

The corporate social responsibility of motorola



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Corporate Social Responsibility also referred to as CSR can be defined as the notion that corporations have an obligation to society to take into account not just their economic impact but also their social and environmental impact.

Motorola defines corporate social responsibility as a means of harnessing the power of our global business to benefit people. It means doing the right thing in all aspects of our business, including how we treat the environment, our employees, our customers, our partners and our communities.

ROLE OF CORPORATE SOCIAL RESPONSIBILITY

In recent years Corporate Social Responsibility is being linked to Business Ethics. Ethics? There are rules that indicate the difference between right and wrong. Ethics encourages the business to do what is right there by conforming the organization to ethical behaviour. CSR has brought about "Code Of Ethics", a document that organisations write to set out standards of behaviour that is expected by a set of stakeholders. Some code of ethics include principles such as honesty, integrity, loyalty, fairness, trustworthiness, law abiding, leadership, accountability, values, morales and respect and concern for others. These incorporate characteristics and behaviour of principles that are expected by organizations.

Many companies previously viewed Corporate Social Responsibility in terms of a form of administrative compliance with standards that are legal and in keeping with rules and regulation internal to the company. It must be noted that this has since changed and for businesses to survive in today's global

world companies must pay attention to earning trust, confidence and respect of their customers.

In today's global world businesses are being demanded to practice ethical behaviour. It can then be said that CSR is interested with ways an organisation exceeds the minimum obligations to stakeholders specified through regulations and corporate governance. It takes into consideration as to how demands of different stakeholders can be reconciled. CSR should improve corporate operations as it relates to human rights, environmental protection, sponsorship to local communities and diversity among others in the work place.

HISTORY OF CORPORATE SOCIAL RESPONSIBILITY

It has been argued that social responsibility movement came about during the 1960s or 1970's, the public consciousness was increased about the role of business, helping to grow and maintain highly ethical practices in society and particularly in the natural environment.

GROWTH OF CORPORATE SOCIAL RESPONSIBILITY

In most recent years CSR have become very popular globally and the contributing factors include public awareness and technology. The public have now become aware through technological mechanism such as the internet, satellite viewing, mobile phones and the ability to communicate through the use of programmes such as skype and video conferencing.

The ability to get information on a real time bases has allowed the public to be informed of global issues. Issues such as bribery and corruption in other

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countries and how this have impacted on their citizens. The public is also able to get information about businesses around the world and in most cases the business that make headlines are the ones that is not seeking the welfare of the natural environment and human resources alike. Business that may have had incidences of harm to natural environment or to human resources have caused some NGOs to be born. The strikes and pickets and bad publicity the the business may receive would have serious long term consequences on the existance and survival of the business.

BRIBERY AND CORUPTION

Sue Hawley (2000) stated that some businesses pay massive amounts of money to gain contracts or concessions they would not have otherwise won. She estimated that about US\$80billion a year is paid and that this amount is about the amount that is needed by the UN. The UN believes that this amount would be needed to eradicate world poverty. These bribes and the cost attached to it falls mainly on the poor, whether it is through the diversion of aid money into corrupt officials pockets or through hiking up prices when the cost of bribes is passed on in raised prices to consumers.

Bribery and corruption undermine the proper workings of a market economy which can seriously reduce GDP in the poorest countries. It reflects false price and cost considerations so that sources of wealth or resources are not used efficiently. Decisions are being made based on who pays the biggest bribes rather than quality, price, innovation and service. Causing prices to rise for everyone the impact is felt by the poor.

It can be noted that resources are frequently diverted away from smaller projects that assist in development of a country but rather placed in big projects that are said to be high profile, where there is more scope for improper payments and practices. This impacts on the poor who are denied basic vital public services.

Being involved in corruption is ethically wrong, here power is misused or abused undermining the integrity of all concerned. Corruptions however undermines the democratic process as well the rule of law. Government must earn its licence to operate just as any other business that operates. Government officials and politicians all lose their legitimacy in a climate of corruption. Again with the poor being affected the most.

Environmental issues are likely to suffer in a regime that corruption is predominant, environmental legislations usually is lacking as corrupt officials is paid for turning a blind eye.

Business are also at risk when there is bribery and corruption in a country. There are legal implications and risk, this type of behaviour is illegal wherever it occurs but even if it were not, because of international pressure example the UN convention against corruption it is becoming increasingly illegal to engage in these type of practices in many countries. Accusations of corruption whether proven or not can cause reputations to be lost or tarnished and the risk of a falling business is very possible. Example Nike where accused of using children to work in sweat shops to produce high end products that were very costly to consumers. Nike have since spent millions of dollars to rebuild its reputation as losses started to be realised.

As a business that may be cheating, it may encourage other businesses to cheat to have a competitive advantage or simply to survive. This makes doing business much more difficult. There is added substantability to the cost of doing business. There can be loss of trust by all stakeholders involved employess, suppliers and customers.

Transparency International every year produces the Corruption Perception Index. This Index ranks one hundred and seventy eight countries according to the level of corruption perceived to exist among public officials and politicians. A score indicating zero means that the country is highly corrupt and a score of ten indicates highly clean. The following diagram is the 2010 Corruption Perceptions Index.

RANK

COUNTRY/

TERRITORY

SCORE

RANK

COUNTRY/

TERRITORY

SCORE

RANK

COUNTRY/

TERRITORY

SCORE

1

Denmark

9.3

30

Spain

6.1

59

Tunisia

4. 3

1

New Zealand

9. 3

32

Portugal

6. 0

62

Croatia

4. 1

1

Singapore

9. 3

33

Botswana

5. 8

62

FYR Macedonia

4. 1

4

Finland

9. 2

33

Puerto Rico

5. 8

62

Ghana

4. 1

4

Sweden

9. 2

33

Taiwan

5. 8

62

Samoa

4. 1

6

Canada

8. 9

36

Bhutan

5. 7

66

Rwanda

4. 0

7

Netherlands

8. 8

37

Malta

5. 6

67

Italy

3. 9

8

Australia

8. 7

38

Brunel

5. 5

68

Georgia

3. 8

8

Switzerland

8. 7

39

Korea (South)

5. 4

69

Brazil

3. 7

10

Norway

8. 6

39

Mauritius

5. 4

69

Cuba

3. 7

11

Iceland

8. 5

41

Costa Rica

5. 3

69

Montenegro

3. 7

11

Luxembourg

8. 5

41

Oman

5. 3

69

Romania

3. 7

13

Hong Kong

8. 4

41

Poland

5. 3

73

Bulgaria

3. 6

14

Ireland

8. 0

44

Dominica

5. 2

73

El Salvador

3. 6

15

Austria

7.9

45

Cape Verde

5.1

73

Panama

3.6

15

Germany

7.9

46

Lithuania

5.0

73

Trinidad and Tobago

3.6

17

Barbados

7. 8

46

Macau

5. 0

73

Vanuatu

3. 6

17

Japan

7. 8

48

Bahrain

4. 9

78

China

3. 5

19

Qatar

7. 7

49

Seychelles

4. 8

78

Colombia

3. 5

20

United Kingdom

7. 6

50

Hungary

4. 7

78

Greece

3. 5

21

Chile

7. 2

50

Jordan

4. 7

78

Lesotho

3. 5

22

Belgium

7. 1

50

Saudi Arabia

4. 7

78

Peru

3. 5

22

United States

7. 1

53

Czech Republic

4. 6

78

Serbia

3. 5

24

Uruguay

6. 9

54

Kuwait

4. 5

78

Thailand

3. 5

25

France

6. 8

54

South Africa

4. 5

85

Malawi

3. 4

26

Estonia

6. 5

56

Malaysia

4. 4

85

Morocco

3. 4

27

Slovenia

6. 4

56

Namibia

4. 4

87

Albania

3. 3

28

Cyprus

6. 3

56

Turkey

4. 4

87

India

3. 3

28

United Arab Emirates

6. 3

59

Latvia

4. 3

87

Jamaica

3. 3

30

Israel

6. 1

59

Slovakia

4. 3

87

Liberia

3. 3

RANK

COUNTRY/

TERRITORY

SCORE

RANK

COUNTRY/

TERRITORY

SCORE

RANK

COUNTRY/

TERRITORY

SCORE

91

Bosnia and Herzegovina

3. 2

116

Tanzania

2. 7

146

Nepal

2. 2

91

Djibouti

3. 2

116

Vietnam

2. 7

146

Paraguay

2. 2

91

Gambia

3. 2

123

Armenia

2. 6

146

Yemen

2. 2

91

Guatemala

3. 2

123

Eritrea

2. 6

154

Cambodia

2. 1

91

Kiribati

3. 2

123

Madagascar

2. 6

154

Central African Republic

2. 1

91

Sri Lanka

3. 2

123

Niger

2. 6

154

Comoros

2. 1

91

Swaziland

3. 2

127

Belarus

2. 5

154

Congo-Brazzaville

2. 1

98

Burkina Faso

3. 1

127

Ecuador

2. 5

154

Guinea-Bissau

2. 1

98

Egypt

3. 1

127

Lebanon

2. 5

154

Kenya

2. 1

98

Mexico

3. 1

127

Nicaragua

2. 5

154

Laos

2. 1

101

Dominican Republic

3. 0

127

Syria

2. 5

154

Papua New Guinea

2. 1

101

Sao Tome & Principle

3. 0

127

Timor-Leste

2. 5

154

Russia

2. 1

101

Tonga

3. 0

127

Uganda

2. 5

154

Tajikistan

2. 1

101

Zambia

3. 0

134

Azerbaijan

2. 4

164

Democratic Republic of the Congo

2. 0

105

Algeria

2. 9

134

Bangladesh

2. 4

164

Guinea

2. 0

105

Argentina

2. 9

134

Honduras

2. 4

164

Kyrgyzstan

2. 0

105

Kazakhstan

2. 9

134

Nigeria

2. 4

164

Venezuela

2. 0

105

Moldova

2. 9

134

Philippines

2. 4

168

Angola

1. 9

105

Senegal

2. 9

134

Sierra Leone

2. 4

168

Equatorial Guinea

1. 9

110

Benin

2. 8

134

Togo

2. 4

170

Burundi

1. 8

110

Bolivia

2. 8

134

Ukraine

2. 4

171

Chad

1. 7

110

Gabon

2. 8

134

Zimbabwe

2. 4

172

Sudan

1. 6

110

Indonesia

2. 8

143

Maldives

2. 3

172

Turkmenistan

1. 6

110

Kosovo

2. 8

143

Mauritania

2. 3

172

Uzbekistan

1. 6

110

Solomon Islands

2. 8

143

Pakistan

2. 3

175

Iraq

1. 5

116

Ethiopia

2. 7

146

Cameroon

2. 2

176

Afghanistan

1. 4

116

Guyana

2. 7

146

Cote d'Ivoire

2. 2

176

Myanmar

1. 4

116

Mali

2. 7

146

Haiti

2. 2

178

Somalia

1. 1

116

Mongolia

2. 7

146

Iran

2. 2

116

Mozambique

2. 7

146

Libya

2. 2

2010 Corruption Perceptions Index. (Nearly three quarter of the 178 countries in the index score below five, on a scale from ten to zero. These results indicate a serious corruption problem in the world.)

THE HISTORY OF ALCOA

Aluminium was considered to be a semi-precious metal, this metal was so scarce that silver was much more popular during the middle of the 1880s.

Charles Martin Hall was a chemistry student at Oberlin College in Ohio, here he met Professor Frank Jewett whom introduced his students to a small piece of aluminium and informed them that anyone producing this metal in an economical way would become rich. Hall's passion for experimenting with minerals continued after his graduation, and he learnt how to produce alumina, aluminium oxide and created his own carbon crucible.

On a February day in 1886 he discovered pure aluminium, for Hall to continue to produce this on a large scale he needed financial assistance. He gained assistance through a group of six industrialist led by Alfred Hunt. A company called Pittsburgh Reduction company was formed as part of the venture, and a small plant was built. In 1888 on Thanksgiving day Hall and Arthur Vining Davis, Hall's first employee produced the first commercial aluminium using Hall's technology.

The company had out grown its name as it grew to include bauxite mines, a refinery and three aluminium smelters. The companies names was then changed by its owners to what they felt were more appropriate; Aluminum Company of America. As the company grew and became more global its name changed again and is currently called Alcoa Inc.

Alcoa see itself as the world's leading producer and manager of primary aluminium, alumina facilities and fabricated aluminium. Some of the industries that Alcoa Servers include aerospace, automotive, building, construction, packaging, commercial transportation, engineering and Alcoa also promotes brands such as Reynolds Wrap (foil and plastic). Alcoa presently have approximately 123, 000 employees in 44 countries in the world. Alcoa has been named by the World Economic Forum in Davos Switzerland as one of the top sustainable corporations in the world.