

Social responsibility of a company



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Part A: Company Evaluation

In this essay, I am evaluating company Q's current attitude towards social responsibility. I would rate this company's social responsibility as Poor for the following reasons: They closed two of their stores in high crime areas because they were consistently losing money. The implication here is that they were only concerned about their profits but showed no concern about positively impacting their neighborhood. Research shows that "social responsibility, including business ethics, is associated with increased profits." (Ferrell, 2013) The second reason that I feel their attitude toward social responsibility is poor is due to their response to customer requests. They received customer requests for health-conscious and organic products for years without responding and when they did respond, it was on a limited basis. This indicates a lack of systems or processes to identify and respond positively to customer requests. This company also shows no philanthropic responsibility toward their community. When the local area Food Bank asked for donations, the company was more concerned about lost revenues than promoting public goodwill. The company also stated concerns about possible fraud and stealing by employees with a donation program.

Research shows that "to be successful, relationships with investors must rest on dependability, trust, and commitment." (Ferrell, 2013) Increasing the focus on social responsibility will help augment relationships with employees, thereby increasing their commitment and loyalty to the company. It is important that this company increase its attitude of social responsibility in order to remain viable within the community, and maintain continued profitability over the long-term. A focus on increasing their culture of social

philanthropy will ultimately result in long-term growth. Part B: Recommendations

In order to increase long-term success through social responsibility, I would recommend the following three actions for this company. First, I recommend that this company take a look at changing their overall philosophy regarding social responsibility within their community. This would include formulating a statement of social values and commitments to their community that will guide future decisions regarding the company. With core social values as their guide, the company would probably have decided to keep their stores open within the higher crime-rate areas of the city in order to assist lower income areas. Second, I recommend that this company begin to find ways to "implement stakeholder's perspectives" (Ferrell, 2013) This would include developing specific ways to receive feedback from stakeholders through surveys and social media avenues.

This would probably have lead them to increase the amount of goods that the customers most prefer, thereby increasing customer satisfaction. Third, I recommend that this company look for specific ways to assist the community, which in turn increases the "dependability, trust, and commitment" of the shareholders. (Ferrell, 2013) An example would be to formulate a program for donating their day-old products to the Food Banks within the community. Instead of focusing on possible loss through employee fraud, the focus should be to increase the loyalty and trust of the employees and promote goodwill within the community.

In order to increase their success, Company Q must formulate a strategy of social change, and implement specific ways to create a culture of social

responsibility within their organization. This will ensure continued growth and long-term success by creating a positive reputation within the community, and increasing the loyalty and commitment of their shareholders.

Works Cited

Ferrell, O. (2013). Business Ethics 2009 Update: Ethical Decision Making and Cases (7th ed). South-Western. Retrieved from <http://online.vitalsource.com/books/9781285279985/id/T7>