**FOM**

**Assignment 2**

**Management Practices**

4 things that I will be covering in this assignment regarding an organization’s/industry’s management practices…

It includes the following:

1. Sustainable Practices
2. Diversity
3. Decision Making
4. CSR practices

The company with whose reference I will be elaborating the points is

**Patagonia (a clothing and gear company)  
  
1. Sustainable Practices**

**Environment-Friendly Material and Use:**

Organic Cotton: Patagonia switched to organic cotton in 1996 after discovering the harmful effects of conventional cotton farming.

Recycled Materials: Use of recycled polyester, wool, and nylon in their products, reducing dependence on raw materials. Their worn wear program promotes the reuse/recycling of their products.

Regenerative Agriculture: Patagonia is investing in regenerative organic farming, which focuses on soil health, carbon capture, and biodiversity.

**Net Zero Carbon Emissions:**

The company is committed to achieving carbon neutrality by 2025, emphasizing renewable energy, sustainable transportation, and carbon counterbalance.

**2. Diversity**

**Inclusive Hiring:**

Patagonia emphasizes creating a workplace that reflects the diverse communities it serves, hiring employees from underrepresented groups in the outdoor industry, such as people of color, women, and individuals from excluded communities.

**Safe and Inclusive Workplace:**

The company fosters an environment where employees feel valued and respected, regardless of all the discrimination. Patagonia provides training on unconscious bias and cultural competence to ensure a respectful and inclusive organizational culture.

**Empowering Communities:**

Patagonia's grants and partnerships often focus on supporting self-organized local level organizations in diverse communities, ensuring inclusivity in environmental activism. For example, they collaborate with local groups to protect land and promote traditional ecological knowledge.

**3. Decision Making**

**Stakeholder-Centric Decisions:**

Decisions consider the impact on all stakeholders, including employees, customers, the environment, and communities.

For example, the company’s commitment to contribute to the well-being of society and the environment by their 1% to the Planet program assured the company’s belief.

**Data usage and Transparency:**

Patagonia uses data to guide decisions, especially regarding environmental impact, such as reducing carbon emissions and water usage. And they have transparency in decision-making builds trust as well, where the company publicly shares its sustainability goals and progress. It is BCorp certified as well due to it’s transparency.

**Collaborative Work within the Organization:**

Patagonia values input from employees at all levels, fostering a participatory decision-making culture. Employee feedback is often sought for initiatives related to product design, company policies, and activism efforts.

**Purpose-Driven Leadership:**

Leadership decisions align with Patagonia's mission: “We’re in business to save our home planet.” A notable example is Yvon Chouinard transferring Patagonia’s ownership to a trust to ensure profits directly address climate change.

**Long-Term Vision:**

Patagonia avoids short-term gains in favor of decisions that have long-lasting positive effects on people and the planet. For instance, switching to organic cotton in 1996 was costly in the short term but reinforced its commitment to sustainability.

**4. CSR Practices**

**Activism and Advocacy:**

Patagonia is an outspoken advocate for environmental issues. Their campaigns include fighting deforestation, opposing dam constructions, and supporting renewable energy projects. The company sued the Trump administration in 2017 for reducing the size of Bears Ears National Monument.

**Employee Welfare:**

Patagonia emphasizes work-life balance, offering on-site childcare at its headquarters and flexible work hours to its employees. They provide competitive wages, health benefits, and encourage employee activism by allowing time off to participate in environmental protests and voice the minorities’ own concerns as well within the workforce.

**Corporate Governance:**

Founder Yvon Chouinard transferred ownership of Patagonia to a trust and nonprofit in 2022, ensuring the company’s profits are used to fight climate change and protect undeveloped land.