

# Coca cola's water neutrality initiative

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



Coca-Cola's Water Neutrality Initiative 1. The public issue that the Coca-Cola Company was facing in this case was its impact on its water use in local communities. The company was depleting local water reserves and introducing dangerous levels of pesticides in its products in and around its global plants. I feel that the nonmarket stakeholders were the ones most concerned by this public issue in the beginning. The global leaders (government) understood that the depletion of the world's water resources could have a profound effect on the world in the near future.

The water shortage also had an effect on the rise in food prices, regional conflicts, and disease. This in turn caused concern in another nonmarket group the general public. The general public are on the front lines in these circumstances, especially in third world countries where there is little corporate regulation and law. Because Coca-Cola is a World Wide conglomerate the global leaders and the general public expect the company to lead the way in terms of corporate social responsibility.

I feel that in the beginning of this issue that Coca-Cola was primarily interested in facilitating the needs of their market shareholders. However once the global leaders and general public began to take notice they soon began to sway their views in terms of more efficient and effective methods to resolve their water issues to satisfy both the market shareholders and the nonmarket shareholders. 2. I feel that the geophysical environment and the political environment are the two strategic radar screens that stand out in this particular case.

The physical environment affects the behavior and development of the people, both children and adults, who live and work in it. The quality of the

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physical space and materials provided affects the level of involvement of the children and the quality of interaction between adults and children. Coca-Cola definitely had disrupted the water resources of the local communities where they conduct their packaging and manufacturing.

The TCCC managers should be concerned with these public issues and increase their environmental intelligence. The political environment is the other strategic radar screen that stands out to me. Differences in laws and policies from one regional government to another can mean that doing business can be easy in one part of a country and a nightmare in another. It may even be advisable for the TCCC to relocate all or part of its business operations to eliminate the negative effects of political hostility.

This falls under the TCCC's strategic management ability to institute some type of issue management to correct the water problems they face. 3. Issue management involves anticipating trends, responding to challenging events, engaging critical stakeholders; managers are responsible for managing strategic matters that affecting their organization. In the life cycle of any project, there will almost always be unexpected problems and questions that arise. Most issues are, by their nature, unexpected, managers need to deal with them quickly and effectively.

The first thing that TCCC must do in the management life cycle process is determine the issue or event (internal/external), that if it continues will have a significant effect on the functioning or performance of their organization or on its future interest or what is causing a gap between their corporate practices and stakeholder expectations. Next management needs to analyze the issue by seeing if these gaps lead to a contestable point of difference,

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the resolution of which can have important consequences for their organization.

Next management should frame the issue, specify decision factors, identify environmental forces by scanning and monitoring, develop alternate scenarios, and decide implications or recommend actions. Taking action is the next step in the issue management life cycle process. Barriers to effective issues management are the lack of clear objectives, and unwillingness or inability to act. Issues management is a process with achieved results. The scanning, monitoring, prioritization and strategic decision-making steps have no value unless action is taken toward achieving specific and measurable objectives.

Finally, is the evaluation process of the management life cycle. Clear and measurable objectives need to be set and defined. The TCCC management needs to find the tools that best fit the set objectives. Tools such as surveys and interviews, as well as behavioral measures such as purchasing decisions, may all be necessary to evaluate the objectives laid out for the plan to succeed. I can definitely identify that TCCC has identified the issue of poor water conservation.

It also appears to me that TCCC has begun to analyze and generate options with regard to their water issues. Finally TCCC has begun to take action to reduce their wasted water numbers and reverse the cycle of waste. The only step in the process not clearly covered I feel would be the evaluation process of how well the program fared. 4. The Coca-Cola Company used the reports from the Center for Science and the Environment and the analysis from the

secretary general of the United Nations identify the issues they were facing with their treatment of water.

TCCC used environmental intelligence to develop issues on their strategic radar screen. Once TCCC managers followed and assessed these eight different environments they identified their public issues and gaps between society's expectations and their own practices. TCCC then used the issue management life cycle process to analyze the issue, generate options, and take action to prevent and correct the issues they identified. I feel the biggest benefit to the company was a more efficient and effective method of bottling and manufacturing the products.

TCCC also provide their customers with a positive corporate social responsibility. Seeing the error of their ways was the first step need to improve their image. TCCC went the extra mile and acted on their findings and developed a new and innovative solution to a problem that affected the communities that support their bottom line. 5. I feel based on the information in the case study the TCCC did respond in an appropriate manner to the water waste issue.

Any time a corporation can curb their waste (especially on this scale) they are accepting responsibility for their success through the communities they depend on. In most cases the corporation not only improves their social image, they also save money and costs through innovative techniques and technology development. I feel that there needs to be equilibrium for corporations between maximizing profits and duty to social responsibility.

Works Cited Lawrence, A. T. , & James, W. (2011). Business and Society . New York: McGraw-Hill Irwin .

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