



BOTI LMS

Module 4: Business & Social Responsibilities

Most successful businesses operate with socially responsible business practices. Being socially responsible requires companies to integrate the needs of their stakeholders into the values and operations of their organizations. Stakeholders typically include investors, customers, employees, the community, and the environment. Implementing a sense of social responsibility indicates the company's attempts to consider all of these needs in its business practices.

Click on the first lesson below—or the “*Start eLearning*” button above—when you're ready to begin.



Identifying Types of Responsibilities



Case Study (I)



Case Study (II)



Handling Conflicting Social and Business Responsibilities



Knowledge Check



Module 4: Completed



Identifying Types of Responsibilities



There are different types of responsibilities related to businesses. Ethical organizations need to address different areas of responsibility and consider the social ramifications of their actions.

Types of responsibilities include:

LEGAL	FINANCIAL	PHILANTHROPIC
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Socially responsible companies are obligated to meet legal requirements that govern their industries. Health and safety standards and fair treatment of employees fall under this type of responsibility.



LEGAL

FINANCIAL

PHILANTHROPIC

Financial responsibility is more than turning a profit. Financial ethics cover everything from fair salaries to fair payments for raw materials and services and offering fair prices to their customers.



LEGAL

FINANCIAL

PHILANTHROPIC

Many organizations are being recognized for their philanthropy. Philanthropy can come from donations, service, education, and environmental programs. Some companies consider the environment its own type of social responsibility.



Complete the content above before moving on.

Case Study (I)



Jeff Swartz, CEO of Timberland, volunteered with an urban outreach in 1989 and donated 50 pairs of boots. This experience led to the beginning of a program called the Path to Service that officially began in 1992. This program helps employees become involved in different community projects. Over 95 percent of employees take advantage of the program. The Path to Service attracted many employees who believed it to be a crucial benefit. GREEN (Grassroots, Reduce-reuse-recycle, Engagement, Education, and Neutral) followed in 2008, which focuses on building community gardens and playgrounds. The company also donates money and product for charitable purposes.



To check your understanding of the lesson content, answer the question below...

When did the Path to Service program officially begin?

1990

1992

1995

1989

SUBMIT

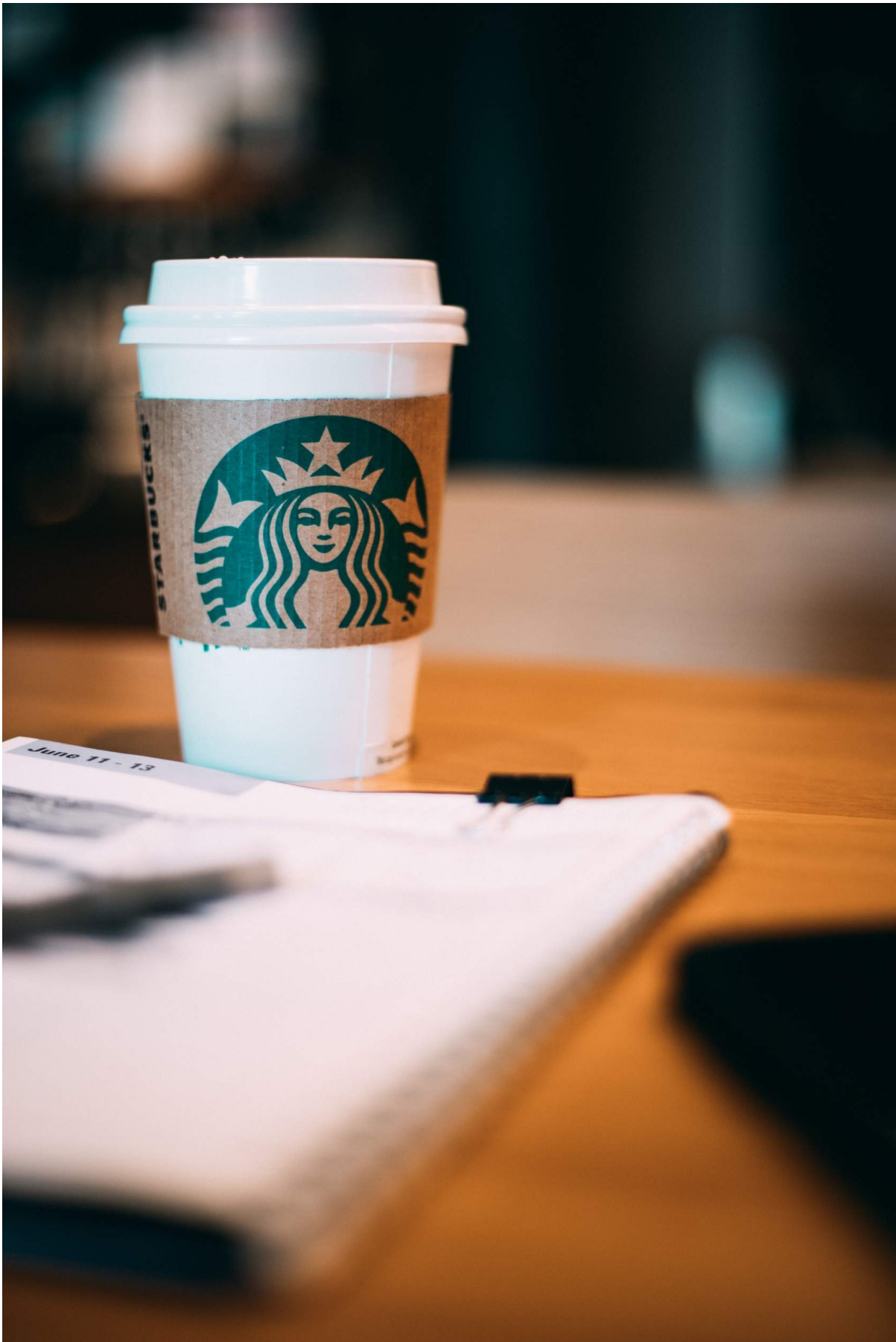


Complete the content above before moving on.

Lesson 3 of 6

Case Study (II)

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Starbucks has been a popular employer because of the many benefits that it provides its employees. It was in the top ten of Fortune's 100 Best Companies to Work For and was able to exemplify social responsibility while growing shareholder revenue.

The economic downturn took its toll on the well-known company, and cuts had to be made. Stores were closed and positions throughout the organization were eliminated. Some of the employee benefits were cut back, but the policy of providing health insurance to part-time employees still remains in effect.

2010 was a good year for Starbucks financially, and CEO Howard Schultz's refusal to cut healthcare ensured the company a place on Fortune's 100 Best Companies to Work For in 2011, albeit a bit lower than it was a few years ago.



To check your understanding of the lesson content, answer the question below...

The economic _____ took its toll on the well-known company, and cuts had to be made.

Type your answer here

SUBMIT



Complete the content above before moving on.

Handling Conflicting Social and Business Responsibilities



Sometimes social and business responsibilities conflict with each other. This is particularly true when social business practices cut into shareholder earnings. This is a struggle for most public corporations. Businesses need to provide their shareholders with earnings to convince them to continue to invest their money into the company. Sometimes this means scaling back a social program or waiting to implement one. Lean earnings and a poor economy complicate the balance between social responsibility and company growth. Without shareholders, however, the company will lose the wealth that backs social programs, and the community will face further losses.



Sometimes social and business responsibilities conflict with each other.

CONTINUE

Lesson 5 of 6

Knowledge Check



Module 4: Review Questions

Question

01/10

Which is not an area of responsibility that must be considered in regard to social ramifications of a business' actions?

- Legal
- Financial
- Philanthropic
- Internal politics

Question

02/10

What percentage of Timberland employees are involved in the Path to Service program, which helps employees be involved in community programs?

- 1%
- 10%
- 25%
- 95%

Question

03/10

What typically conflicts with social responsibility?

- Social earnings
- Public needs
- Business earnings
- Summary decisions

Question

04/10

Stakeholders typically include:

- Investors
- Customers
- Employees
- All of the above

Question

05/10

Socially responsible companies are obligated to meet:

- The public
- New employees
- Legal requirements
- None of the above

Question

06/10

Financial ethics cover:

- Fair salaries
- Fair prices
- Fair payments
- All of the above

Question

07/10

Sometimes ___ ___ responsibilities conflict with each other.

- HR and manager
- Social and business
- Employer and employee
- None of the above

Question

08/10

Lean earnings and a ___ ___ complicate the balance between social responsibility and company growth.

- Poor economy
- Wealthy economy
- Sustainable product
- Company policies

Question

09/10

Many organizations are being recognized for their _____.

- Input
- Philanthropy
- Financial increases
- None of the above

Question

10/10

Businesses need to provide their shareholders with ____ to convince them to continue to invest their money into the company.

- Feedback
- Earnings
- Reports
- None of the above

Module 4: Completed



Congratulations, you have successfully completed this module!
You may now close this window and progress to the next module.