performance measurement causes strategic decisions to focus on material only. Even though many non-material aspects significantly affect the company's performance, they are ignored (Bessire & Baker, 2005b; Bourguignon et al., 2001b; Kalender & Vayvay, 2016b; Mårtensson, 2009; Roslender et al., 2015). For example, the environmental and social aspects that surround the company (Bessire & Baker, 2005b; Kalender & Vayvay, 2016b; Nyamori & Gekara, 2016; Saliterer & Korac, 2013). Without a good environment and social environment, the company cannot be sustainable (Asiaei & Jusoh, 2017b; Fama, 1970). If performance measurement does not pay attention to environmental and social aspects, it will negatively impact. For example, it causes the environment to be scattered; natural resources are depleted to reach profits, and social inequality (Sitorus & Triyuwono, 2015; Triyuwono, 2004). In addition, performance measurement has not captured social and psychological dimensions, such as acts of racism, due to the complexity and human subjectivity. That results in decisions and actions being influenced by personality factors embedded in history and culture, which indirectly stick to the level of consciousness (Upton & Arrington, 2012). Furthermore, the performance of individual employees who have a good work ethic and are sincere in their work cannot be detected by performance measurement. Sincerity cannot be measured (Kamayanti, 2010b) even though employees with a good and intense work ethic will give goodness to the company. The development of performance measurement is also still in the distribution cycle of the welfare of the company owner. In contrast, other aspects such as employee welfare, environment, and social are still neglected.
If you look at the revolution in performance measurement, it can be seen that there is an expansion in optimizing resources, both from natural and digital data. Bititci (2015) explains that performance measurement 1.0 at the beginning of the 20th century tends to measure accounting-centric measures. In that era, it was the only valid data to show the level of market trends based on the company's financial condition level. However, Managers can only use the data after the end of the yearbook closing. That is means that measurement steps are constrained by time and data availability. Later in the 1920s, DuPont made a performance measurement innovation based on Return on Equity. This is known as DuPont analysis. In this era, organizational dogmas make organizations reluctant to change direction in the face of empirical data.

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Next is the era of performance measurement 2.0, where companies can obtain data and technology with the very high strengthening of information technology. However, there is a lack of synchronization between IT and its accountants, so that it often causes misinterpretations in reading data. It is because IT and accountants do not have capabilities related to one another. Those conditions should underline in this era that performance measurement has begun to expand from the use of printed empirical data to data mining. It means that the company has started to follow consumer trends in an updated manner to determine the right strategy in reaching as many consumers as possible. In this era, business intelligence has emerged as a pioneer in artificial intelligence in automatically tracking and determining company strategy.

After the data era in performance measurement, 2.0 comes the next era is known as performance measurement 3.0. This era relies on performance management in organizations based on operational excellence with a process-centric approach to align the organization's strategic objectives. The alignment uses structured performance measurements such as BSC and KPI. At this point, there is flexibility between data mining and the factors that affect
performance. This flexibility is directed at maintaining the ownership of shareholders and managers. Suppose you look closely in this 3.0 performance measurement era. In that case, the priority is on the welfare of shareholders and managers by aligning the company's activity processes with market trends so that companies can indirectly drive market trends. Here is an overview of the performance measurement revolution.

Figure 1
The Revolution of Performance Measurement

![Figure 1 Image]

Source: (Bourne et al., 2018)

However, the perspective is still based on profit. Social enterprise adapts and applies conventional performance measurement concepts to maintain sustainability and balance of existence. Thus, it is hoped that the performance measurement will make the social enterprise know the position and effectiveness of its activities in the community and in the environment (Cheah et al., 2019; Malesios et al., 2020). However, the application of BSC has not been able to become an appropriate performance measurement for social enterprises. It is because balance and sustainability, which are emphasized in performance measurement, are only intended for the company's survival, especially for certain parties, namely shareholders and management. BSC only serves shareholders' interests, which is shown in Return on Capital Employed (ROCE) as its primary objective (Kamayanti, 2010; Triywono, 2015, 2016). Even in its implementation, the BSC still ignores other stakeholders such as the community, the environment, and the government to potentially lead to an incomplete strategy (Antonsen, 2014). Although the BSC has been added with a social and stakeholder perspective in it, it is still not following the primary objectives of a social enterprise because its goals are still focused on finance, not on the social mission (Arena et al., 2015b).
2.2 THE ORIGIN OF SOCIAL ENTERPRISE (SES)

The unification of profit-making and charity is combined as a hybrid business known as social business or social enterprise (Nielsen & Lund, 2014b; Yunus, 2010b). The merging of a profit-making pole with the charity pole is expected to broaden outlooks and business orientation. The business is focused on pursuing profit without paying attention to the natural and social environment. However, the merger will enable entrepreneurs to generate earnings by caring for and empowering the natural and social environment (Halberstadt et al., 2020; Nielsen & Lund, 2014; Yunus, 2007, 2010).

Combining these orientations causes social business or social enterprise to have two perspective dimensions (Yunus, 2010b). First, the dimension of social entrepreneurship that leads to the pole of charity. This dimension relates to solving social problems with an entrepreneurial approach, a process with the empathy stage of the issues – design & test the solution – and execute to the market. Second, the dimension called conventional business which leads to the profit pole. Two sizes of perspective shape the goals of a social business or social enterprise, which not only generates material benefits or profits but also generates social impact (selfless, driven business) (Dwivedi & Weerawardena, 2018; Farjaudon & Morales, 2013; Gali et al., 2020b; Torres & Augusto, 2020; Tucker & Croom, 2021). The term social business or social enterprise is more than just charity and has a social entrepreneurship attitude and improves social life and a sustainable natural environment (Halberstadt et al., 2020b; Yunus, 2010b). The terms social business or social enterprise are often considered the same, but in this study, social enterprise is used. It is because social interaction has a meaning as an organization that has dual motives, namely commercial (seeking profit) and social (defined as social, environmental, and ethical or referred to as SEE) (Bielefeld, 2009b; Dart, 2004b). Meanwhile, social enterprise has a meaning as an organization that, although sustainable through a revenue-generating model, is focused on creating social impacts or providing solutions to environmental problems (Lane, 2015a). With this simple terminology, the use of the term social enterprise in this research study is more suitable and describes the elements of the object of this research.

To achieve social or natural life sustainably through business activities, social enterprises combine innovation, resources, and opportunities to overcome social and environmental challenges or problems. Social enterprises focus on system transformation and community empowerment (Gali et al., 2020; Lane, 2015; Yunus, 2007, 2010). Profit creation is essential, although not the primary goal. With these advantages, the social enterprise can
develop and strengthen community empowerment to make it bigger and broader (Chandra et al., 2021; Halberstadt et al., 2020b; Lang & Fink, 2019a).

With studies more deeply, creating sustainable systems change is the key to social enterprise activities (Felício et al., 2013; Nielsen & Lund, 2014; Schoneveld, 2020; Tykkyläinen & Ritala, 2020; Yunus, 2010). Therefore, the activities carried out are usually in the form of innovations that are oriented to community needs and changes in the social system of society (Lane, 2015; Schoneveld, 2020; Yunus, 2007, 2010). Social enterprise business activities aim to serve the basic needs of society (Barros et al., 2020; Douglas & Prentice, 2019; Halberstadt et al., 2020; Lang & Fink, 2019). It is different from a profit-oriented business by focusing on reaching a large market. However, often these profit-oriented businesses cause social inequality (von Delft & Zhao, 2020).

Social enterprise has a standard view and is based on the same basic orientations as the concept of corporate social responsibility (CSR) (Crisan & Borza, 2012a; Saatci & Urper, 2013). Both of these are rooted in the triple bottom lines (people, planet, and profit). Social enterprise has a different system and activity base with CSR. The difference lies in the primary goal of social enterprise, namely solving social or environmental problems, so most of the profits are intended for that mission (Cornelius et al., 2008; Palakshappa & Grant, 2018). In contrast to CSR, the company's goal is generally not to solve social problems but to accumulate profits.

Furthermore, from the accumulated profit, managers will allocate a percentage of the profit to help improve the environment or social impact affected by the company's existence (Cesar & Jhony, 2020; Guo et al., 2020; Olanipekun et al., 2021). The percentage of profit used for CSR activities is tiny compared to the company's total profit. Therefore, companies that carry out CSR cannot be equated with social enterprises. With the different characteristics and uniqueness of a social enterprise, this entity has a separate business and management pattern from companies. A business pattern with an orientation to solving environmental or social problems, the accountability mechanism, especially the performance measurement used, will be different from the company in general (Gali et al., 2020b).

3 METHODOLOGY

So far, the study of performance measurement is only seen on the accounting side. Moreover, performance measurement is also directly related to social and environmental dynamics (Chand & White, 2007), especially in this study. Therefore, this study uses two
approaches, namely accounting, and anthropology. With a combination of anthropological accounting perspectives, this research uses diachronic and synchronic studies on the performance measurement of SEs.

The study in this stage uses a diachronic study technique which means studying a symptom or event related to previous events and does not arise suddenly. This method is looking at everything that is related vertically (Berg, 2001). This research study the history related to performance measurement on SEs. The time and space used in collecting data are unlimited and interrelated. (Gaffikin, 2005) explains that the great essence of tracing events is to provide an overview or element based on valuable experience and learning. So that incident track becomes one of the main factors that must be carried out to overview the truth and error that occurred. So that with the emergence of truth values that are following their essence, then the solution will be clear and on target. Using non-empirical or secondary data such as books, articles, and financial reports can provide relevant data.

This study uses a synchronous study by tracing empirical data in the form of secondary data. The asynchronous study is a study of an event or events with its aspects at a particular time and examines symptoms in space but in a limited time (Kamayanti, 2016) So this method examines empirical sources horizontally. This case emphasizes the relationship, unity, and harmony between a chronology of events and the values that occur. So from this, it will answer and describe the concept and practice of measuring performance on SEs whether it follows the existing values. This sorting and assessment will be a meeting point for further study of comparison and development.

The following are the stages of the research method:

- A diachronic study was conducted by conducting a literature study in articles and books on the origin and evolution of social enterprise and performance measurement on SEs;
- Synchronous study by collecting data on articles and literature in the last ten years regarding performance measurement in SEs. The articles and literature used are articles of international reputation; due to research limitations on performance measurement on SEs in Indonesia, the researcher will combine them with books related to SEs within the last five years;
- Conduct an in-depth discussion of the results of diachronic and synchronic studies on accounting and anthropological values in performance measurement in SEs. The results of the analysis will be the foundation for constructing performance measurements on SEs.
4 RESULTS & DISCUSSION

4.1. ISSUES IN MEASURING THE PERFORMANCE OF SOCIAL ENTERPRISES

Performance measurements currently developing in social enterprises include social return on investment (SROI) and balanced scorecard (BSC). SROI is a performance measurement method based on advantages over financial values such as environmental and social values that are not reflected in conventional financial accounts (Haigh, 2006; Harvie et al., 2020; Millar & Hall, 2013). Companies use it to evaluate the impact of stakeholders, identify ways to improve performance and improve investment performance (Bosco et al., 2019; Millar & Hall, 2013b). SROI also places a monetary value on social benefits and then compares the benefits received by the public and private to the costs incurred (Refki et al., 2020; Yates & Marra, 2017b). Thus, SROI is also used to predict the creation of social value in the activities that the company will carry out (K. J. Watson et al., 2016; Yates & Marra, 2017a).

The application of SROI becomes a contradiction for the goals of social enterprise. The primary purpose of social enterprise is environmental or social improvement, not profit. At the same time, this SROI bases the goal of achieving profit and providing financial value to the social activities it does (Harvie et al., 2020; Haigh, 2006). By assigning a monetary value to social and environmental impacts, social enterprise goals will sink. Some critics also explain that SROI does not cause changes in the social environment because SROI is only used as an adjunct in the manager's decision-making process, namely as material for the company's marketing strategy (Arena et al., 2015b). SROI is considered better as a means of claiming symbolic legitimacy than as a powerful method for proving a company's social impact on the environment or society (Palvik, 2016). It means that SROI contradicts the primary goals of social enterprise, so it is not suitable when used in social enterprise.

Furthermore, managers adapted the balanced scorecard (BSC) for performance measurement in social enterprises. BSC is considered a proportional performance measurement (Kádárová et al., 2014; Pratiwi, 1990) and can provide strategies in the short and long term for the survival of the company (Fatima & Elbanna, 2020; Lesákova & Dubcová, 2016; Quezada et al., 2019). The BSC has a comprehensive performance measurement component between profit and non-profit (Kaplan & Norton, 2007; Pratiwi, 1990), both externally and internally (Coyle, 2018a; Kádárová et al., 2014b; Kaplan & Norton, 2005). Performance measurement in BSC is based on four perspectives: financial perspective, customer perspective, internal business process perspective, and learning and growth perspective (Kaplan & Norton, 2007b).
To be adapted and applied to social enterprises, BSC has developed a view. The social mission is centralized by adding other social goals to it. Furthermore, the second perspective is expanded by adding an investment aspect to the company's environmental sustainability and adding more elements to the customer perspective with stakeholders directly or indirectly related to the company (Somers, 2005).

However, the application of BSC has not been able to become an appropriate performance measurement for social enterprises. Balance and sustainability, which are emphasized in performance measurement, are only intended for the company's survival, especially for certain parties, namely shareholders and management. BSC only serves shareholders' interests, shown in Return on Capital Employed (ROCE) as its primary objective (Kamayanti, 2010; Triyuwono, 2015, 2016). Even in its implementation, the BSC still ignores other stakeholders such as the community, the environment, and the government to potentially lead to an incomplete strategy (Antonsen, 2014). Although the BSC has been added with a social and stakeholder perspective in it, it is still not following the primary objectives of a social enterprise because its goals are still focused on finance, not on the social mission (Arena et al., 2015b).

If examined more deeply, performance measurement concepts, namely SROI and BSC, have the primary goal of profit. It is not in line with the primary purpose of social enterprise. SROI and BSC are still rooted in conventional business logic so that their orientation is on achieving the welfare of owners and managers through the balance and sustainability of profits obtained by the company (Arena et al., 2015; Bagnoli & Megali, 2011; Crisan & Borza, 2012; Luke et al., 2013; Mair, 2012). This logic is still rooted in conventional accounting and economic theories, which still base material welfare as the basis of company life. Theories and models as the foundation are agency theory, contingency theory, the resource-based view of the firm, cognitive and processing theory, goal-setting theory, and equity, distributive and procedural justice theories (Beer & Micheli, 2018a; Bourne et al., 2018b; Micheli & Mari, 2014a; Neely, 2007a). These theories encourage companies to measure performance not only to achieve goals. More than that, performance measurement encourages progressive growth and development for the achievement of personal well-being. Therefore, social and environmental performance measurement will only be a tool to legitimize the company's welfare (Arena et al., 2015)(Luke et al., 2013). It is very contradictory to the goals of social enterprise.
4.2. THE PERFORMANCE MEASUREMENT CONSTRUCTION FOR DEVELOPING PROSPERITY AND SUSTAINABILITY OF SOCIAL ENTERPRISE

With the increasing complexity and dynamic development in the reality of life, modern humans are increasingly moving to create exponential prosperity to maintain their existence (Cox et al., 2019; Harari, 2011; Kasali, 2017). The well-being to be achieved is based on a sense of desire with an increasing satisfaction curve (Brown & Calsamiglia, 2014). At the same time, the maximum point of human desire is unlimited. It means that humans will continue to carry out activities or efforts until they reach a level of welfare based on an absolute level of satisfaction.

As well as a quote from (Tregear, 2016) states that "Without measurement, we don't know if there is an improvement, we don't know what is meaningful." That is, measuring performance is a means or practice that is meaningful and important for the company to continue to grow. Therefore, the development of the concept of performance measurement is increasing from time to time (Bourne et al., 2018; Loukanov et al., 2020). Performance measurement is used as a predictive tool (Steyerberg et al., 2010; Valaskova et al., 2018; Vihinen, 2012), evaluation (Ramezankhani et al., 2018), reference to the effectiveness and efficiency of resource use (Bartuševičienė & Šakalytė, 2013; Carneiro-Da-Cunha et al., 2016), as well as success parameters (Fleming et al., 2009; Sutheewasinnon et al., 2016). The performance measurement results will be used to determine the company's short and long-term strategy (Treussard, 2018a). The approach adopted by the company will be an essential factor in determining the position and strength of the company in meeting market demands and readiness to compete in this increasingly competitive era (Bourne et al., 2018b). The more companies can compete and adapt to the market, the sustainability and balance of the company will continue to be formed and occur (Loukanov et al., 2020b; Melnyk et al., 2014b) so that the company will continue to exist from time to time (Peters et al., 2016). It shows that the purpose of using performance measurement is not only as a predictive and evaluation tool. More than that, performance measurement is one of the essential keys in ensuring the welfare, survival, and balance of a company.

Has the concept of performance measurement in the company been balanced and can maintain sustainability as a whole? The balance and sustainability emphasized in the performance measurement are only intended for the company's survival, especially the shareholders and management. It can be seen from one of the performance measurements considered to have a balance, namely the balanced scorecard (BSC). BSC only serves
shareholders' interests, which is shown in Return on Capital Employed (ROCE) as its primary objective (Kamayanti, 2010; Triyuwono, 2015, 2016). Even in its implementation, the BSC still ignores the interests of other key stakeholders such as the community, the environment, and the government to potentially lead to an incomplete strategy (Antonsen, 2014).

Furthermore, a performance measurement concept is considered balanced, but the balance is still only intended for certain circles, namely the triple bottom lines (TBL). TBL focuses on creating wealth for shareholders and investors by enhancing the company's reputation. Social values and activities are integrated with financial (economic) data sources through strategic planning. It requires entities to combine long-term environmental and social values with economic goals into performance measures (Boje, 2016; Savitz, Andrew W; Weber, 2014). Thus, TBL will become a tool to ensure the sustainability of shareholders and management only.

When reviewed, performance measurement depends on the goals to be achieved, in this case, achieving prosperity. The purpose of the performance measurement concept currently being developed is built on the logic of maximizing self-satisfaction, which is to perpetuate managerial and shareholder welfare only (O. Jones et al., 2006; T. M. Jones, 1995; Perrow, 2019). The concept of performance measurement is built from theories and models as the foundation, namely agency theory, contingency theory, the resource-based view of the firm, cognitive and processing theory, goal-setting theory, and equity, distributive and procedural justice theories (Beer & Micheli, 2018b; Bourne et al., 2018b; Micheli & Mari, 2014b; Neely, 2007b). Each of these theories and models refers to a profit logic based on self, a business entity. This logic is based on the sense and way of thinking of materialism and positivism.

The logic of materialism is an embodiment of the perspective that states that a thing is indeed said to exist if it is a phenomenon resulting from the interaction between materials (Novack, 1965a; D. C. Watson, 2018a). Reality is seen as matter, and everything is a manifestation of material activity that is eternal and continuous (B. Smith & Monforte, 2020a). Therefore, materialism does not view the existence of God and other spiritual beings because they cannot be assessed or known to exist (E. C. Martin, 2016; Sheldrake, 2013a). Thus, this view produces a logic that everything must be measurable, including all activities and what things are to be achieved (B. Smith & Monforte, 2020b; D. C. Watson, 2019a). Performance measurement is very closely related to the logic of materialism because it views everything as measurable and tangible. Even though the reality in this world is not only at the material level, there are also non-material elements attached to life. The existentialist philosophy of philosophy criticizes materialism because this view will reduce reality. After all, reality cannot be measured...
and has a dynamic complexity (Masani, 2001). The logical consequence of the existence of materialism incarnated in performance measurement will lead to measuring performance using "machine" logic, which is trapped only in numbers and materials (Micheli & Mari, 2014b). Thus, welfare, balance, and sustainability will only be limited to measurable and material things for humans. Therefore, all activities, especially in business, use monetary calculations (as applied to SROI and BSC).

In addition to the logic of materialism, another reason also forms performance measurement, namely positivism. A sense of perspective based on an exact science perspective, Auguste Comte explains that the world can be understood based on science based on an arrangement starting from the universal and straightforward level, which then goes to more complex and limited stages (Outhwaite, 2015a; Schinckus, 2015). Thus, reality occurs based on the rules and laws of nature that can be calculated and predicted (McKinney, 1966; Outhwaite, 2015). Positivism only views everything that happens, so things that don't occur are considered non-existent (Comte, 2009; Feichtinger et al., 2018). It is closely related to the materialist perspective. Positivism views everything must be tested, developed, and progress or progress, while materialism views everything must be measurable. Meanwhile, things that cannot be measured and considered immaterial are considered non-existent or not recognized.

Performance measurement is intended to increase the improvement or progress that the company gets. Performance measurement can be a benchmark for companies to measure whether the company's activities and results are developing towards the goals to be achieved or vice versa (Bourne et al., 2018b; Coyle, 2018b). Talking about improvement and progress is an essential key in performance measurement tools. It is necessary for positivism because improvement and progress will create balance and survive an entity's existence (Asiaei & Jusoh, 2017; Treussard, 2018). Although the SROI and BSC orientations have been developed with non-profit perspectives such as environmental and social, they are still stuck on the logic of positivism and materialism (Micheli & Mari, 2014b). We should understand that the forms of materialism and positivism are focused on profit and how a result of activity can develop. This can start from actions based on qualitative data but will later be quantified to see whether the movement progresses or vice versa (Tregear, 2016b). Even spirituality and religiosity are used as tools to achieve self-centered welfare progress (Butterworth, 2001; Nemeth, 1999).

When reviewed, improvement and progress, which are the leading indicators of positivism and materialism, actually create an imbalance (Sheldrake, 2013b). The intended orientation when carrying out improvement and progress focuses on the existence of the human self, mainly only on several related parties, namely the company or business owner. In addition,
this improvement and progress use quantitative calculations to generalize a pattern to reality. At the same time, the fact has a complexity that cannot be generalized and described with a design based on estimates only (D. C. Watson, 2019). Thus, with the logic of positivism and materialism in the form of improvement and progress, it narrows the field of view that will affect human decisions and actions.

The balance and sustainability that exist in the views of positivism and materialism in the form of performance measurement are also actually not balanced and sustainable as a whole (Persson, 2010; D. C. Watson, 2018). This imbalance and sustainability are caused because the meaning of balance and sustainability in positivism and materialism is only focused on the self (Novack, 1965; D. C. Watson, 2018, 2019). The balance and sustainability referred to in positivism and materialism aim to create and maintain the existence of the entity itself through the survival of other parties or stakeholders as a pillar framework to ensure the welfare of the entity’s life (Forman, 2020). In addition, after achieving balance and self-welfare, a sustainability guarantor is needed so that its existence is maintained. Sustainability is created by using the surrounding resources. This phenomenon is the same as a parasite that will absorb the surrounding resources to keep itself alive and move to another place with resources when these resources have been used up.

The truth is balance and sustainability aimed at the existence and well-being of the self are based on the logic of positivism and materialism. All of those things are based on the self. The sense of positivism and materialism views humans as the center of reality, so they base their perspective on human desires and satisfaction. Humans see themselves as the center of existence because they believe that everything in this world is created from the greatness of the brain. The many developments in this world are considered because of the distinction of the human brain (Harari, 2015a; Kaku, 2014). Therefore, it is natural for humans to logically all things in this world using brain logic. Even humans begin to feel like God when they create an artificial brain or so-called artificial intelligence that is considered more intelligent and sophisticated. This phenomenon has led to the idea that humans are preparing from *homo economicus* to *homo deus* (Harari, 2015, 2018).

The logic of positivism and materialism grows in the body of social enterprise. As a result, the social enterprise makes its identity and the main goal to perpetuate human existence only through environmental and social empowerment. If this continues, then this phenomenon is equivalent to "deceiving" the environment and society, not empowering. Even the practice of social enterprise is a form of sustainable capitalism or sustainable capitalism, namely sustainable practices in preserving humanity and the planet while reducing capitalist economic
policies that can damage nature (Mitra et al., 2011; Schweickart, 2010). In short, sustainable capitalism is judged to be better than traditional capitalist economies. This sustainable capitalism is still aimed at companies or business entities' development and survival methods in finding new markets to support the expansion of their existence and welfare (Ikerd, 2008). It should be realized that growth and development are not always related to quantitative and qualitative improvements in the materialist realm.

4.3 DEEP ECOLOGY: CONSTRUCTION FOUNDATION FOR PERFORMANCE MEASUREMENT IN SOCIAL ENTERPRISE

Human perspective and awareness of reality will affect ethics, values, and human behavior in it. That aspect includes a view on welfare and the role of performance measurement. This study is essential in mapping the root of the problem and as a basis for constructing performance measurement. Many studies carried out construction only at the applicative and theoretical levels while creating the origins and foundations of values, philosophies, and perspectives is rarely carried out. Therefore, this study discusses the root cause of performance measurement, namely the human perspective and awareness of reality. Thus, it will be known the shortcomings contained in the foundation.

The view in interpreting the meaning of welfare, balance, and sustainability becomes very important in how we base our perspective on reality. It includes how to achieve prosperity, balance, and sustainability in this reality. Modern society believes that welfare develops and progresses in terms of social status, ownership, resources, and self-quality, including health (Easterlin, 2003; Murphy et al., 2014). Some views also base that welfare means having happiness and self-actualization, both physically and mentally (Mirvis, 2020a). With the development of needs in this era, there is a development of views in understanding welfare (Harvey & Conyers, 2016; Murphy et al., 2014b). Some of these are the existence of a strong labor market development where jobs are available and high opportunities for advancement, a work environment with good mobility, as well as the opening of formal and informal training opportunities that will encourage invention and technology (Antoniades & Haan, 2019; Kinsley & Lovins, 2017; Mirvis, 2020).

In social life, welfare is assessed by individuals’ ability to innovate and create innovative products and services (Gunnar et al., 2016). These aspects are the basis for the welfare view in the current era of the industrial revolution. It is not surprising that the education system is encouraged to achieve these aspects of well-being by creating productive and innovative
graduates (Cowling, 2006; Kinsley & Lovins, 2017; Van der Slycken & Bleys, 2020). In addition, welfare is also assessed with a clean and sustainable environment because this will affect the current level of health (Murphy et al., 2014b). In short, managers can judge a person to be prosperous if the higher the opportunity to fulfill personal and professional needs.

(A. Smith, 2002) explains that welfare is the fulfillment of human needs and desires for utility. Welfare, for Adam Smith, is described as the abundance of goods of economic value or controlling a situation based on ownership, usually in the form of money and personal property (C. Martin, 2020; Miles & Scott, 2005; Wollock, 2020). Therefore, individuals are prosperous or prosperous if they can accumulate substantial wealth relative to other people in their society or group (Kushlev et al., 2018). It is also related to the accumulation of resources owned by individuals or groups. This phenomenon implies that welfare is a social contract for forming a view of ownership in society (Matson, 2020; A. Smith, 2002; Wollock, 2020).

From an ecological point of view, prosperity can refer to the extent to which a species develops under certain (Laferrière & Stoett, 2003; Scheiner & Willig, 2008). In modern society, the species in question is humans. The balance and sustainability referred to in contemporary society are how much human resources have in ensuring the continuity of their existence and welfare (He, 2009; Holling, 2001). Resources, in this case, can be in the form of other natural and human resources.

Welfare centered on humans is an anthropocentrism view (Goralnik & Nelson, 2012a). This view places humans as the center of the universe system so that humans and their interests are considered the most decisive in the ecosystem order (Agazzi, 2016a). The universe, including the environment, is only seen as an object, a tool, and a means to fulfill human needs and interests (Alubaidi, 2024; Martínez, 2022). We can grade that good, and bad action assessment is seen from the purpose and cause and effect for as many people as possible, including judging a move from its usefulness or benefits. It leads to the realm of utilitarianism (Keraf, 2010a).

The view of anthropocentrism is closely related to egocentrism, an ethical mechanism based on various individuals or self-interests (Butchvarov, 2015a; Steiner, 2005a). What is suitable for the individual is seen as good for society. The egocentric orientation is not based on narcissism but is based on a philosophy that focuses on individuals or groups separately, such as social atoms (Kopnina et al., 2018a). Humans are considered separated by nature, prioritizing human rights over nature but neglecting human responsibilities (Barry, 2007; Nurmardiansyah, 2014). It also brings an understanding of alienation and isolation in the relationship between humans and nature (Barry, 2007b). Naturalist social theory also believes
that nature and the environment are the external world of society and exist as an independent natural order outside the community (Butchvarov, 2015b; Santosa, 1993a). (Keraf, 2010) explains that the actions of every human being will be based on the goal of pursuing interests, welfare, and self-improvement.

The combination of this view of anthropocentrism with egocentrism led to the assumption of mechanical knowledge. Both nature and society are described in terms of mechanical organics (Butchvarov, 2015b). In modern society, each part is connected organically with other elements, where each piece will affect the other components (Seigel, 2003; Steiner, 2005). Vice versa, the utilitarian nature causes behavior that leads to the depletion of various natural resources under the pretext of being for the benefit and good of society (Santosa, 1993b). (Nurmardiansyah, 2014) explains that nowadays, there is a change from an ecological perspective to utilitarianism and pragmatism, giving rise to human actions and behavior who want to dominate nature.

This anthropocentrism concept views humans as independent beings free from the confines of religion, even God until the emergence of the idea that humans are the center of everything or reality (Seigel, 2003b). Modern humans today are nothing more than parts of machines and current technology production. With this process, the view of humans is reduced (Kopnina et al., 2018b). The idea of anthropocentrism, known as shallow ecology, has unwittingly created capitalism through the belief in the role of humans in determining the good and bad of the natural environment (Agazzi, 2016b). It can also be the forerunner of a liberal economy that causes economic values derived from scarcity to be oriented towards fulfilling human needs solely (Goralnik & Nelson, 2012b). Thus, it can lead to exploitative and even destructive behavior. The welfare of human life is fulfilled through the fulfillment of consumption needs—human status in the ecosystem as consumers and producers. Meanwhile, the market is the only agency that regulates the allocation of natural resources (Diesendorf & Hamilton, 2002a).

The form of shallow ecology is in practice, one of which is the TBL concept. It can be seen that although TBL has a more complex measurement perspective, namely profit, society, and the environment. TBL still positions humans as the center, while the environment and society only serve as a second orientation after profit needs are met (Vanclay, 2009). Even the environmental and social positions are used as guarantors of human survival and balance. (Alvesson & Spicer, 2012) explained that TBL is nothing more than a functional tool for developing traditional welfare models oriented to human needs wrapped in economic, ecological, and equity (community and social) fractals.
(Norman & Macdonald, 2004) explained that TBL is still trapped in its shallowness because it still believes that profit is the only perspective that is considered accurate and measurable compared to social and environmental. TBL never really balances these three perspectives (Nicoletti Junior et al., 2018; Sridhar & Jones, 2013). Without an agreed methodology, financial reporting trumps social and environmental measures. The three perspectives are separate and difficult to accumulate. It isn't easy to assess and measure environmental and social performance in the same frame as profit, namely monetary terms (Budak, 2020; Shou et al., 2019).

Therefore, TBL has been analyzed using cost-benefit analysis (Nicoletti Junior et al., 2018). (Elkington, 2013) has called for a rethink of TBL, arguing that the initial idea was to encourage businesses to manage better their operations' environmental conditions (Goh et al., 2020). However, the accounting view (especially performance measurement) makes TBL a tool for sustainable capitalism (Sridhar, 2011; Sridhar & Jones, 2013). It can be seen from TBL, which is trying to expand market share and make the company look attractive to potential investors. They are still stuck with "How do I measure it?" analogized with profit or loss (applying the economic treatment on social and environmental) and comparing for objective evaluation.

Based on this phenomenon, the TBL concept is still trapped in materialism and positivism, which 'forces' everything to be measured to be assessed as balanced. Precisely with such conditions, TBL becomes a tool to maximize profits that destroy social and environmental. For (Cajete, 2016), the sustainability crisis and the balance of welfare will continue if social and environmental conditions are subject to profit. Even the tendency of companies to use the Global Reposting Initiative (GRI) and the Down Jones Sustainability Index (DJSI) as a representation of the TBL seems to be used as a strategy to increase company value and fulfill stakeholders (Sanclemente-Téllez, 2017; Uniamikogbo & Amos O., 2016). The feature of environmental and social externalities is applied in TBL, making it increasingly show the shallowness of this measurement concept. Social and environmental considerations are the remaining collections. At the same time, the profit or economic perspective is treated as a domain because it is considered following actual conditions. (Robins, 2006) questioned the use of TBL to be responsible to whom exactly.

The implementation of TBL, which is initially used to balance and maintain the sustainability of welfare, has become a tool for accumulating profits for humans. If this continues, it will cause environmental and social damage. Human beings are getting reduced because of the application of this shallow ecology view. This superficial view gets a lot of
criticism and criticism because it places humans as biological beings who have a way of life for themselves. The separation of human consciousness from reality causes humans to be vulnerable to act exploitatively, destructively, and less concerned about nature.

(Capra & Luisi, 2014) mention that anthropocentric is a shallow ecology that has a narrow perspective. Shallow ecology sees humans as above or outside nature, as the source of all values, and considers nature only an instrument. It is very different from the view that exists in deep ecology, which does not separate humans from the natural environment and everything from the natural environment (Capra, 1996, 2002). Deep ecology does not see the world as a collection of isolated objects but as a network of interconnected and fundamentally interdependent phenomena. Deep ecology recognizes the intrinsic values of all living things and views humans only as a particular part of the web of life (Capra, 1996b). This new ecological paradigm or deep ecology implies suitable ecology-oriented ethics. The ethical framework associated with the old paradigm is no longer adequate to address some of today's major moral issues, most of which pose a threat to non-human forms of life (Rothenberg, 2012a).

Furthermore, deep ecology was brought by (Naess, 2013) who explained that humans have two views, namely shallow ecology, and deep ecology. Deep ecology is understood as a critique of anthropocentrism. Shallow ecology assumes that the environmental crisis is a technical problem that does not require human consciousness and economic systems changes. Deep ecology, on the other hand, sees ecological issues from a broader and holistic relational perspective. Deep ecology seeks to know the root causes of environmental damage and pollution more comprehensively and holistically and deal with them more deeply. Social and human aspects are also a significant concern in deep ecology. At the same time, shallow ecology is more likely to overcome the symptoms or symptoms of an environmental issue and not the root of the problem (Klemmer & McNamara, 2020a).

According to (Naess, 2013), deep ecology has the principles that humans respect for all ways and forms of life in the universe (biospheric egalitarianism); humans are only one species amid so many other species. All species have the same value (non-anthropocentrism). The principle of self-realization views humans as social beings and as ecological beings and recognizes and appreciates environmental diversity and complexity in a symbiotic relationship.

Equal rights are the basis for ecocentrism or deep ecology in humans, animals, and plants. The interconnectedness of these three parties or everything in this interconnected universe becomes the actual center of reality (Klemmer & McNamara, 2020; Laferrière & Stoett, 2003; Rothenberg, 2012). Thus, the economic value system applied to natural objects is
considered an intrinsic value that cannot be assessed conventionally by financial instruments (Diesendorf, 2001). The behavior of respect and obligation of stewardship is the basis of ethics in activities in this world. The main factor driving the use of natural resources is human welfare determined by the degree of 'friendship' of humans with nature, including consumption, production, and distribution. Human status in the ecosystem is humans as citizens of the ecosystem with the same status as other creatures in consumption and production activities. Decisions in the use of natural resources are not only based on market institutions but also politics, the environment, and society (Diesendorf & Hamilton, 2002b).

(Rowe, 2001) argues that all organisms evolved from the Earth and were sustained by the Earth. So Earth is not an organism but a metaphor for life. Earth is not humanity is the center of life, the center of creativity. Earth is the whole to which we are the parts. Such a fundamental philosophy gives ecological awareness and sensitivity an encompassing material focus (Abdillah, 2014; Capra & Luisi, 2014b). Therefore, the center of reality is not in humans, but the truth in this version of deep ecology or ecocentrism is the universe.

In addition, ecocentrism or deep ecology is closely related to the beliefs of indigenous peoples as a way to see themselves as part of this world ((Capra, 2002; Klemmer & McNamara, 2020; Naess, 2013; Rothenberg, 2012). It is coupled with the evolutionary, empathetic, and aesthetic abilities combined with the rational skills that have enabled humans over time to understand how all of life came about (Rowe, 2001b). With the development of exact sciences such as physics in the early 20th century, more and more penetrating the reductionist approach and the idea of objectivity, showing that humans are an integral part of nature. Based on deep ecology, the following is a description of the dimensions of performance measurement on SEs:
Deep ecology has realized the relationship between humans and society, but this view is still trapped in a limited view, namely seeing that life is only in this dimension. Guha (1989) dan Grey (1986) also explain that actually, the deep ecology view emerged as a movement against the criticism of the capitalist elite and countries that are trying to legitimize the exploitation of local ecosystems in third world countries (Schimelpfenig, 2017). The view of deep ecology triggers a movement to pressure developed countries to reap their economic benefits. The ecocentrism or deep ecology view also views that this industrial civilization forms a social class hierarchy which is precisely the only source of the ecological crisis (Bookchin, 1987; Feinberg, 2018; Pakeman, 2001). Thus, deep ecologists view that because environmental problems are created by industrial civilization, the only solution is to dismantle industrial views and activities. Political and social values become the main focus and improve the social structure of society (Anthony F. Tresca, 2020). Based on this, the primary key in deep ecology is the distribution of welfare using an ecological view.

**5 CONCLUSION**

Over the past five years, the issue of performance measurement in Social Enterprises (SEs) has gained increasing relevance among researchers and practitioners. From an academic perspective, there has been an explosion in methodologies and tools for assessing social...
performance and impact, but with little systematic analysis and comparison across different approaches. From a practitioner perspective, SEs need to start systemically measuring their performances to support decision-making and ensure the development and sustainability of the environment and society. In this context, this paper aims to contribute to the state of the art literature by developing an approach that SEs could apply to measure their results concerning social, environmental, and economic impacts. By embracing interdisciplinary views of accounting and anthropology, we use synchronic-diachronic study. This research constructs a multidimensional perspective in building the foundation of performance measurement on SEs. This multifaceted perspective is based on the discourse of deep ecology, namely environmental welfare, community welfare, internal and business processes, human and natural empowerment, and distribution. With this multidimensionality, the main goals of SEs will be achieved, namely sustainability and prosperity. This research is still limited to the study of theoretical construction based on secondary data. It becomes possible for future research, carrying out this research with a primary database and testing it on SEs in Indonesia. Thus, the research results obtained will be more comprehensive and complete.

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