ASSET

Accounting for Sustainability,
Social and Environmental Transparency

INTENSIVE STUDY PROGRAM

TEACHING MODULE 3

Sustainability Management Accounting

Overview

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TEACHING MODULE 3

Sustainability Management Accounting

Context

In the contemporary business landscape, sustainability has become an integral component of corporate strategy. Organisations are increasingly expected to integrate environmental, social, and governance (ESG) considerations into their strategic and operational decisions and to develop appropriate systems for measuring and managing sustainability performance.

Sustainability Management Accounting (SMA) can support this process by providing managers with tools for translating sustainability priorities into strategic objectives, actions, and performance indicators. Among these tools, the Balanced Scorecard (BSC) and Strategy Map (SM) can play an important role in integrating financial and non-financial objectives and highlighting the relationships between sustainability initiatives and organisational performance.

For companies operating across different international markets, however, an additional challenge arises. While corporate sustainability requires a coherent global strategy, ESG priorities may differ significantly across countries and markets. Organisations therefore need to identify which sustainability objectives and performance indicators should be shared globally and which should be adapted to specific local contexts.

The purpose of this teaching module is to address this challenge by showing students how management accounting tools can be used to design a Sustainability Performance Measurement System that combines global strategic consistency with responsiveness to different ESG priorities across international markets.

Students' tasks

This teaching module is based on a practical challenge in which students use the Balanced Scorecard (BSC) and Strategy Map (SM) to design an integrated Sustainability Performance Measurement System for an organisation operating across different international markets.

Students will work collaboratively in teams, initially focusing on specific market contexts. Each team will analyse the ESG priorities of its assigned market and develop a Sustainable Balanced Scorecard (SBSC) that reflects its distinctive environmental, social, and governance challenges.

Teams will then compare their proposals across markets to identify similarities and differences and determine which performance indicators should be standardised at the global level and which should remain market-specific. This comparison will provide the basis for developing an integrated Global Strategy Map, in which students will identify overarching strategic priorities and define the main cause-and-effect relationships linking sustainability initiatives and organisational performance.

At the end of the module, teams will present and justify their proposals. Students will also assess the work of other teams through a structured peer-evaluation process. In this way, they will experience both the design and evaluation of sustainability-oriented management accounting systems while developing their ability to balance global strategic consistency with local adaptation.

Through these activities, students will strengthen their ability to analyse different ESG contexts, select and refine appropriate KPIs, distinguish between global and market-specific indicators, and use Strategy Maps to represent the relationships between sustainability objectives and organisational outcomes. They will also develop teamwork, critical thinking, presentation, and peer-evaluation skills.