

Review Questions 10.2

1. Define corporate social responsibility.

CSR is about business engaging in socially, environmentally and ethically responsible behaviour. This is a practice where the business takes into consideration whether:

- they have ethical values in the way they are conducting their business
- they have respect for their employees and customers and
- they are respecting the environment through the manner in which they go about their daily business.

2. List two examples of socially responsible behaviour

Community sponsorship, setting up an education program.

3. List two examples of environmentally responsible behaviour

Recycling and reusing resources within the business.

4. List two examples of ethically responsible behaviour

Anti-discrimination and anti bribery policies.

5. List two benefits of a small business engaging in CSR.

For example:

- Increased ability to attract and retain staff
- Increased customer loyalty
- Demonstration of care for the community
- New perspectives and ideas
- Staff participation and satisfaction
- New business opportunities
- Raising the businesses profile amongst customers and the community.

6. List three items which may be included in a code of ethics.

Code of ethics:

- Not to deliberately do anything illegal.
- To only do business with other ethical businesses.
- To treat customers and suppliers in the manner that the business owners would like to be treated.
- To not exploit customers, suppliers or employees.
- To be truthful at all times.
- To deliver a high level of customer service.
- To not let business practices adversely affect anyone.

7. How may office waste be minimised?

For example: Using less paper, not printing unless required (using emails and electronic documents more), recycling paper/electronics, use both sides of paper, storing manuals online and not printing these, shut down or unplug unused equipment, set the airconditioning temperature higher, use natural lighting, set computers to go to sleep when not being used.

8. What do consumer concerns about the use of packaging usually relate to?

Consumer concerns about the use of packaging usually relate to the overuse of 'once off' containers that are thrown away, such as fast food containers. A business can aim to reduce the amount of packaging used for a product, and can create containers that suit individual products, minimising the use of materials. Minimising packaging of items in supermarkets and clothing stores also assists – carry bags are a major source of packaging waste.

9. How may manufacturing waste be minimised?

Manufacturing waste can be minimised by keeping equipment and machinery maintained, recycling outdated assets, and using the most energy efficient appliances.

10. Bearing in mind the power the consumer has to either support or boycott a business, how can a small business operator with limited funds operate in an ethical manner?

Discussion question. Responses could include:

- An understanding of how a business can gain widespread support from the community for its aim of doing good in the world using a portion of the business' profit.
- This encourages customers to support the business by buying its products, which in turn leads to success.
- If the public feels a business is being unethical or not environmentally friendly they can campaign to stop consumers buying their products, which in turn has an effect on the profits.