

Corporate social responsibility of marks and spencer group business essay



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Critically evaluate the effectiveness of the Corporate Social Responsibility of Marks and Spencer Group Plc (Ilford Branch).

2. OBJECTIVES

2. 1. To perform critical review the sustainability policies set as the whole in Marks and Spencer Group plc.
2. 2. To perform the critical review the ethical policies set in Marks and Spencer Group plc as the whole organisation.
2. 3. To evaluate critically the corporate social responsibility of Mark and Spencer Group plc.
2. 4. An evaluation of the effectiveness of the corporate social responsibility in Marks and Spencer Group plc and Marks and Spencer store in Ilford Branch.
2. 5. To perform the critical evaluation on customer's satisfaction for services and corporate social responsibility carried out by Mark and Spencer Group Plc and Ilford Branch.
2. 6. To make recommendations to Marks and Spencer Group plc in performing CSR programmes.

3. INTRODUCTION

In modern business world, the practice of CSR is much debated and criticized. As the same time, there are arguments arrived for the pro and corns of practicing CSR in the business.

While the financial and accounting standards are regulated by the authority and regulatory bodies such as ACCA, CIMA, the corporate social responsibility is not necessarily need to be reported and practiced by an organisation. However, money organisations such as Marks and Spencer and BT, report corporate social responsibility programme in their final statements and in annual report.

Though the outcomes of the sustainability and ethical policies are not measurable directly, the organisation may gain the reputation and it will lead the business attract prospectus investors. Moreover, the local community and consumers will become the customers of the organisation if they are supported by the organisation. By doing so, the organisation can have competitive advantages within its industry and will overcome on its rivals.

4. ORGANISATION BACKGROUND

As Marks and Spencer is one of the UK's leading retailers, in every week over 21 million customers. In the UK, Marks and Spencer is one of the successful providers of womenswear and the market shares in menswear, home and kidswear are undoubtedly growing. The online business is also developed via setting up the own website, [www. marksandspencer. com](http://www.marksandspencer.com) and it is the 49% out of total sales as a whole organisation. Moreover, Marks and Spencer sell food which are from fresh produce and groceries and also sell prepared meals. Marks and Spencer stores offer the different departments for its customers as:

For women: In this section, it sells all ladies wears, accessories & jewellery, handbags & purses. The stores also offer petite size for women who are tall

less than 5ft 2 inches tall and maternity wear are also famous for its comforts. There are four different kind of brand offer as Autograph, Limited collection, Per Una and Portfolio.

For men: In this section, all kinds of menswear are offered and they are offered as five different brands such as Autograph, Big & Tall, Blue Harbour, Collezion and North Coast. Customers can also enjoy made to measure services.

Moreover, Marks and Spencer also offered the following sections:

For kids

For Home and Furniture

Technology

Flowers & Gifts

Foods & Wines

Marks and Spencer's products are high quality and they are provided by 2000 suppliers all over the world. Marks and Spencer became the first organisation signing with the WWF's Seafood Charter and the business ensures the range of seafood products are bought from sustainable sources. Moreover, 60% of seafood which is sold in the stores is from suppliers who are qualified from recognised professional bodies such as Marine Stewardship Council . Moreover, currently Marks and Spencer have opened

over 600 UK stores, and it also expands its business by opening new stores abroad especially in Asia.

The grocery giant employs over 75, 000 employees in the UK and abroad. In the board, there are 12 members and Sir Stuart Rose is chairman and Marc Bolland is chief executive both in the board and the management committee. As work experience programme, Marks and Spencer provide work experience to 700 people who might face difficulties in employment and as a result 40% of those got the jobs subsequently. Moreover, for clothing and homeware, Marks and Spencer work together with its suppliers by providing training and education programmes which includes healthcare for 500, 000 workers in their factories. Currently the 10, 000 farmers are encouraged by Marks and Spencer to join sustainable agriculture programme.

As part of corporate social responsibility, Marks and Spencer introduced five-year eco plan, which is known as plan A. Within three years, as a successful result of Plan A , Marks and Spencer improve its environmental performance, introduced more sustainable products and services and help the lifestyle of people in communities where it trade. It makes the business successful in its community and good reputation attracts more customers. In 2009, as a result of Plan A, Marks and Spencer Group plc generated £50m additional profit. Moreover, Plan A generated the following results:

A noticeable 50, 000 tonnes reduction in CO2 emissions.

Marks and Spencer recycled 1. 8 million used clothing with help of Oxfam;

The waste of 20, 000 tonnes is diverted from landfill

The carrier bags usage is reduced by 400 million bags by charging and encouraging customers not to use them.

As corporate social responsibility, Marks and Spencer invested £13. 2m in programmes which are welfare for community.

As charity activity, in 2009, Marks and Spencer raised £2. 1 million for Breast Cancer and 15% of it is used to fund the Generation Study to long-term causes of the disease. Prostate Cancer charity is helped for four years by Marks and Spencer by raising £200, 000 in 2010.

5. Literature review

This assignment is focus on the corporate social responsibility of the Marks and Spencer (Ilford branch) and so the information relating to corporate social responsibility and its effectiveness in Marks and Spencer (Ilford Branch) will be examined and performed analysis by using the different channels such as newspapers, course books, journals and websites. The following are the lists of the sources and information which are useful for the examination for the assignment title.

Setting objectives for business policies

For every business, it is essential to have planning process for all the policies set to be practiced. In every organisation, all employees need to have a clear understanding of the goals and the objectives of the organisation and what they are expecting for. Therefore, the business and long term plan should begin with the criteria of the business objectives. The achievement of

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objectives should be reviewed by using the effective ways and especially the employees will be motivated by the successful outcome.

Sustainability policies in business

In the modern business world, the sustainability policies in business are becoming important for every organisation. According to the business law and regulations set out by regulatory body, the organisation i. e. the company is treated as the separate legal person and it can have rights and responsibility. While the company is earning the generated profit from the community in which it operates, it should bear the responsibility for the welfare of that community. (Awakening Social Responsibility (2007) by Rossella Derickson and Krista Henley, P. 83)

Competitive advantage from CSR programmes

In Highly competitive markets, all the business and organisation should have set policies to maintain the current customers and to attract more customers and to gain trust from other stakeholders such as shareholders, the suppliers and the authorities. The competitive advantage and creativity is critical success factor in modern business world. The business can maintain the good reputation and attract more stakeholders by setting up the corporate social responsibility programmes. (Innovative CSR by Celine Louche, Samuel O. P. 102)

Creating competitive advantages

To set out the policies for creating competitive advantages, all the business need to perform the reasonable analysis. The analysis may be done by focusing the internal strength and weakness of the organisation or focusing

on the external environment such as opportunities and threats for the organisation. For every organisation, the environmental issues such as green issues will be concern and there opportunity will have by setting up the corporate social responsibility programmes. (Strategic marketing by Douglas West, John Ford, and Essam Ibrahim (2006 p. 65).

Criticism for corporate social responsibility

While the critics argue that corporate social responsibility (CSR) distracts from the fundamental economic role of businesses, others argue that it is nothing more than superficial window-dressing. Moreover, there are also group of people who believe that corporate social responsibility is an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations (Carpenter, Bauer, & Erdogan, 2009).

Critical Evaluation on the corporate social responsibility of Marks and Spencer (Ilford Branch)

According to the CR Index and the Big Tick awards, there are different areas of focus appear. A strong theme this year is the corporate role in employability, with BITC recognizing companies that are contributing to the employment prospects and the employability skills of the communities in which they operate. For example, Marks and Spencer has employed more than 3, 500 people via its Marks & Start programme. (By Sarah Murray, 2010, www. ft. com).

Recently Marks & Spencer announced its first programme named ' One Day Wardrobe Clear out' on, which will aims to raise £1 million for Oxfam and will help to reduce the amount of clothing sent to landfill. This programme will

last for one day only and its customers are encouraged to bring their unused and unwanted clothes to donate Oxfam by bringing them to the nearest Marks and Spencer stores. Moreover, Marks and Spencer will offer £5 money-off voucher which can spend in any Marks and Spencer Stores to its customers who donate the clothes with Marks and Spencer label. (www.marksandspencer.com). This is the good charity programmes which will fulfill the corporate social responsibility of Marks and Spencer. However, I critically evaluate that it will be better way and will get more donation if Marks and Spencer also accept donation clothes whether it is Marks and Spencer labeled or not.

Moreover, one in six consumers revealed that they have thrown away clothes because they believe that their clothes would not useful and sell in charity shops. However, through Marks and Spencer Programme, the consumers are educated and informed that by donating the clothes it will be effective for raising money because, Oxfam is able to increase the revenue from all donations it receives and decrease textiles sent to landfill, by using its unique textile sorting facility. This facility will help Oxfam to sorts and resells clothing through a number of routes, for example to designers who restyle garments and reuse fabrics in their collections and to third world countries or to the country of which people suffer of natural disaster and in need of cheap clothes.

Moreover, during first week of September 2010, Marks & Spencer launched a range of Solar PV and Solar Thermal water heating solutions to encourage customers in cutting their carbon emissions and to reduce their energy bills.

This will help the household expenditure to be decreased and the family can <https://assignbuster.com/corporate-social-responsibility-of-marks-and-spencer-group-business-essay/>

enjoy the savings to use for family holidays. By introducing this programme, M&S is becoming one of the first retailers to offer solar energy packages which enable customers to take advantage of Feed-in-Tariffs. Moreover, the partnership with SSE, Marks and Spencer ensure that tariffs are available to new and existing M&S Energy customers. Under this scheme, customers will earn 41.3 p for every unit produced from their energy supplier, and there will be an additional 3p offered for every unused unit. Marks and Spencer's energy saving scheme is not only helping the customers but also protecting the earth and the livings.

In June 2010, Marks & Spencer (M&S) gained a 20 % reduction in using plastic bags in packaging, and there is 19 % increase in using energy effectively in stores. As a result of Plan A activity, 417 million of carrier bags are used which is noticeably less than last year. Moreover, £50 million out of profit is reinvested back in Plan A programmes in order to help the environmental green issues. During three years, Marks and Spencer achieved 62 of the original 100 commitments and it is estimated that 30 are planned to be obtained in 2012 .

According to the critical evaluation done, Marks and Spencer store (Ilford Branch) enjoy the reputation amongst its stakeholders and local community and it is believed to be increasing the customers visit to the store from locally and internationally.

6. Justification

The topic I have chosen is to critically analyse the corporate social responsibility policies set by Marks and Spencer Group plc and how it is

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effective in the Marks and Spencer store (Ilford Branch). I have chosen this topic because it is current issuing facing all the business all over the world. The ethical issues and the sustainability are in common interest in the modern business world. I am going to evaluate whether the corporate social responsibility policies should be mandatory for all organisation because currently all the business are doing it for voluntary basis. Moreover, I will critically evaluate whether Marks and Spencer store (Ilford Branch) need to have different corporate social responsibilities to response its local community's needs or should have the same goal as the organisation as whole.

Moreover, I have chosen Marks and Spencer (Ilford Branch) because it is one of the successful high street fashion store in Ilford town centre. I have chosen to evaluate how the effectiveness of corporate social responsibility policies in that branch helps the local people. Moreover, I have interested in Marks and Spencer Group plc because it extend its business in Asia, such as Singapore and I have learnt that Marks and Spencer's brands are becoming successful in Singapore. Due to all of these facts, I have chosen Marks and Spencer (Ilford Branch), to be evaluated how it gain the good reputation in its customers and the stakeholders.

7. Hypothesis

I think that Marks and Spencer Group plc and Marks and Spencer (Ilford Branch) are setting policies to care for its stakeholders such as customers, suppliers, local community and its shareholders. I think that Marks and Spencer (Ilford Branch) is meeting with the corporate social responsibilities which are set by the organisation as a whole.

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However I think that Marks and Spencer Group plc should provide the authority to its management team in Ilford Branch to set and practice the corporate social responsibility policies which will meet with the needs of its local people. For example, there are multi-cultural community in Ilford who might need to be offered different local community welfare such as discount offering for dress for children in their religious and cultural ceremony.

Moreover, I think that Marks and Spencer's foods may be found expensive for some part of local community though the foods are high quality standard. I think that such group if people may want to spend their money within their budgets and may like to be Marks and Spencer's customers. For such kind of community, Marks and Spencer should introduce more value products with good quality and the business should not only target to the one community.

8. Research Methodology

8.1 Types of research

Depending on the ways and the method of information collected the research method can be particularly known as the primary and the secondary research. If original information and data collecting methods such as survey, interviews, discussions and direct meeting with the management of the organisation are used, it is known as Primary research. If the researcher uses the data which already exists such as books, journals and websites, it is called as secondary research. (Gratton, 2004, p. 8).

Moreover, the types of research can be differentiated as theoretical research and the empirical research. While theoretical research is especially performed by using theories which are already existed, the empirical

research method uses the primary data already collected by generating new ideas. The empirical research method concentrates on findings. Moreover, the empirical research is performed by collecting information for examination. The theoretical research method simply uses the theories to form new ideas. (Gratton, 2004, p. 8).

There are other forms of research methods and they are known as Quantitative and qualitative. The quantitative research is done by performing the mathematical analysis . For example, the financial analysis of the balance sheet analysis in a company is known as quantitative research. The Quantitative research method is performed as: (a) First of all the data will be collected (b) the collected data will be analysed and interpreted (c) the outcome will be reviewed and necessary corrective action will be done.

8. 2 Primary research

The researches done by the researcher by collecting the main source of information are called as Primary data collection methods. The primary data can be collected in three ways from observing, experimenting and performing questionnaire.

I will use questionnaire as primary research method and I can use different types of questionnaire to arrange meeting with the branch manager and the customers. I can send email to the branch manager to fill the questionnaire and return back to me. The following facts are the advantages of performing questionnaire:

It allows me to collect the required information by asking questions.

As the information is collected in a ready prepared form, this will allow the respondent to analyse the information in conjunction with that collected by others.

It ensures to obtain the information rapidly, and if it is effectively prepared, the information collected will have more time saving and it will benefit for the researcher.

As for a group of people can be interviewed at the same time and same way, it will be time saving for me and others.

I am going to have meeting with the manager or assistance manager of Marks and Spencer (Ilford Branch) as a part of primary research. I will prepare questionnaire which is designed to answer my questions for the research title. I will also email the line managers of Marks and Spencer (Ilford Branch) related with corporate social responsibility and its effectiveness in the store.

Moreover, I will design the questionnaire for the customers of Marks and Spencer Group plc. I will visit to the store again and again and perform questionnaire to the customers and collect information if they are satisfied with the corporate social responsibility taken by Marks and Spencer.

8. 3 Secondary research

As a secondary research, I will collect the data from various information sources. This will be library research such as reviewing books, reading articles and I will also use electric research such as internet searching and website visit. As a secondary research, I will go to the libraries such as Wood

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Street library for general reading and I will go to the British library for specific reading. Moreover, I am going to use the database such as DATA Monitor in the British library to read the latest information related with Marks and Spencer. I am also going to use the internet to search the current issues related with the corporate social responsibility and ethical trading.

8. 4 Scope of qualitative research approach

It ensures that the research questions will be answered effectively and efficiently.

It enables to develop new ideas and thinking ways which are never pre-identified.

This type of research creates the proper steps and plans to perform information gathering.

It ensures the researcher to collect evidence effectively.

8. 5 Limitations of qualitative research approach

There may be question for reliability, because some people who claim to be knowledgeable can miss the material error or omit the important information.

There may be difficulties in grouping the total parties who are really interested in research title.

8. 6 Scope of quantitative research approach

The scopes of the quantitative research are as follow:

This type of research develop and apply the mathematical models and theory

The process of measurement is the centre point of the quantitative research because it creates the useful relationship between the observation and the expression.

Quantitative methods are used to gather quantitative data such as the information containing the numbers and anything that is measurable. The difference of quantitative from the qualitative is that the former use the statistics, tables and graphs to present the results of the research outcomes

8. 7 Limitations of quantitative research approach

The limitations of the quantitative research are as follow:

There might be the questions for objectivity because the quantitative research depends on the numbers already existed and which are easy to be manipulated.

The quantitative research will only be meaningful when there is measurable information. If there is a benefit which cannot be measured directly, the usefulness of the quantitative method will be in question.

The outcome of the corporate social responsibility programmes might not be meaningful or useful if they are measured by using this method.

8. 8 Ethical issues in research approach

As doing research is based on the information and data for one organisation, the researcher need to carry out research with the professional manner. The

ethical issues should not be ignored while the research process is carried out.

The objectivity is one of the main concerns of ethical issues for doing research. For example, the investors rely on the research articles in order to find out the companies in which they want to invest in. Therefore, it is important the researcher carried out the research objectively in order not to mislead the investors.

Moreover, the confidentiality is one of the important issues in performing the research. At the stage of gathering information, the confidential information may contain in the data gather. The confidential information is the live of the business success and the researcher should be trusted to be maintained the confidentiality.

Again, the integrity of the researcher is the main ethical issue in performing the research. Throughout the process of the research, the researcher should maintain the integrity of the information, with the communication between the related parties.

Finally, the researcher need to be ensure that the process carried out is his own work and not to be solely rely on the work and the information done by others.