

Monsanto attempts to balance stakeholder interests case study example

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



The Monsanto Company was discovered in the year of 1901 in St. Louis, Missouri by John F. Queeny and since then has dealt in the production of diversified products intended for the agricultural and consumer market. The Company has had a tremendous development and growth rate in the past century considering their operations in a diversified range of products. These included petroleum, fiber, agricultural chemicals and also the genetically modified (GM) food crops. The companies operation has also had and experienced a fair share of economical and ethical challenges of functioning over the many years of industrialization.

The ethical issues that the Monsanto Company experienced first included a series of lawsuits that originated from the filed claims by residents from the town of Anniston in Alabama. Apparently, the Company had covered up to years of environmental pollution of released toxic waste into a creek and a highly toxic chemical component, that is, polychlorinated biphenyls (PCBs) in open landfills within the town. This subsequently led to catastrophic events like deformities in fish from the creek and the local population having high levels of the component in their in body. In the long run the Company had to settle a large sum of money, approximately \$700 million to compensate the affected individuals.

In the earlier years the Monsanto Company also faced a lawsuit that cost almost \$180 million. This was brought about by an ethical issue regarding the use of a chemical dioxin that was extremely carcinogenic and had affected hundreds of veterans during the Vietnam War. Currently there are new issues on the legality of the production of GM (Genetically Modified) seeds and food crops by the Company. The pending questions are the

unforeseen repercussions that pose a big threat to the health of human beings from using these foods. Additionally, there is the issue regarding the effect of the products to the environment, for instance, contamination.

The major ethical issues that are highlighted in the book also focus on the financial issues that were experienced by the company during its operation. These included the different legalities in different countries that caused one of the company branches being fined heavily due to corruptive practice. This was in Indonesia. The other ethical issue that is under serious debate is the patent issues of the company on several of its products, that is, the biotech seeds used by farmers. They are not allowed to harvest seeds but instead purchase from the company, a practice most of the agricultural farmers are suspected of violating.

The ethical culture of the Monsanto Company, conversely, has conserved bribery issues in the company to where it is currently, even though he administrated changes within the board of governors and stakeholders within the company. The organization has managed to deal with the many ethical issues arising and also succeeded to maintain a substantial consumer and agricultural market for the company's profit. The organization strives for high performance standards and a greatly socially responsible company.

Here is where the stakeholders are responsible for chipping in through solving the current problems and setting objectives that would further forge the company. The year 2003 saw the signing of a new (Chief Executive Officer) CEO to the company, Hugh Grant, who was to calm stakeholder uncertainty in the company and solve or clean up previous scandals that had

plunged the Monsanto Company into losses. He has managed to guarantee the production of sustainable agriculture for multiple developing countries around the world through partnership with both governmental and non-governmental institutions. The company also co-operates fully with law enforcements around their localities or in the specific operation areas.

The Company website, <http://www.monsanto.com>, as an attractive aesthetical feel and look, given it is green in nature to promote the environmental and agricultural colors. The pages and links are categorically placed making the information on the website easy to understand. The online platform though does not include an online forum platform for its visitors to leave quick comments or live chats assisted support in case one has a question to ask when they are going via the web system.

The Monsanto Company's social and corporate responsibility mainly entails its provision of sustainable agriculture to individuals around the world and subsequently provides food products for the hungry in the fast growing population and developing countries like India and China. The Company also practices the charitable deeds through benevolent giving and funding of multiple projects around the world.

I would agree that the Company maintains an ethical culture that upholds the stakeholders' expectations of the Monsanto Company. The organization is dedicated to improving agriculture all around the world through the increasing popularity of GM foods in the developing countries. The benefits of the GM seeds comprise their capability to resist harsh weather conditions like drought and resist weed and pest attacks. Countries like India and China which have an increasing population approximated into the billions, thus

they need a fast and consistent food supply for its inhabitants.

The potential negative effect on the health of human health is the long term metamorphic and structural alterations in the genetics of the human body.

Though, this has been managed through the production of certified seeds and food crops by authorized bureaus in the different countries.

The management of the output products of the company that are harmful to plant and animal life is essential in keeping the company image positive and from being tainted. Therefore, as a multinational company and high revenue based company in the world, the Monsanto Company is tasked with maintaining a good code of ethical practice within the organization's and all of its branches premises.

References

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