

# Corporate social responsibility: coca cola



In each and every company, corporate social responsibility is aimed at coming up with business processes that will have an overall positive impact on the society. The society expects that a company should improve the residents' lifestyles by offering more job opportunities, good infrastructure, health care, education and some other aspects needed in the society. Companies need to consider the quality of their management processes and how they affect the society (Mallenbaker. net, n. d.). However, not always will the activities of a company affect the society positively. Sometimes the effects of some of the activities of a company may be negative where the operations. For instance the activities may lead to drought in the affected area, water pollution, production of unhealthy products to human bodies and many more. Coca Cola Company has got both positive and negative impact on the society and the need to explore these two sides is of great importance to enhance this understanding. Coke is based in United States and it's headquartered in Atlanta. It was incepted in 1886. It is a multi-national company operating in more than 200 countries across the world (Economywatch. com, n. d.). This paper examines the Coca Cola Company's social performance, how it has affected the society both positively and negatively and then draws a balanced conclusion on the company's performance.

### Main body

The Coca Cola Company generated \$22 billion in net operating revenues in the year 2004 being the world's largest beverage company. The company operates in many countries of the world and works with the community in which it is operating (Thecoca-colacompany. com, 2004). According to the

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company's annual report of the year 2004, it has got a great opportunity for growth in that it makes huge profits per day according to the beverages consumed per day. The company's main agenda is to meet the needs of the customers in terms of beverages through identifying means for connecting consumers together, with their communities and the company's brands. The unit case volume for the company increased tremendously in the year 2004 and several products were launched.

The coca cola company engages itself with many activities which are aimed at assisting the residents of a particular company to live a good life and get services which are not offered by the government. The company accomplishes this through the established foundation known as the Coca Cola Foundation which was founded in 1984. The foundation is committed to developing and maintaining vibrant, sustainable communities to make the society a better home for man. Job opportunities are created in places where Coke is established and therefore the local people can afford a daily bread. The foundation ventures into different areas which are always difficult for the local communities' people to maneuver. These areas are but not limited to providing clean and enough water to the community, ensuring health standards are observed, enforced community tendency of recycling to reduce the effects of the litter and finally it sees the poor children complete their school without necessarily dropping out. All these are good initiatives and programs carried out by the foundation and funded by the Coca Cola Company. With the realization that education is a major aspect to socioeconomic development, the Coca Cola Company has greatly invested greatly in this area to assist the students pursue their dreams. The main aim

of the foundation in the community is to reduce the incidences of school drop-outs, enhancement of the reading and promote literacy in the community, grant scholarships and building educational infrastructure. In the United States, this Coca Cola scholarship program is the most respected and recognized which was created in 1986. Since the establishment of the program, more than 4250 scholars have benefited from this program which saw good utilization of the \$38 million to fund this program. The Coca Cola Foundation is also charged with the responsibility of ensuring that the health of the residents of a certain community is catered for and improved. The foundation works closely with the health officers in the area and other experts to assist and educate the resident on the health issues concerning diseases like polio, tuberculosis, hepatitis and HIV/AIDS. The foundation has got the so called HIV/AIDS initiative which works to ensure the epidemic is managed and greatly reduced. The foundation is seeking more funding to spread this initiative to some of the African countries with high cases of this killer disease. The Coca Cola Company desire to help the needy is always their mission.

During an event of a catastrophe in any area of the world, the foundation ensures they practice relief and recovery mission to ensure lives of people are not lost. The company provides bottled water, vehicles to distribute aid and also offer volunteer services. They offer the aid during and after the calamity has occurred. During the recent Haiti earth quake tragedy, Coca Cola donated \$2 million to the red cross to assist in the recovery mission, water and other Coca Cola beverages to reach those who were in need. This program dubbed disaster relief and recovery was installed to help all those

who needed critical assistance. The foundation engaged in community initiatives where water programs are put in place to ensure that a community is water sufficient and to balance the water the company uses in its production process. The company is committed to ensuring conservation of natural resources, conservation of the soil, water and climate which are the essentials of life on the surface of the earth.

The activities of the company cannot leave a society unhurt in one way or the other in terms of the quality of the products, how it handles the employees and how the activities affect the environment. It is believed that the products of the Coca Cola Company are not so good in the body because of their constituent ingredients. Consumption of Coke products may lead problems like diabetes, obesity, tooth decay, heart disease and many other neurological disorders. Coke's products contain phosphoric acid which leeches calcium from the body and therefore weakening the bones. This has led to the increase in the cases of osteoporosis due to lack of calcium in the body. The dissolved calcium accumulates in the skin, arteries, veins and organs which ultimately gives the kidney a lot of pressure when exercising its functions and then later result in the formation kidney stones (ihealthstudio. com, 2008). Soft drinks from the Coca Cola Company contain a drug called caffeine which proves to be harmful to human health especially among children. Caffeine affects the central nervous system which causes disorders like insomnia, nervousness, anxiety and abnormal heartbeat. The soft drinks more so cause dental decay because they contain a lot of sugar which is the liked by bacteria. As the bacteria feed on the sugar found on the teeth, they give out excretions which react with the enamel of the teeth thus

causing tooth decay. The company attracts a lot of criticism from different sections of the world in that it sells only sugared water and nothing else (Rothacher, 2010). Coca Cola has the most aggressive lawyers in the world who ensure the company's rules are adhered to regarding where and how to sell the coca cola products. The company has also been accused of discrimination and a case was filled in 1999 against the company for this offense. The company favored the Americans to the African-American employees in terms job promotions, allowances and recruitment. The company has been adversely criticized for the overexploitation and pollution of water in India and draining of large amount of ground water and turning most of the place in this country into virtual desert. The effect was so adverse that the Indian parliament banned the sale of Coke products in the country to reduce wanton destruction of the environment (Rogers, 2004). Even the water sheds that remained were seriously polluted that it was not fit for human consumption. As a show of goodwill to the residents, Coke distributed clean water in tankers to people after tampering with the natural sources of water.

## Conclusion

The Coca-Cola Company has been involved in both positive and negative activities in the society. The initiatives that the Coke company undertake has enabled the people in those areas to lead better lives and afford most of the services that were otherwise just a mirage. The company is working tirelessly to ensure that the lives of communities are improved and their health too. The creation of the Coco cola foundation has made all the programs to come to reality for the most of people where the company is

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found. Therefore, there is need for the local residents to support what the company is striving to achieve because at the end of the day, they will be the beneficiaries. Without services like education, health care and agriculture the society would lag behind in terms of economic growth. It is with the realization of this idea that the Coca Cola Company has embarked on supporting these areas for better society. Even though the company performs commendable activities in the society, the effects on the environment, health and human rights are much felt. The products cause health problems and therefore need not be condoned. Shortage of water in India and other parts of the world is as a result of Coke Company activities. There is need for the company to scrutinize these criticisms and act accordingly if at all they have a desire to stay in the market for long.