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[Business](#), [Company](#)



Introduction. Kellogg Company is the world's leading producer of cereals and frozen foods, and the second largest producer of cookies and crackers. After its acquisition of Pringles, Kellogg became the second largest savory snack company. Kellogg is committed and mindful of the ideals of the founder, W. K. Kellogg's who was dedicated to the well-being of people. And have stayed focused on the company's vision of enriching and delighting the world through food, and its purpose of, providing nourishment for families allowing them to thrive and flourish. The Kellogg Company has a rich history of corporate responsibility as the legacy of its founder continues to give inspiration for continuous work, motivated by a passion for people, quality and innovation, and promote a sustainable environment. The company continues to thrive by putting people first in everything they do in order to improve communities and develop careers.

The company has established a global code of ethics, which they use to manage operations from four locations globally, Europe, Asia Pacific, North America and Latin America because they Kellogg knows, corporate responsibility is essential to the company's current and future success. The global code of ethics along with the creation of strategies, corporate policies, commitment statements, codes of conduct and governance structures help to preserve the company's enduring commitment to integrity. These clear guidelines allow the company to embed corporate responsibility in their everyday operations by shaping their ethical performance and corporate culture. Also, their unwavering commitment to doing business the right way – the Kellogg way is becomes known to their employees and stakeholders globally.

Moral Responsibility. As a socially responsible company, Kellogg's aim is to nourish the various stakeholders and preserve the environment so that they can thrive and flourish. Kellogg Company demonstrates its moral responsibility to its consumers, environment and employees, firstly with the food they produce. The company focuses on enhancing the nutritional benefits to meet varying demands of consumers, for all their products, whether it be breakfast cereals, frozen produce or snacks. Secondly, they aim not only to produce great-tasting, high quality foods that are safe to consume and affordable, but they also make an effort through various mediums to educate their consumers about nutrition and the importance of breakfast.

One such educational program is the Kellogg Australia Charitable Foundation has provided \$250, 000 and also works alongside the Stephanie Alexander Kitchen Garden Foundation, which helps schools develop nutrition, gardening and cooking among their students. Finally, what Kellogg believes is their biggest impact global impact on consumers, and their community is their global signature cause of hunger relief and breakfast programs. Through this program, the 'Breakfasts for Better Days™' initiative was launched in 2013, and Kellogg and Kellogg's Corporate Citizenship Fund have pledged to give, by the end of 2016, one billion cereal and snacks servings. Additionally, the company makes gives generously to various charities through Kellogg's Corporate Citizenship Fund and the Kellogg Company.

Kellogg is a global food company, which depends on natural resources, such as water, energy and a healthy ecosystem to produce the quality products they distribute. And for these reasons preserving the environment, is of

great importance in their corporate responsibility strategy is high on their list are efforts to sustain the ecosystem, and this allows them to be engaging with farmers and other suppliers. By supporting activities that are beneficial to the farmers and the natural environment that will enhance the health of agricultural ecosystems, such as, the initiative of their ' Be Natural' program. This program focuses on urban landscape groups and community gardening through open grants across Australia, the program has funded 20 local environmental groups thus far. Secondly, they are committed to recycling, more than 100 years ago, the first cereal box was produced using recycled cardboard, and, therefore, they have made changes to the packaging of all products to recyclable material. Thirdly, the company strives to decrease the amount of pollutants to the environment during production by reducing energy use, greenhouse gas (GHG) emissions and water used. They are also aiming to decrease waste sent to landfill from the foods produced. In addition Kellogg has also promised to source from plantations that are environmentally sustainable and protects human and community rights, as well as increased their focus on female planters and smallholder farmers. People are a company's most important resources, and Kellogg is very aware that success of the business depends on the employees. The company places great emphasis on workplace safety and worklife balance, as well as invest in the development of skills among its workforce for future leaders. Also, the company is keen on maintaining a diverse and inclusive workforce, and efforts to ensure this brought about the ' K Power to Grow,' which is a new employee development model. There are nine dimensions for success in the ' K Power to Grow' model, which aids in performance assessment by both

managers and employees around the world. A key element of this model is the consumer focus and employee involvement, it asks employees to how they can positively influence brand equity and satisfying consumers.

In order to help drive individual and collective success across the company, all employees around the globe are encouraged to use 'K Power to Grow' and the accompanying trainings and resource materials. Furthermore, a veterans-focused recruiting strategy in the U. S was launched in 2013 to better reach this important pool of potential employees. Individuals with military-experienced are disciplined and dedicated, thereby bringing a wealth of significant skills and knowledge that blends well into roles of the company. Kellogg have worked with various partners to better understand how veterans' expertise can best be put to use in the company and to better ease veterans' to transition to a civilian workforce.

Predict the effects that moral decisions have on the company's bottom line.

Corporate Social Responsibility According to Lantos (2002), goes beyond fulfilling legal and economic obligations and must also be about ethics and morals. Therefore, while ensuring a reasonable return on investments, businesses must endeavor to avoid inflicting harm upon stakeholders.

Thereby creating a balance between moral responsibility and ROI, which benefits both stockholders (investors) and stakeholders (consumers, employees and environment). This balance of people, place and profit is the triple bottom line. CSR in many companies is used to address various social issues such as deforestation while earning a positive economic return such as enhanced reputation. Although it is hard to measure CSR because the benefits tend to be less tangible than other investments, a return in some

way or form is expected. Even though expenditure does not have to be related to operations directly.

If Kellogg continues seeking to serve the greater social good, these efforts will lead to increased corporate image and revenues as well as reduce costs. One of the effects of CSR is that it fosters pride and cohesiveness among employees, which results in better operational performance, which equates to reduced operational cost. According to Lys, T., Naughton, J., & Wang, C. (2013), the level of CSR expenditure Kellogg has, will have an impact on its market perceptions globally because investors expect that only successful companies have the various resources to withstand CSR expenditures, and this is seen by investors as better future performance. In order to sustain CSR expenditure, Kellogg should determine where these investments will create the ultimate impact. Kellogg is an international company so a good example would be expanding into more international markets. Therefore, the company would choose to support causes or programs in these countries, and this would give them the footing they need to enter the market (Lys, T., Naughton, J., & Wang, C. 2013).

CSR expenditures may improve, the already outstanding economic performance of the company allowing it to make even higher profits through heightened brand reputation, increased employee productivity, and protection from regulatory consequences. Public pressure from various sectors can result in stricter regulations, but many businesses have anticipated various situations and dealt with the matter before regulators have a chance to get involved, by stepping out ahead with a CSR strategy. And this is good business sense as the saying goes, ' prevention is better

than cure.’ According to Morrow, Ali. (2013), Walmart Canada had done it back in 2010, when they started to buy only fish that is sustainably sourced, this meant fish suppliers had to change too. In 2007, Kellogg Company also took anticipated measures, when they decided to reduce sugar, fat, calories and sodium in foods marketed to children. And this action prompted the retraction of lawsuits against the Kellogg Company, amounting to billions from two U. S. consumer groups and two parents from Massachusetts. Therefore, wherever necessary the company should initiate more CSR programs to prevent penalties from regulators and also rebuff litigation from various groups in the future. Social responsibility programs may be used to attract outstanding employees, who may be of great benefit to the company. Young people (people in their 20s and 30s) in today’s society want to work for companies that cares for and contributes to society therefore, they tend to ask about CSR programs undertaken by their potential employers (Morrow 2013). Kellogg has delved into various CSR programs across the globe, and this makes them very attractive to young individuals seeking employment, which means Kellogg can choose the creme of the crop to work in their organization. Another thought is that if potential employees value their contributions to society, this may lead them to accept lower direct wages, this also adds to the overall profitability of the company.

Review two of the company's policies. The Kellogg Company Environmental Policy covers a multitude of ways it takes care of the environment while conducting business operations, in an effort to ensure the well-being of the environment and their consumers. However there are two policies I find lacking in its consideration for the environment, these policies are, “ Using

materials and energy efficiently to conserve natural resources”. And, “minimizing the emissions that contribute to climate change” In terms of these policies. The adoption of the Environmental Management Systems (EMS), would allow the company to achieve greater energy efficiency, improve on conservation and work towards illuminating the burning of fossil fuel. Granted, they do many things presently to preserve, protect and enhance the environment but for international, multi-million dollar company, they can aim higher in their CSR goals and an EMS is the way forward. EMS projects including organic and biodynamic growing techniques, could be filtered down to their farmers and other suppliers, they could start to create their own source of compost from the waste accumulated from production, and this could be distributed again to their farmers. Thereby fostering sustainable farming, as in the case of Frog’s Leap Winery. Kellogg could also follow the lead of Frog’s leap and move towards being energy self-sufficient by investing in geothermal and solar power. These EMS systems produce approximately 450, 000 KW-hours of electricity, which according to (Armand Gilinsky, Jr.) “ will save CO2 emissions equal to not driving four million miles”. The adoption of a total EMS would also mean getting the various buildings at the numerous locations L. E. E. D (Leadership in Energy and Environmental Design) certified, which means all material used to construct the facility, is recyclable. For their current building, they can only make stubble changes like installing geothermal heating and solar panels and use paints that are low-emitting and fabrics that are non-toxic. Frog’s Leap believes “ The first step is to conserve, the second is to produce” for this belief their farm utilizes all available recycling services. Kellogg is also big on

recycling, energy efficiency and conservation, and should follow suit, to become a leader in EMS in their industry.

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