**ABSTRACT**

Social value has evolved rapidly over the last decade or so. Legislation has been a key driver, and added value and numerical measurement are emerging as important focal points. An emerging body of literature in this space draws attention to social value in placemaking, infrastructure and construction work. Using deontological principles of ethics, a critical discussion is presented on the problems associated with numerical measurement of social value as added value. Two key questions are addressed: How does mandating social value by legislation and policy impact good practice? How effectively can numerical measuring of social value evidence the range and diversity of activity and outcomes? This responds to a wider call to take a critical view of both policy and the activities of the sector and advocate a move away from solving immediate problems and development of ever more elaborate tools. The development of a holistic appreciation of the long-term need and outcomes of social value is recommended: the contextual, contingent middle ground.

**PRACTICE RELEVANCE**

This critical essay on social value considers the dangers inherent in recent policy developments, specifically numerical measurement of social value as added value. A critical review of the literature on social value in placemaking, infrastructure and construction work illuminates the diverse nature of social value. It is argued that social value needs to be re-energised as a concept, *i.e.* co-creating values-driven practice and achieving social impact that can be supported by considered approaches to measurement. A balanced approach should be employed when considering, creating and delivering social value. This would avoid both the purely critical and the purely practical, and instead stems from the contextual, contingent middle ground.
1. INTRODUCTION

Social value as a concept has evolved rapidly over the last decade or so. Very often, especially in the context of the UK, a key influence is the Public Services (Social value) Act 2012 and related policy development (for a concise summary, see Al-Siaidi et al. 2023: 108). Researchers commonly draw on the Act to provide ‘a useful working definition’ of social value (as did the guest editors of this special issue in the call for papers; Samuel & Watson 2022) on the basis that social value is ‘the economic, social and environmental wellbeing of the relevant area’. Local specificity is an explicit element of this otherwise broad and inclusive definition.

In line with the focus on local specificity in the Social Value Act, public procurement in the UK has been undergoing major transformation, and new legislation (UK Government 2022) articulates new national priority outcomes as follows:

- creating new businesses, jobs and new skills in the UK;
- tackling climate change and reducing waste;
- and improving supplier diversity, innovation and resilience.

(Cabinet Office 2021: 2)

Such aims provide an opportunity to further social value on all three pillars of sustainability: social, economic and environmental. Some councils have developed comprehensive programmes of planning and design to integrate considerations of social value within practice (e.g. Alvarez 2022). Indeed, Sugar et al. (2022) report that over two-thirds of UK local authorities have declared climate emergencies and intentions to decarbonise. These are positive examples of legislation-driven change in practice.

Although current legislation and policy development in progress create the drive and opportunities for social value (e.g. White 2022; Edge 2022), the emphasis is on measuring social value, and specifically added value, in numerical terms. This is problematic in two ways: (1) social value-related activity and outcomes that fall within the remit mandated by legislation cannot be counted as ‘added value’; and (2) measuring social value in numerical terms tends to focus minds and activity on things that can be easily converted into figures. This problem statement and background are expanded upon in the next section.

The key questions that the problematic presents are explored in this paper using ethics as the theoretical framework, and specifically deontological ethics which focus on ‘doing the right thing’. The objective of the paper is to develop critical discussion about policy and literature on social value in the built environment and enhance the appreciation of what constitutes social value.

The paper is structured as follows. Following this introduction, the background and problem are set out together with the theoretical framework. These sections are followed by critical discussion of social value literature. Finally, the paper concludes.

2. BACKGROUND PROBLEM-SETTING

Many different definitions of social value have emerged over the last decade or so, often because they are tailored to specific circumstances or organisational priorities. For example, British Standard (BS 8950) defines social value in broad terms as:

- a net positive change in human wellbeing and assumes that the enhancement of social value is in the long-term interests of all of us.

(Levitt 2020: 2)

Others, such as the Salford Social Value Alliance (2022: n.p.), relate social value specifically to procurement:

‘If £1 is spent on the delivery of services, can that same £1 be used to also produce a wider benefit to the community?’. This involves looking beyond the price of each individual contract and instead looking at the collective benefit to a community.
This link to procurement is commonly visible in different definitions, and many refer to ‘added value’ (for lists of definitions by different organisations, see, e.g. Raiden et al. 2019: 5; UKGBC 2021: 22–23).

The tailoring of a definition to specific circumstances or organisational priorities is in line with the emphasis on local specificity that the Social Value Act and more recent changes in procurement policy endorses. This contextual approach places an emphasis on the relationship between individuals and organisations and their physical, cognitive and social worlds. This means that there will be variability in the use of terms, and it can be difficult for project partners to understand, agree upon and meet differing requirements. Nevertheless, a tailored approach to social value allows for flexibility and an opportunity to engage a variety of partners and respond to their points of view in developing responses that are unique to the specific organisation, project and community situations (Raiden & King 2022).

Researchers and practitioners now often connect social value to the United Nations’ Sustainable Development Goals (SDGs) and present insights into the many different ways in which individuals and organisations can make a positive impact towards resolving the ‘people, planet and prosperity’ agenda (Raiden et al. 2019: xviii; UKGBC 2021; Raiden & King 2022). Social value is seen as the practical tool for achieving the SDGs, which in turn offers a broader framework within which to locate social value activity. Mapping out the social value outcomes against the SDGs can help organisations identify which outcomes materially contribute to the achievement of relevant SDGs and assess where there may be other sustainable development issues that could influence value creation across the business (AECOM 2022).

As a framework the SDGs are helpful in making it easier for everyone to work to the same understanding and expectations, direct comparisons are possible, and they help standardise practice. However, there is a danger that important nuance is lost. A universalist agreed-upon definition is a difficult find to fit the industry, organisation, project, community and/or individual needs that are most pressing at any one time. The universalist approach also potentially constrains innovation; there is less need to think about what is specifically important in a particular place and time to a certain group of people or the environment. Morgan et al. (2022) discuss the limitations of taking a narrow or ‘sum-of-the-parts approach’ to defining wellbeing. They suggest that occupant wellbeing, for example, is emergent not just from individual interactions with building features, which are the usual measurements employed to construct a calculation of wellbeing in buildings, but also from broader social and symbolic elements. A more nuanced assessment can help shape how wellbeing is addressed in building design, construction and management.

Current policy is sending mixed messages about the importance of local specificity, while at the same time creating a framework of universalist requirements. This is where the problematic (1) social value-related activity and outcomes that fall within the remit mandated by legislation cannot be counted as ‘added value’ arises. This is explained below.

Sugar et al. (2022) note that the broader effort to reorient procurement towards generating higher levels of social value, the ‘social value model’, now requires contracting authorities to give a minimum weighting of 10% of the award criteria to their chosen outcomes, including requirements linked to fighting climate change. This significantly expands the earlier requirement in the Social Value Act. Specifically, contracting authorities should consider contributing to the UK government’s legally binding target to reduce greenhouse gas emissions to net zero by 2050 (including using multifactor sustainability indices to embed decarbonisation across the entire project right from design to delivery to eventual decommissioning) (Sugar et al. 2022). Thus, some activity in the environment aspect of social value will be classified as meeting the minimum legal requirement and will not constitute added value. Furthermore, when, for example, the requirement for organisations to create new businesses, jobs and skills are written in legislation, activity in this space will fall within a compliance approach and does not therefore constitute added value. This may present a great difficulty for those who operate in areas where the creation of new businesses, jobs and skills is a local priority. Such is a conundrum for practitioners: they are required to give
Companies of all sizes complain that their established policies, programmes and initiatives typically fail to count for anything in procurement unless they can be extended to be contract-specific—which isn’t always feasible, especially on small contracts. Allowing some flexibility to include these would be a big improvement.

(Gibson 2023: n.p.)

The second element in our problematic: (2) measuring social value in numerical terms tends to focus minds and activity on things that can be easily converted into figures, stems from related concerns. People and organisations who see social value as an added value tend to look for simple and measurable activities and outputs that can be reported. This is inherent in the audit culture and associated rise in general and specialist consulting activity (e.g. Shore & Wright 2015). It follows that to facilitate numerical measuring of social value, several consultancy organisations that can be employed to produce such reports are gaining market presence and contribute to the development of a ‘social value industry’. Shore and Wright highlight the potential conflicts of interest where the same consultants (or industry) who work in partnership with organisations to help improve their operations act as external agents or auditors. Should this stance become the norm for social value measuring, then, through collusion, the risk of organisations that only symbolically engage with social value receive the same legitimacy and benefits as those that substantively engage. Given the abovementioned 10% award criteria requirement, such legitimacy translates into success in tendering and procurement and that means contractors and consultants are winning work even where they may be failing to deliver social value. Areas of society that need social value are then left deprived.

Thus, a fear that a reductionist ‘biggest number wins’ gaming will become prevalent; and values-driven practitioners and purpose-led organisations who have always sought to do the right thing even where it is difficult to report explicitly will find it difficult to continue in business in the way they have done because their tender packages do not show significant added value (Raiden & King 2022: 4–5). Literature on ‘greenwashing’, i.e. concealing or misrepresenting information to make organisational processes or outputs appear legally compliant on environmental matters, offers useful insights into this kind of behaviour (e.g. He et al. 2020; Chen et al. 2022). Put simply, viewing social value as added value and measuring that numerically may actually discourage organisations from doing the right thing as an embedded and integral aspect of the way they operate. That is not to say that measuring is not important in organisations. For example, key performance indicators (KPIs) and procurement criteria are necessary to legitimate certain initiatives, allocate resources to them and ensure compliance.

This argument aligns with Leiringer & Dainty (2023) in that the aim is to take a critical view of both policy and the activities of the sector rather than pragmatically support responding to industry demands. We question the underpinning assumptions upon which the development of social value is based and the corresponding implications to practice.

Continuing the accord with Leiringer & Dainty’s (2023) call for criticality in the construction management research and literature, a critical focus here is on considerations of whose interests are being served and whose being subjugated. Measuring social value in numerical terms tends to serve organisational aims and aspirations to inform and satisfy project bidding and tendering, and/or building a brand image. The needs of the community or place, which are often much less straightforward to express and/or quantify, tend therefore to be overlooked if not quite silenced. Indeed, it would be desirable to move away from a focus on solving immediate problems and development of ever more elaborate tools to help the construction industry with short-term solutions. A holistic appreciation of the long-term need and outcomes of social value is therefore advocated: the contextual, contingent middle ground. This is the practical problem addressed in this paper and our questions are as follows:
• How does mandating social value by legislation and policy impact good practice?
• How effectively can numerical measuring of social value evidence the range and diversity of activity and outcomes?

Ultimately, the goal is to show that critical engagement with the matter (social value) is necessary in order to advance research and practice in this space. An overly keen emphasis on endorsing government policy, in addition to repeating previous research findings without conducting critical enquiry, leads to academia creating an echo chamber, which does not serve the needs of those who have less explicit capacity to pursue the critical agenda (i.e. busy practitioners in industry), or those who would ideally benefit from social value the most (i.e. local communities). This is a call for researchers to critically examine the aims of, and approaches to, measuring social value. Of utmost importance, this is a call for researchers to showcase good practice that demonstrates where action (not measurement) has been the focus.

This paves the way for the middle ground where the extremities matter less, where practitioners and their practice can find a useful place for creating as well as assessing and measuring social value using qualitative methodologies and sharing powerful stories in addition to numerical data.

3. THEORETICAL FRAMEWORK: DEONTOLOGICAL PRINCIPLES OF ETHICS

There are many different ideas about what is a sound point of departure when discussing or solving practical problems. Tännsjö (2013) examines ethics: utilitarianism, egoism, deontological ethics, the ethics of rights, virtue ethics, feminist ethics, and environmental or ecological ethics, as a framework for identifying and defending what is right. Importantly, he shows how the different views on ethics imply inconsistent answers to practical questions. Utilitarianism and deontological ethics, for example, often produce conflicts and contradictions, and this helps explain variations in business practice. Thus, ethics can be used as a framework to offer reasons as to why a particular answer to a practical problem is true or reasonable. Conceptually social value is connected to corporate ethics as this framing offers ‘the other’ driver for it (Al-Siaidi et al. 2023: 136; Kirkwood & Webb 2023) alongside legislation (compliance) and related requirements to account for social value in contracts (the business case) (Daniel & Pasquire 2019).

Deontological principles of ethics provide the key theoretical framework for the critical discussion of added value and numerical measurement of social value in this paper. The discussion draws on Kantian duty and principle logic.

Deontology is a normative, duty-based and non-consequentialist approach to ethics where the morality of an action is assessed on whether the action itself is right or wrong under a series of rules (rather than on the basis of the consequences of the action). Deontological ethics tend to focus on giving equal respect to all human beings, which provides the basis for human rights. It forces due regard to be given to the interests of a single person even when those may be at odds with the interests of a larger group.

The deontological approach deals with the intentions and motives underlying action, which fits with ‘ordinary’ thinking about ethical issues. Most people pay attention to whether a person’s act was carried out with ‘good’ or ‘bad’ intentions. However, sometimes conflict arises between different duties or rules: how can everyone matter, as a group, equally, while at the same time due regard be given to each one of them individually?

In terms of duty and principle, the German philosopher Immanuel Kant (1724–1804) argued that human actions must be guided by universalist principles, without consideration of context or consequence. He termed this objective the categorical imperative and deemed it a rationally necessary unconditional principle that must be obeyed without exception. This is the highest order of moral behaviour, a supreme principle. Kant identified that a good will satisfies this test, and this forms the basis for thinking about the intentions and motives underlying action within deontological ethics. A good will is not contextual or dependent on the consequences. As such,
good will is shared because it is the moral law, the right thing to do, a duty. Also, Kant argues that a good will is shared because such a moral law applies to everyone, and this gives rise to the principle: equal respect to all human beings, with due regard being given to the interests of a single person, even when it may be at odds with the interests of a larger group. The saying ‘do unto others as you would have them do unto you’ is associated with Kantian ethics. For Kant, thinking about the actions we take needs to be carried out in a serious and philosophically rigorous manner so that we can behave in a way that satisfies the test of the categorical imperative; doing the right thing simply because it is the right thing to do.

By this logic, considering, creating and delivering social value is the right thing to do, regardless of the consequences. The principles highlight the ethical importance of not privileging oneself. A good will and fairness should take primary importance since these are the highest order of moral behaviour within the deontological school of thought in ethics. In contrast, concepts such as psychological egoism, which points to the popular view that people and organisations are motivated solely by self-interest, not by ethical scruples (Hooker 2018), and accounting principles aligned with utilitarianism, challenge deontological ethics.

4. CRITICAL REVIEW OF THE LITERATURE ON SOCIAL VALUE

Showcase examples of social value in the literature illustrate innovative projects and discussion around measuring social value in the context of placemaking, infrastructure and construction work. Thematic searching was used to identify these sources from prominent books and journals in the field, including (in an alphabetical order), Buildings & Cities; Building Research & Information; Construction Management and Economics; Engineering, Construction and Architectural Management; the Institution of Civil Engineers’ (ICE) Engineering Sustainability; ICE Management, Procurement and Law; and the Association of Researchers in Construction Management’s (ARCOM) abstracts database which catalogues a wide range of conference and journal publications. Placemaking, infrastructure and construction work were the three broad areas within which much of the literature fell, hence the three subsections that follow.

4.1 PLACEMAKING

Collaborative and participative design and placemaking are some of the most impactful ways of thinking of social value. They inspire people to collectively reimagine and reinvent spaces at the heart of every community, improving and making buildings, neighbourhoods, cities, and regions that are good for people and, by implication, the planet (Project for Public Spaces 2018; Samuel & Hatleskog 2018).

Awuzie et al. (2018) and Plowden et al. (2022) provide practical insights and demonstrate how clients can help create and deliver social value. Collaboration and partnerships are a central theme for de Sousa (2019, 2022) and Kay-Jones & Ivett (2022) who focus on the co-design of collaborative economies. De Sousa (2019) explores the connection between people and place and how the quality and qualities of the built environment around them affect their social, cultural and economic interactions, together with the role that placemaking can play in improving people’s quality of life. De Sousa (2022) builds on this, exploring opportunities for co-designing change and embedding social value through community engagement in placemaking. Kay-Jones & Ivett (2022) show how the architectural design process, and collaborative and agile strategies, can be used to influence the design and coordination of a project team to collectively achieve social value.

Candel et al. (2021) draw attention to co-creation of value propositions during the front-end of housing development projects and how this affects housing developers’ ability to drive change and innovation in Sweden. Not too surprisingly, their findings illustrate how the various actors perceive value differently, and how this leads to conflict. A local authority considers the potential value outcomes from a wider societal perspective and wants to create long-term sustainable development and innovation and an attractive new residential and commercial district for the city. Meanwhile, the private housing developers have a traditional output-focused project
management approach, albeit the strong sustainable profile and related publicity provides them with prospects for improving their corporate image (Candel et al. 2021: 252). In negotiations the actors are not always able to find solutions that satisfy everyone’s desired value propositions, and compromises must therefore be made. As the actors have different levels of influence, the negotiations can lead to solutions that benefit some actors over others, and benefits for one actor can be perceived as sacrifices for others. Key tensions thus arise between the long-term view and sustainability requirements and short-term flexibility and financial viability. Interestingly, Styhre et al. (2022) present another study of an urban development in a particularly socially vulnerable city district in Sweden that shows how municipally owned real estate companies and private construction companies need to collaborate with authorities (e.g. the police) and municipal boards (e.g. the education board) to advocate investment in amenities in order to increase housing stock evaluations, local housing market attractiveness and the housing welfare of residents in blighted city districts.

Literature in this space signals a need to focus on the processes of considering, creating and delivering social value as much as the outcomes of such activity. Social value in placemaking is about embedding it into the business with an emphasis on quality and inclusiveness rather than a focus on added value. Deontological ethics place a range of key stakeholders, including individuals and communities, at the centre of social value, and so measuring it aligns with mixed-method assessment.

Mixed-method assessment (or multi-method assessment as it is sometimes called) refers to the processes of collecting different types of data, both qualitative and quantitative, and employing a variety of techniques in analysing that data (e.g. Knight & Ruddock 2008). This is an inclusive and comprehensive way of assessing and measuring social value. It is particularly well suited to contexts and/or circumstances that are complex. Mixed methods can offer greater depth and answers to nuanced ‘why and how’ questions as well as the certitude of metrics, coverage of large sample sizes and affirmative results (Abowitz & Toole 2010). Given that mixed methods can account for the processual elements of ‘doing’ the right thing as well as outcomes and outputs, such a methodology is arguably better able to evidence a wider range and diversity of social value activity than numerical measurements alone.

One example of employing mixed methods in the assessment of developing sustainable, healthy and prosperous communities uses open questions that liberate thinking on assessing and measuring social value by going beyond numerical proxies:

Do users of the space get a sense of wonder in the new development?
Has it helped them connect with others, reduced loneliness, and isolation?
Have we made someone feel a more valued part of society?

(Kirkwood & Webb 2023: n.p.)

These questions focus on the collective wellbeing of the group, e.g. the local community. Equally, due regard is given to each member of the community individually, without the need or pressure to scale the impact beyond the individual and prioritise activities which have the greatest impact. They show that the organisation considers social value in a rigorous manner, and hence this approach aligns with deontological ethics, doing the right thing.

4.2 SOCIAL VALUE IN INFRASTRUCTURE PROJECTS

Investment in infrastructure provides multiple opportunities to deliver social value to the associated communities and regions. Professional bodies have taken an interest in advancing work on social value. For example, the ICE calls for ‘a deeper engagement with the social value agenda’ (ICE 2022; Behar & Sykes 2022) on the basis of research it conducted with Useful Projects that identified a significant implementation gap between policy ambitions and the actual delivery of meaningful and beneficial social value in practice (Dobson et al. 2020). ICE showcases how
infrastructure projects can provide maximum benefit to society through delivery of the highest-quality infrastructure, and thus close the implementation gap between policy and delivery (Behar & Sykes 2022).

Watts et al. (2022) discuss social value in small gas infrastructure projects. They emphasise the relationship between a client and the contractor in developing and agreeing a shared understanding and responsibility as being of utmost importance to successful delivery of social value. There are specific challenges with gas works: a high risk nature, short programme duration and low project value. These issues make it difficult to implement many common social value initiatives, such as opportunities for work experience or apprenticeship training (Watts et al. 2022: 170). Thus, in this context more immediate, procurement focused, ‘local spend’ type social value initiatives are seen as feasible.

Fujiwara et al. (2022) set out the foundations for social value measurement techniques that underpin the methods and frameworks developed in central governments and multilateral and international organisations. They focus on cost–benefit analysis (CBA) within a practical case example, where metrics such as travel times, accidents, air quality, and noise levels using the standard industry valuation were identified as relevant and measured in addition to developing bespoke valuation scores to monetise the heritage impacts of the project. Freelove & Gramatki (2022) present another case example of a social CBA. They reveal the difficulties and challenges in defining and designing quantitative measures, in addition to advocating for a focus on key outcomes that generate the greatest impact. Watson & Whitley (2017) identify social return on investment (SROI) as a well-developed method with significant potential for measuring and disseminating impact through the monetisation of social value.

Of some concern is the sense of direction here. A generic focus on key outcomes that generate the greatest impact takes an approach aligned with consequentialist accounting principles and not deontological ethics and thus diverts from the UN vision behind the SDGs. For example, the UN vision is clear on envisaging:

A world in which every woman and girl enjoys full gender equality and all legal, social and economic barriers to their empowerment have been removed.3

Given the gender divide in the construction and infrastructure workforce, an initiative that allows for even a single or a small number of women to achieve an equality of opportunity to participate in employment and/or training may indeed be a scheme of relative importance to a community (and/or an organisation or a project). Hence, the need for a critical view on generic versus specific measures and careful consideration of what constitutes value and what counts as social value, and further: added value. Should the value of a specific, small scheme that helps enhance the employment and training prospects of women in construction be measured against a number of male employees or the aggregate number of hours of training provided, then one might be mistaken to place more value on the greatest number. Given that women have been disproportionately affected by the socio-economic fallout of the pandemic, struggling with lost jobs, increased burdens of unpaid care work and an intensifying silent epidemic of domestic violence (UN Statistics Division 2022), the moral argument would be to prioritise SDG 5 (Gender equality) even when it does not show greatest impact on metric statements.

The SDG framework does not encourage maximising greatest impact. Rather, it is built on the principles of deontological ethics whereby the actions matter more than the volume of outcomes. One of the headlines in the Sustainable Development Goals Report (UN Statistics Division 2022: 6) reads: ‘The pandemic was a reminder to leave no one behind.’ When defining, designing, considering, creating, delivering, assessing and/or measuring social value, one must therefore resist the myopic focus on audit culture and managerialist agenda and keep in mind that social value is not about maximising profit, profitability, public relations value, return on investment or other monetary metrics. It is about the three pillars of sustainability. Pollard et al. (2021) present one such study: the Boston tidal barrier in the UK, which now better protects over 13,000 homes from tidal flooding, delivered benefits against all 17 SDGs. The SDGs provided a framework for monitoring and evaluating the wider benefits of the project and enabled its full societal benefits to be understood and communicated by all key project stakeholders.
Doloi (2018) argues that the needs and requirements of the community should be at the core in planning for infrastructure projects. Therefore, it is important to reach out and identify the key stakeholders’ perceptions of value and the kind of change that may benefit them. This is often difficult to achieve by any other means than open conversations and other forms of qualitative data. Mixed-methods assessment helps build greater understanding of what is the right thing to do, what are the needs of the community, and what kinds of social value activities, interventions or programmes of change will make the biggest impact. Focus and attention are not on items with the largest financial proxy value. Similarly, Raiden et al. (2019: 95) advocate that:

it is society that dictates social value, not experts, and the creation of social value must be built on an intimate understanding of what value means to those communities.

Whereas deontological (non-consequentialist) ethics are focused on doing the right thing, currently most approaches to delivering social value are measurement focused and use accounting principles, monetary values, and other numerical forms to measure the outputs and outcomes of resulting activities. CBA is the principal method of measuring social value that employs monetary valuation (Fujiwara 2014), although there are many other methods, tools and models available, e.g. SROI, cost–utility analysis, cost-effectiveness analysis and multi-criteria analysis.

Monetary measurement of social value is commonly undertaken for the benefit of an organisation or others in decision-making roles that are connected to the organisation in some way, e.g. potential clients looking at tender documentation. In addition, funders who want to direct their money to the most effective projects, policymakers and government officials who have to account for their decisions and spending, and organisations throughout the supply-chain who need to demonstrate their impact to funders, partners and/or beneficiaries, all have an interest in measuring social value quantitatively. Hence, although the community is a key stakeholder in social value, the key stakeholders in measuring social value tend to be decision-makers, and this has important implications on the choices about what gets measured, and how they are measured, valued and reported.

Organisations commonly report on visible social value-related policy and activities: equality of opportunity, school visits, litter picking, face painting and supporting workers’ charitable activities. These are mostly output measures, such as the number of people employed who belong to recognised minority or vulnerable groups; the number of school visits, litter picking, face painting events and the total sum raised in support of, or in conjunction with, workers’ charitable activities. However, the real value would be best expressed through measurement and reporting of the outcomes of these activities, such as metrics that showcase enhanced employee engagement and perceptions of procedural fairness, improved industry/sector image, and/or a cleaner natural and built environment.

This is not to say that output measures are not important. Assessing and measuring social value is important because it helps in making explicit and communicating social value related activity, which, in turn, can help those tendering for work. It also helps produce clear and convincing evidence to substantiate the case for social value (Sacks 2002: 3). The world of work is largely metrics driven, as noted above in relation to the audit culture, and accordingly, monetised ways of assessing and measuring social value attract significant attention. It is important to remain cognisant, however, that social value is about co-creating value and achieving social impact, and both the process and outcomes may be difficult to measure in numerical form.

### 4.3 Social Value in Construction Work

Social procurement is another defining feature in the literature on social value (Barraket & Loosemore 2018; Loosemore & Reid 2019; Raiden et al. 2019: 4; Troje 2018, 2020a, 2020b; Troje & Gluch 2019, 2020; Denny-Smith et al. 2020; Loosemore et al. 2020a, 2020b, 2020c, 2021, 2022, 2023). It is built on the premise that social problems are resolved through cross-sector collaborations and partnerships between the government, private and third sectors.
Loosemore et al. (2020a, 2020c, 2021) highlight that in the Australian context social procurement is generally driven by a philosophy of risk mitigation rather than opportunity maximisation, and focus is on low-value and low-risk construction activities. They explore the constraints and barriers that have contributed to the limited achievements in this space to date, including the industry’s culture and structure, negative stigmas, the fragmented and dynamic nature of construction project teams and the communities they have to engage with, lack of existing and new supply chain social-value creation capacity, and prescriptive and ‘top-down’ approach. Loosemore et al. (2022, 2023) argue that there is considerable untapped potential of social procurement policies to create social value, but this currently depends on the intrapreneurial efforts of a small number of emerging social procurement professionals who are individually challenging the many institutional norms and practices that undermine the implementation of these policies into the construction industry.

Troje & Gluch (2019) focus on employment requirements in Swedish construction sector organisations that hope that the initiatives will help mitigate problems such as unemployment, segregation and a construction sector desperate for more workers. They air a myriad of issues in the integration of employment requirements and involvement of the unemployed in construction work: problems with the coordination between central organisations and project organisations, unclear demands from clients, lack of trained or experienced people to hire, government bureaucracy, and lack of commitment from the actors working on the construction site, where some feel that they do not have the time, knowledge or mandate to properly work with employment requirements. Troje & Gluch (2020) suggest that a new type of actor, named the ‘employment requirement professional’, can help facilitate collaboration and mediate the contrasting interests of different stakeholders when new social procurement practices are created.

This body of work points to the fundamental challenge in applying deontological ethics as the rationale for social value activities. Practical and ideological constraints hinder values-driven work. Multi-stakeholder collaboration is an admirable aim; however, it is very difficult.

The partnership model has been used in different contexts more successfully. For example, shared apprenticeship schemes (e.g. Naylor et al. 2009), apprenticeship group training schemes (Master Builders 2018) and degree apprenticeships (Raiden & King 2022: 73–104) operate on a partnership arrangement basis that brings together stakeholders from the public and private sectors. They help in overcoming the structural problem associated with industry fragmentation and many small firms not being able to support an apprentice by themselves throughout the apprentice’s training. Collaboration and a joined-up approach in partnership with the learning providers creates the opportunity for local authorities to adopt a more widespread strategic planned approach towards construction apprenticeships. At the same time, the schemes offer job security and ‘earn while you learn’ for the apprentices on the programme. However, it is difficult to establish how such a scheme might be meaningfully reported for social value measurement purposes. Numerical metrics can be established for the number of employers and the number of apprentices, which in turn can inform forecasting. Number of training hours and wages earned can also be easily calculated. However, the lived experience and sense of purpose that often provide the added value of such schemes will be difficult to measure in figures.

Denny-Smith et al. (2021) show how construction employment can create social value and assist recovery from COVID-19. Specifically, they highlight that work benefits, such as adequate pay and training and development, together with cultural benefits, such as inclusive workplaces, can be used to create social value. Murtagh & Brooks (2019) identify organisational leadership, process and preparation, social and local awareness, effective support networks, and industry-focused strategy, as central to creating social value within Northern Ireland. Troje (2020a) found that an organisation’s maturity and experience with social value-related activity impacts the support and resources committed to projects.

As with placemaking, this literature on social value in construction signals a need to focus on the processes of considering, creating and delivering social value as much as the outputs and outcomes of such activity. Fundamentals of organisational being, such as leadership and strategy, call for embedding it into the business.
Mulholland et al. (2020) examine how ‘success’ or ‘failure’ in projects are framed and the implications of stakeholder management in shaping these notions of performance and collective understanding of value. They find that, especially within megaprojects where key stakeholders change over time, and those most affected by the changing dynamics of the megaprojects, this dynamic impacts the ways that conditions for success are framed and social value is defined. In doing so, they stress the importance of taking a pluralistic and processual view of stakeholders and demonstrate the need for policymakers, practitioners and researchers to pay greater attention to fragmentation and integration of stakeholders’ interests and influences as they change over time.

Ewart (2019) challenges the dominant rhetoric that favours major innovations in construction (government policies, large contracting firms, major projects) and focus on increase economics and efficiency, highlighting the social consequences of minor innovations in construction. Through a study of housebuilding in rural Borneo Ewart shows how an interplay of technological and social change is enabling the achievement of social value in placemaking, supporting SDG 11 (Sustainable cities and communities), SDG 8 (Decent work and economic growth) and SDG 9 (Industry, innovation and infrastructure).

In summary, the literature on social value reflects the diversity of practice and illustrates how social value means different things to different people and organisations. Just as each individual is unique, so is each organisation, with a distinctive mission and vision, purpose, organisational structure, strategy, and systems, culture, values and employees.

5. CONCLUSIONS

This critical essay on social value used literature with case examples from industry as empirical touch points. It draws attention to the dangers inherent in recent developments, specifically numerical measurement of social value as added value. This highlighted how even well-intended concepts such as social value can be manipulated and mutated to suit a variety of stakeholder interests. Attention is drawn to the mandating of social value by current legislation and policy, which raises the question of whether this will lead to good practice. Thus, the answer to the first research question: How does mandating social value by legislation and policy impact good practice?, is two-fold: increasing legislation and policy can be beneficial in that it will mandate all organisations and practitioners to engage with social value, including those whose value base and ethics do not align with the concept.

However, defining what counts as social value is problematic. At present, there is an emphasis on added value. Increasing legislation and policy will mean that what used to be added value will become a minimum requirement, a matter of compliance, and hence what constitutes added value will naturally be more limited. Should the emphasis on added value continue (much of which will then be subsumed in the minimum compliance criteria) organisations will need to be creative in thinking about different ways to show added value. There is a danger of losing sight of what is important and it may drive people away from a meaningful community engagement and contextual and situated understanding of social value.

Those whose core business model is built on deontological ethics and doing the right thing, with equal respect to all human beings even when it may be at odds with the interests of a larger group, may find it difficult to report significant added value. Where this is the case, they may find it difficult to continue in business because it will be challenging to show high social value returns in their tender packages. Ultimately, mandating social value, especially where the focus is on added value, has the potential to discourage organisations from doing the right thing because demonstrating added value from a lower baseline shows greater opportunity for impact. This view aligns with the consequentialist (utilitarian) ethics which holds value on the greatest good for the greatest number, something that a focus on numerical measurement of social value exacerbates.

In answer to the second question: How effectively can numerical measuring of social value evidence the range and diversity of activity and outcomes?, attention has been drawn to the importance of assessing and measuring the processes of considering, creating and delivering
social value as much as the outputs and outcomes of such activity. The literature reviewed shows the variety of practice and illustrates how social value means different things to different people and organisations. The critical discussion in this paper recognises that numerical measuring can form a useful part of a considered approach to social value reporting, but it has limitations. Nuance may be lost, and the focus may divert to the greatest number, albeit that does not mean that it delivers the greatest value. Arguably, leaning on the principles of deontological ethics means that social value ought to be embedded in the way business is done and it can be difficult, if not quite impossible, to measure activity numerically in a meaningful way. For example, the number of training hours an organisation has provided or apprentice wages earned can be calculated, but measuring their lived experience and sense of purpose is more challenging.

This paper illuminated the diversity in what constitutes social value and put forward an argument for re-energising social value as a concept, i.e. co-creating value and achieving social impact. Borrowing terminology from psychology, it is this regulated (balanced) approach that has potential to inform the development and refining of social value conceptually. A critical view has allowed the exploration of the extremities: what values-driven practice looks like and how measuring can support that.

One limitation of this study is the skew towards the Global North as the geographical and political context of the discussion. Reference material from the Global South is limited, albeit notable contributions that focus on the SDGs in the built environment are underway (e.g. Ekung et al. 2024; Moyo et al. 2023; Opoku 2024; Opoku et al. 2024).

An aspect of empirical research would also add considerable value to a critical review and discussion of added value and the numerical measurement in the context of social value. This is a project that would benefit from interdisciplinary multi-method research, and this special issue may act as a useful catalyst.

NOTES
1 See https://www.legislation.gov.uk/ukpga/2012/3/enacted/.
2 See https://www.arcom.ac.uk/abstracts.php/.
3 See https://sdgs.un.org/2030agenda/.

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