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Book Review by Sonya Scott

Accounting for Social Value. Edited by L. Mook. Toronto, ON: University of Toronto Press, 2013. 272 pp. ISBN: 9781442611467.

Laurie Mook's recent edited collection of essays on social accounting practices, *Accounting For Social Value* (2013), presents social accounting as a complex knowledge practice with implications both for social economy organizations and society at large. Building on her rather substantive list of influential publications in the field, Mook brings together a series of essays that re-imagine accounting for specialists and non-specialists alike. Social accounting is a practice defined as "a systematic analysis of the effects of an organization on its communities of interest or stakeholders, with stakeholder input as part of the data that are analyzed for the accounting statement" (Quarter, Mook, & Richmond, 2007, p. xxx). It has as its intention the broad measurement of an organization's performance (including economic, social, and environmental factors), and has, as its audience, a broad number of groups, extending to stakeholders throughout the community at large.

In this collection, Mook introduces the history of social accounting practices through three historical waves (1970s, 1990s onward, and 2000s onward) in terms of their methodology, expectations, and applicability. Each subsequent essay engages specific instantiations of social accounting practices "on the ground." In so doing, they each explore the successes and failures of social accounting practices, the challenges of implementation and establishing a common language of account, and the relevance of social accounting for contemporary social economy organizations.

As Max Weber pointed out in *The Protestant Ethic and the Spirit of Capitalism* (1905), the peculiarity and pervasiveness of the Occidental capitalist form was in part a consequence of rational bookkeeping. Indeed, accounting as a knowledge practice both shapes and transforms economic practices, at the same time as it attempts to reflect the "truth," or the measurable content, of the economic world. The dialectical nature of accounting as a social practice has been explored by many in the field (e.g., Bebbington, Brown, Frame, & Thomson, 2007; Hopper, Storey, & Wilmott, 1987; Morgan, 1988), and yet Chapter 9 in this volume, "The Role of Intermediaries in Social Accounting" by Katherine Ruff, brings to light the shifting register of truth in the history of accounting. What today appears to be a universally valid truth (e.g., the mathematical calculation of profit by means of financial accounting) was, at its inception, perceived as an immensely complex, even impossible, task. Ruff points out that "a common understanding of profit had to be created" (p. 232) before there could be a relative degree of uniformity in financial accounting. In much the same way, we see throughout all the essays in this collection that *social value* will need to be collectively imagined in order to create a common language with which to assess it. For such a reason the need for strong intermediaries,

those who “distill complex information” (p. 243) but are neither the stakeholders nor members of the organization at hand, runs as a theme throughout this collection. Quite poignantly, Bryn Sadownik (Chapter 6, “The Demonstrating Value Initiative”) shows the importance of developing reporting and measurement mechanisms by exploring how the Demonstrating Value Framework (the result of a Vancouver community-based initiative that started up in 2004) “guides social enterprises to fully identify their information needs for managing, planning and demonstrating their value” (p. 140).

A fundamental contradiction runs throughout the text, however, whereby effective social accounting practices are heralded in terms of the revenue-oriented benefits they hold for the social economy organizations that use them. While stakeholder engagement and community inclusion are also lauded under the general banner of increased democratic participation in economic structures, ultimately the attraction of greater capital investment, publicity, and membership are the most frequently cited incentives to social accounting practices. To be fair, this concern would be inherent to any organization operating within profit-driven capitalist contexts, as it would to any discipline that aimed to transform a language first designed to effectively describe a uniform notion of profit. The complexity and frustrations of such a task are quite explicitly dealt with by most of the authors, and the failings and challenges of social accounting are one of the most powerful thematic interventions of this collection, always with an eye to improvement, increased social relevance, and broader implementation. As Leslie Brown and Elizabeth Hicks point out in Chapter 4 (“Stakeholder Engagement in the Design of Social Accounting and Reporting Tools”), while responsible social accounting can dramatically increase the democratic potential of organizations through greater transparency (p. 91), there is also the danger that “in the longer run people may simply become cynical as social accounting is used more as an effort to manage perceptions rather than an instrument for real change” (p. 88).

The challenges of social accounting in our current neoliberal context become quite apparent through essays treating cases such as: Assisi Organics, a social purpose business that produces garments in the much longer value chain of Fair Trade organic cotton produced in India (Darryl Reed, Ananya Muckherjee, J.J. McMurtry, & Manjula Cherkil, Chapter 3); the Consumers’ Community Co-operative, a retail grocery chain opened in 2001 in Atlantic Canada that provides many lessons to be learned for social accounting due to their ultimate dissolution in 2008 (Brown & Hicks, Chapter 4); Alterna Savings, a credit union based in Ontario that carried a successful, though underreported, business micro-loan program for low-income members (Edward T. Jackson & Michele Tarsilla, Chapter 5); and Convention and Visitors’ Bureaus throughout the United States, organizations with tremendous, though typically unreported, impact for stakeholders often overlooked by mainstream tourism management literature (Timothy J. Tyrrell & Robert J. Johnston, Chapter 7). Each of these essays critically explores the successes, failures, and possibilities for social accounting in their particular case study, giving insight into both current systemic pressures and the road ahead for the discipline and practice.

In the development of new accounting practices, the need for vision and leadership is key. The importance of stewardship and vision in institutional practice is introduced when Massimo Contrafatto and Jan Bebbington (Chapter 2) establish the connection between stewardship and accountability in the Scottish case of the Falkland Heritage Trust, an organization that protects historical, environmental, and cultural aspects of the Falkland estate. Here, within a discussion of the potentiality of the social audit process, we see that stewardship practices are “considerably wider, deeper and more radical than that most usually observed in the social accounting and corporate social responsibility literatures” (p. 52). The idea that new vision in already established institutions can play a valuable role in social change comes to bear on the Canadian university system as well, when McMurtry, Jacqueline Medalye, and Reed (Chapter 8) demonstrate the need for Fair Trade purchasing practices and coherent sustainable development policies in postsecondary institutions. In many ways, this entire volume presents a new and socially transformative vision of an accounting practice

where “systematic analysis of the responsible involvement of organizations in the society’s social fabric, coupled with discussion to which a diverse spectrum of stakeholders are invited, embody the lively and communicative aspects of civil society” (p. 257). This collection will be of great value to social economy practitioners, accountants engaged in critical accounting practices, and scholars of business, economics, and the social sciences alike.

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