Enrolment No._____

AHMEDABAD UNIVERSITY
AMRUT MODY SCHOOL OF MANAGEMENT
UNDERGRADUATE PROGRAMMES
2023-2024 WINTER SEMESTER
MGT236 CORPORATE SOCIAL RESPONSIBILITY
END SEMESTER EXAM

Date: 27th April, 2024 Total Marks: 40
Time: 5:00 p.m. to 6:30 p.m. No. of printed pages: 05

Answer all questions
Figures in the bracket indicate marks.

1. **5 EXAMPLES OF CORPORATE SOCIAL RESPONSIBILITY THAT WERE SUCCESSFUL** (30)

Business is about more than just making a profit. Climate change, economic inequality, and other global challenges that impact communities worldwide have compelled companies to be purpose-driven and contribute to the greater good.

In a recent study by Deloitte, 93 per cent of business leaders said they believe companies are not just employers but stewards of society. In addition, 95% reported they plan to take a stronger stance on large-scale issues in the coming years and devote significant resources to socially responsible initiatives. With more CEOs turning their focus to the long term, it is essential to consider what you can do in your career to make an impact.

WHAT IS CORPORATE SOCIAL RESPONSIBILITY?

Corporate social responsibility (CSR) is a business model in which for-profit companies seek ways to create social and environmental benefits while pursuing organizational goals like revenue growth and maximizing shareholder value.

Today's organizations are implementing extensive corporate social responsibility programs, with many companies dedicating C-level executive roles and entire departments to social and environmental initiatives. These executives are called chief corporate social responsibility officers or chief sustainability officers (CSO).

Many corporate social responsibility and CSR types might look different for each organization, but the end goal is always the same: Do well by doing good. Companies that embrace corporate social responsibility aim to maintain profitability while supporting a larger purpose.

Rather than simply focusing on generating profit or the bottom line, socially responsible companies are concerned with the triple bottom line, which considers business decisions' impact on profit, people, and the planet.

It is no coincidence that some of today's most profitable organizations are also socially responsible. Here are five successful examples of corporate social responsibility that you can use to drive social change in your organization.

5 CORPORATE SOCIAL RESPONSIBILITY EXAMPLES

Lego's Commitment to Sustainability

As one of the most reputable companies in the world, Lego aims to help children develop through creative play and foster a healthy planet.

Lego is the first and only toy company named a World Wildlife Fund Climate Savers Partner, marking its pledge to reduce carbon impact. Moreover, its commitment to sustainability extends beyond its partnerships.

By 2030, the toymaker plans to use environmentally friendly materials to produce all of its core products and packaging—and it has already taken critical steps to achieve that goal.

For 2013 and 2014, Lego shrunk its box sizes by 14 per cent, saving approximately 7,000 tons of cardboard. Then, in 2018, the company introduced 150 botanical pieces made from sustainably sourced sugarcane—a break from the petroleum-based plastic typically used to produce the company's signature building blocks. The company has also recently committed to removing all single-use plastic packaging from its materials by 2025, among other initiatives.

Along with these changes, the toymaker has committed to investing $164 million into its Sustainable Materials Center, where researchers are experimenting with bio-based materials that can be implemented into the production process.

Through all of these initiatives, Lego is well on its way to tackling pressing environmental challenges and furthering its mission to help build a more sustainable future.

Salesforce's 1-1-1 Philanthropic Model

Beyond being a leader in the technology space, cloud-based software giant Salesforce is a trailblazer in corporate philanthropy.

Since its outset, the company has championed its 1-1-1 philanthropic model, which involves giving one per cent of product, one per cent of equity, and one per cent of employees' time to communities and the nonprofit sector.

To date, Salesforce employees have logged more than 5 million volunteer hours. Not only that, but the company has awarded upwards of $406 million in grants and donated to more than 40,000 nonprofit organizations and educational institutions.

In addition, through its work with San Francisco Unified and Oakland Unified School Districts, Salesforce has helped reduce algebra repeat rates and contributed to a high percentage of students receiving As or Bs in computer science classes.

As the company's revenue grows, Salesforce is a prime example of the idea that profit-making and social impact initiatives do not have to be at odds with one another.

Ben & Jerry's Social Mission

At Ben & Jerry's, positively impacting society is as essential as producing premium ice cream.

In 2012, the company became a certified B Corporation, a business that balances purpose and profit by meeting the highest social and environmental performance standards, public transparency, and legal accountability.

As part of its overarching commitment to leading with progressive values, the ice cream maker established the Ben & Jerry's Foundation in 1985, an organization dedicated to supporting grassroots movements that drive social change.

Each year, the foundation awards approximately $2.5 million in grants to organizations in Vermont and across the United States. Grant recipients have included the United Workers Association, a human rights group striving to end poverty, and the Clean Air Coalition, an environmental health and justice organization based in New York.

The foundation's work earned it a National Committee for Responsive Philanthropy Award in 2014, and it continues to sponsor efforts to find solutions to systemic problems at both local and national levels.

Levi Strauss's Social Impact

In addition to being one of the most successful fashion brands in history, Levi's is also one of the first to push for a more ethical and sustainable supply chain.

In 1991, the brand created its Terms of Engagement, establishing its global code of conduct regarding its supply chain and setting standards for workers' rights, a safe work environment, and an environmentally friendly production process.

To maintain its commitment in a changing world, Levi's regularly updates its Terms of Engagement. In 2011, on the 20th anniversary of its code of conduct, Levi's

announced its Worker Well-being initiative to implement further programs focused on the health and well-being of supply chain workers.

Since 2011, the Worker Well-being initiative has been expanded to 12 countries, and more than 100,000 workers have benefited. In 2016, the brand scaled up the initiative, vowing to expand the program to more than 300,000 workers and produce more than 80 per cent of its product in Worker Well-being factories by 2025.

For its continued efforts to maintain people's and the environment's well-being, Levi's was named one of Engage for Good's 2020 Golden Halo Award winners, the highest honour reserved for socially responsible companies.

Starbucks's Commitment to Ethical Sourcing

Starbucks launched its first corporate social responsibility report in 2002 to become as well-known for its CSR initiatives as its products. One of the ways the brand has fulfilled this goal is through ethical sourcing.

In 2015, Starbucks verified that 99 per cent of its coffee supply chain is ethically sourced, and it seeks to boost that figure to 100 per cent through continued efforts and partnerships with local coffee farmers and organizations.

The brand bases its approach on Coffee and Farmer Equity (CAFE) Practices, one of the coffee industry's first ethical sourcing standards created in collaboration with Conservation International. CAFE assesses coffee farms against specific economic, social, and environmental standards, ensuring Starbucks can source its product while maintaining a positive social impact.

For its work, Starbucks was named one of the world's most ethical companies in 2021 by Ethisphere.

THE VALUE OF BEING SOCIALLY RESPONSIBLE

As these firms demonstrate, a deep and abiding commitment to corporate social responsibility can pay dividends. By learning from these initiatives and taking a values-driven approach to business, you can help your organization thrive and grow, even as it confronts global challenges.

(Source: https://online.hbs.edu/blog/post/corporate-social-responsibility-examples)

QUESTIONS:-

1. Critically examine the definition of Corporate Social Responsibility (CSR) in the article and comment on its sufficiency. Would you like to add something to this definition?
2. Examine the CSR examples described above and discuss their relevance to the Sustainable Development Goals.

3. Where do you see an integration of business and social responsibility in the above examples? In your view, how can all these companies achieve an integration of business and societal welfare?

4. Examine if any companies listed above are engaged in Cause-related marketing. How can other companies also engage in cause-related marketing?

5. What is a Three P model, and how do these companies follow it?

2. The following table provides the ESG Scores of 5 companies:- (10)

Name of the company with sector	Environment	Social	Governance	Overall
Aether Industries Limited (Chemicals and speciality chemicals)	28	58	66	51
Alok Industries Limted (Textiles)	24	41	58	42
Bharat Dynamics Ltd. (Heavy Engineering- PSU)	46	61	66	58
Finolex Cables Ltd. (Electricals)	27	34	58	41
Food Corporation of India (Logistics- PSU)	24	29	42	32

(Source:- https://www.crisil.com/en/home/what-we-do/financial-products/crisils-sustainability-solutions/esg-score-2022.html)

Critically evaluate the ESG Scores of these companies and what inferences do you draw from these scores? Discuss ways to improve the ESG scores regarding individual parameters and overall scores. The words 'PSU' indicate that the government of India owns the company.

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