

# Csr case study

Business



Pollution and Profit Claire Doyle is the environmental compliance manager for a small plastics manufacturing company. She is currently faced with the decision whether or not to spend money on new technology that will reduce the level of a particular toxin in the Newscaster that flows out the back of the factory and into a lake. The factory's emission levels are already within legal limits. However, Claire knows that environmental regulations for this particular toxin are lagging behind scientific evidence.

In fact, a scientist from the university had been quoted in the newspaper gently, saying that if emission levels stayed at this level, the fish in the lakes and rivers in the area might soon have to be declared unsafe for human consumption.

Further, if companies in the region don't engage in some self-regulation on this issue, there is reason to fear that the government ? backed by public opinion ? may force companies to begin using the new technology, and may also begin requiring monthly emission level reports (which would be both expensive and time consuming).

But the company's environmental compliance budget is tight. Asking for this new technology to be installed would put Claire's department over-budget, and could jeopardize the company's ability to show a profit this year. 1.

Clearly state the problem/dilemma in this case 2.

Identify the stakeholders in this case 3. Develop 3 different alternatives, and evaluate each with pros and cons 4. Recommend which alternative Claire should choose, and explain why 1 .

The problem/dilemma in this case is that Claire is faced with the decision as to whether or not she should spend money on new technology that will reduce the level of a particular toxin in the wastewater that flows out back of the factory into the lake. She is torn between whether or not she should buy new technology and be environmentally friendly or if she doesn't, face the consequence of going over budget and legal problems. 2.

Stakeholder is a person or group that has interest or concern about the organization.

In this case, the stakeholders are Claire, her company, the government, and the public are the stakeholders. Since Claire is the manager of the environmental division of the company, she takes responsibility of the company's action and decisions in that certain sector. The company is the group that is polluting the environment as a whole which them a stakeholder as well. The government are the people who are supposed to control and protect the environment, what Claire and the company are doing is against the law which was issued by the government.

The public are the ones who would be affected the most in this case, seeing as people fish in those lakes and rivers, and customers will purchase their plastic. Alternative Cons : Not face the problem until it gets out of hand and the company's emission goes over the legal limit Saves money and time Higher chance of end of year profit leopard humans lives Hurt the environment and animal population Can get fined if scientific evidence catches up

Loss of profit due to the fine Have a bad name because they are not considered environmentally friendly #2: Buy the new technology and not face government involvement and monthly routines Humans lives are not at risk Animal population can be saved No fine from scientific evidence teeter for years to come because their economic liability income is better Provides a good name for the company- environmentally friendly Loss of end of year profit, ultimately resulting in deficit Less budget Limited financial resources in that sector of the budget #3: Get a bank loan and pay it off once a new budget is given Maintain a profit

Save money Nil not face any legal problems rhea issue will be handled in a legally and financially beneficial way Need to pay the bank back with interest rate 4. I recommend that Claire go with the second option or the third option because not only will it save the human and animal population, it also will benefit the company in the long run due to the economic liability income being better.

They also will not face government involvement and legal fines from scientists. That is unless they don't pay the bank back on time. While they will possibly face a deficit with option two, they will have to spend more money of environmental compliances due to the fact they have the most updated technology which will benefit the company in the future.

The third option is a practical one and the better out of the two because they will be handling the situation in a way that benefits the company without getting into legal or financial problems. The company will also be recognized as environmentally friendly by doing options two or three and will be praised

from the public due to that. Not only will the company be saving lives they will be saving their reputation and the environment around them.