

## Internet research

Search for the keywords Starbucks™ bean stock and Starbucks standards business conduct or CSR to find out more about the social performance of other companies.

## Reading and discussion

**3** Read Johnson & Johnson's credo again and discuss what is meant by:

- |   |   |
|---|---|
| 1 <i>maintaining reasonable prices</i> (line 5)   | 4 <i>just and ethical actions</i> (line 22) |
| 2 <i>making a fair profit</i> (line 8)            | 5 <i>our fair share of taxes</i> (line 26)  |
| 3 <i>fair and adequate compensation</i> (line 14) | 6 <i>a fair return</i> (line 40)            |

**4** Discuss the questions relating to Johnson & Johnson's credo opposite.

- Which 'good works and charities' (line 25) should multinational companies support?
- What kind of 'civic improvements' (line 27) should the company encourage?
- How should the company protect 'the environment and natural resources' (line 30)?
- Are there any points in the credo you disagree with or items you would like to add?
- Does a credo really change the way a company operates or is it just good PR?
- Do small businesses have the same responsibilities as multinationals?

## Listening

**5**  2:29–2:30 Listen to an interview with Estela Maldonado, an Argentinian entrepreneur who has built a successful chain of ethical beach cafés.

### Part 1

Listen to Part 1 and decide if the following statements are *T* (true) or *F* (false).

- Beach Hut's cafés are well-known for their fair trade coffee.
- Estela believes socially responsible businesses cannot pay shareholders a lot of money.
- Beach Hut's founders wanted to demonstrate that big corporations have their priorities wrong.
- Estela believes that happy customers make happy employees.

### Part 2

Listen to Part 2 and delete one incorrect item in *italics* from each statement.

- Beach Hut reduces its carbon footprint by using *solar panels* / *biodegradable packaging* / *hybrid vehicles*.
- Working with local businesses means Beach Hut can *reduce transport costs* / *keep prices low* / *source quality foods*.
- Beach Hut's altruistic values are directly connected to its *low taxes* / *good image* / *healthy margins*.
- The company's green image helps them find new *customers* / *shareholders* / *employees*.

Listen again and complete the summary.

Beach Hut helps to protect Argentina's (1) \_\_\_\_\_ by giving staff time off work to run educational programmes for (2) \_\_\_\_\_. The company's image has been boosted by winning several (3) \_\_\_\_\_ for environmentally friendly businesses; using these green logos on its (4) \_\_\_\_\_ and (5) \_\_\_\_\_ reinforces the message. In this way, Beach Hut has built a (6) \_\_\_\_\_ customer-base despite a very (7) \_\_\_\_\_ business environment. Customers value the fact that Beach Hut has a (8) \_\_\_\_\_ strategy of building (9) \_\_\_\_\_ businesses, not just looking for quick profits from a (10) \_\_\_\_\_ model.

## Discussion

**6** With a partner, discuss your reactions to these quotes from the interview: take turns playing opposing roles as 'the capitalist' and 'the altruist'.

'Are profit and social responsibility really compatible?' 'Absolutely.'

'We've always felt that our employees should come first.'

'We work with local businesses as much as possible ... it makes good business sense.'

'Taking care of the environment and the local community is very good PR.'

'Our customers are very loyal because they know we share the same values.'

'The short-term model just doesn't work – not for business, and not for society.'

### Glossary PAGE 156

altruism  
biodegradable  
credo  
hybrid  
sustainable  
virtuous circle