6 Company and community

6.1 About business  Corporate social responsibility

Discussion

1. Brainstorm a list of groups of people a company has a responsibility towards. What
conflicts of interest are there between the different groups?

Scan reading

2. Read the credo below and identify the four groups of people that Johnson & Johnson
prioritize. The words in grey are explained in the Wordlist on pages 155–156.

The Johnson & Johnson group manufactures health care products in over 200
companies in 87 countries. Their Credo, first written in 1943, has been a model for
corporate social responsibility (CSR) policies for over 60 years.

Our Credo

We believe our first responsibility is to the doctors, nurses and patients,
to mothers and fathers and all others who use our products and services.
In meeting their needs everything we do must be of high quality.

We must constantly strive to reduce our costs
in order to maintain reasonable prices.

Customers’ orders must be serviced promptly and accurately.
Our suppliers and distributors must have an opportunity
to make a fair profit.

We are responsible to our employees,
the men and women who work with us throughout the world.
Everyone must be considered as an individual.
We must respect their dignity and recognize their merit.
They must have a sense of security in their jobs.
Compensation must be fair and adequate,
and working conditions clean, orderly and safe.

We must be mindful of ways to help our employees fulfill
their family responsibilities.
Employees must feel free to make suggestions and complaints.
There must be equal opportunity for employment, development
and advancement for those qualified.

We must provide competent management,
and their actions must be just and ethical.

We are responsible to the communities in which we live and work
and to the world community as well.

We must be good citizens — support good works and charities
and bear our fair share of taxes.
We must encourage civic improvements and better health and education.
We must maintain in good order
the property we are privileged to use,
protecting the environment and natural resources.

Our final responsibility is to our stockholders.
Business must make a sound profit.
We must experiment with new ideas.
Research must be carried on, innovative programs developed
and mistakes paid for.
New equipment must be purchased, new facilities provided
and new products launched.
Reserves must be created to provide for adverse times.
When we operate according to these principles,
the stockholders should realize a fair return.
Reading and discussion
3 Read Johnson & Johnson’s credo again and discuss who should decide what is meant by:
1 maintaining reasonable prices (line 5)  4 just and ethical actions (line 22)
2 making a fair profit (line 8)  5 our fair share of taxes (line 26)
3 fair and adequate compensation (line 14)  6 a fair return (line 40).

4 Discuss the questions relating to Johnson & Johnson’s credo opposite.
1 Which ‘good works and charities’ (line 25) should multinational companies support?
2 What kind of ‘civic improvements’ (line 27) should the company encourage?
3 How should the company protect ‘the environment and natural resources’ (line 30)?
4 Are there any points in the credo you disagree with or items you would like to add?
5 Does a credo really change the way a company operates or is it just good PR?
6 Do small businesses have the same responsibilities as multinationals?

Listening for gist
5 Go to 2:48–2:50 You are going to hear an interview on NPR (National Public Radio), a US news provider, with author Marc Gunther, who believes corporate America is changing for the better.

Part 1
Listen to Part 1 and complete the summary.
Marc Gunther is interested in companies that treat employees well, (1) _______ and (2) _______. Nowadays, businesses work closely with (3) _______ and many employees are like (4) _______. Starbucks, for example, gave away its bean stocks to (5) _______.
The Bush administration does not see (6) _______ as a man-made problem. However, US utility companies are (7) _______ and transportation companies are changing from (8) _______ to (9) _______.

Part 2
Listen to Part 2 and answer the questions.
1 Tick the reasons that motivate companies to be responsible, according to Marc Gunther.
   ☐ profitability      ☐ altruism      ☐ recruitment
2 Tick the reasons that motivate employees.
   ☐ They want to enhance shareholder value.
   ☐ They want to define the company’s goals.
   ☐ They want their jobs to have meaning.
   ☐ They want to make the world a better place.
3 How do Southwest Airlines prioritize the three groups they have responsibility towards?
4 What is the theory behind this choice?
5 What example does Marc Gunther give of how this works?

Part 3
Listen to Part 3 and decide if the following statements are T (true) or F (false).
1 In the 50s and 60s American corporations believed it was their duty to take care of their employees and customers. ☐
2 In the 70s and 80s corporations no longer wanted to take care of employees and customers. ☐
3 Marc Gunther believes the short-term model of the 70s / 80s is sustainable for businesses and for society. ☐
6 Company and community

6.2 Vocabulary Meetings, ethical behaviour and social performance

Meetings
1 Match up the phrases you might use in a meeting.
1 I have received two a) a copy of the agenda?
2 Has everybody received b) the meeting.
3 If we can’t agree, I think we should take c) apologies for absence.
4 It’s getting late, so I propose we close d) the agenda.
5 I think this would be a good time to break e) a vote.
6 We have lots to discuss, so let’s stick to f) for lunch.
7 It’s five past nine, so I’d better open g) side-tracked.
8 Can we start by approving h) any other business.
9 We seem to have reached i) handout.
10 That’s interesting, but I think we’re getting j) the meeting.
11 I’ll just give out this k) a unanimous decision.
12 Before we finish, we need to deal with l) the minutes of the last meeting?

2 Which phrases would you probably use:
1 at the beginning of a meeting? 2 at the end of a meeting?

Adjectives
3 Match the adjectives in bold in the article with the definitions below, as in the example.

ELASTIC ETHICS
It was Groucho Marx who said that if people didn’t like his principles, he had others.

And unfortunately, business people and companies are not always as reliable or as trustworthy as we would like. Product descriptions are frequently not as accurate as they could be, for example when listing ingredients used in foodstuffs. Service is not always as prompt as we expect, even in so-called fast-food restaurants. But it is perhaps in the world of advertising where ethical standards seem to be the most elastic. Advertisements are frequently deceptive and often confusing or deliberately misleading, sometimes making extravagant promises. No doubt advertisers are neither more dishonest nor any less altruistic than the rest of us; they do not often make obviously false claims. It’s just that, like Groucho, they sometimes seem a little too economical with the truth.

1 immediate or quick prompt
2 willing to do things which are not honest
3 intended to make someone believe something that is not true
4 appearing different from the way it really is
5 able to be trusted as honest
6 dependable
7 complicated, not easy to understand
8 not true
9 having a selfless concern for others’ well-being
10 correct or true in every detail
Collocations

Finish these extracts from a guide to corporate social responsibility by completing each one with verbs from the box that collocate with the words in bold.

contribute   identify with   think   supporting

recognizing   uphold   obey   respecting

Listening for detail

Listen to a presentation entitled Doing well by Doing good given to an audience of entrepreneurs by Rhonda Abrams, columnist, author and consultant. Tick the expressions you hear.

- respect the environment
- play a positive role in
- obeying the law
- an honest, responsible business
- have a competitive edge over
- be involved in community causes
- responsibility to your customer
- act with integrity and honesty toward
- environmental policies
- get in trouble with regulatory agencies
- face lawsuits or fines
- misleading, confusing, or even false advertising or sales techniques
- treats employees, customers and suppliers fairly

Discussion

Rhonda Abrams talks about ‘being a good corporate citizen’. What specific practices and policies do you suggest this involves in:

- R&D, production and quality?
- marketing and sales?
- HR?
- purchasing?
- finance?
Company and community

6.3 Grammar The passive and reported speech

Test yourself: The passive

1 Change these active sentences to the passive to avoid mentioning the agent.

1 Your company sometimes releases illegal levels of nitrates into the river.
2 Your department is making too many mistakes at the moment.
3 Unfortunately, you made a poor decision in hiring unqualified staff.
4 Our sub-contractors were employing children to make T-shirts in Asia.
5 Several anonymous journalists have accused us of industrial espionage.
6 My boss and several other managers had warned the company about the risks.
7 We can avoid conflict with the unions by making small concessions.
8 The authorities might ask you some delicate questions.
9 The Board, the Plant Manager and the trade unions all agreed that production staff should work a four-day week.
10 Head Office have decided that they're going to make 300 employees redundant.

Test yourself: Reported speech

2 Complete the extracts from a report of a public meeting about a pollution problem.

1 ‘Nitrate levels in the local water supply are slightly higher than normal.’
   CEO Ben Straw announced that ____________

2 ‘It is possible that the factory is responsible.’
   Mr Straw admitted ____________

3 ‘There was a small chemical leak last Friday.’
   Plant Manager Jane Lee explained ____________

4 ‘We have taken measures to ensure that this situation cannot reoccur.’
   Mrs Lee reassured the meeting that ____________

5 ‘We are negotiating a settlement with the town council.’
   Mr Straw said ____________

6 ‘We will announce full details in a press statement in a few days’ time.’
   He promised the meeting that ____________

7 ‘Has there ever been a problem like this before?’
   Mrs Green, a local resident, asked if ____________

8 ‘No, I can not remember any other leaks in 30 years at the factory.’
   Mrs Lee replied that ____________

9 ‘When do you plan to re-open the factory?’
   Pat Holz, a union representative, enquired when ____________

10 ‘As soon as possible, but some staff may be laid off for a few days.’
   Mr Straw warned that ____________

3 Read the following extracts from an interview with the CEO of a multinational oil company. Report the phrases in bold using the verbs in brackets, as in the example.

1 ‘I repeat what I said a few moments ago: my company does everything it can to limit the impact of our activities on the environment.’ (emphasize)
   The CEO emphasized that the company did everything it could to limit the impact of its activities on the environment.

2 ‘I really can’t accept that. You need to understand that developing countries are extremely grateful for the investment and the jobs that we bring.’ (argue)

3 ‘I think there’s a slight misunderstanding here. Yes, we do make fair profits and pay good dividends, but we’ve never exploited our employees.’ (explain)

4 ‘Yes, that’s a fair point: we can, and we will, do more to develop sources of alternative energy such as wind, wave and solar power.’ (accept)

5 ‘Well, we have little or no influence on government policy on taxation, but no, I do not feel that higher petrol prices will reduce traffic and pollution.’ (comment)
Read the extracts from newspaper reports. Then say who made the twelve statements below and explain how you know this. What phrases helped you?

1. ‘It’s just too expensive.’
2. ‘It’s dangerous: people have died.’
3. ‘We’re still talking.’
4. ‘It could take years.’
5. ‘I don’t know.’
6. ‘It’s really not simple.’
7. ‘It’s too early to say.’
8. ‘They will be paid.’
9. ‘We are closing down.’
10. ‘Your request has been denied.’
11. ‘We can’t compete.’
12. ‘I’m afraid he’s unavailable.’

Listening and reporting

A manufacturing plant in Kassra, a small town in Algeria, has just made 100 people redundant. Listen to six extracts from a conversation between Geoffrey Bullard, the Plant Manager, and Leila Belabed, a member of the mayor’s staff. For each extract, decide how Leila reported to the mayor, using appropriate verbs, as in the example.

1. I complained that 100 people had been made redundant and I reminded Mr Bullard that he had promised to create jobs for the town.

6. Explain these formal announcements to a foreign visitor in informal language.

1. Protective glasses must be worn beyond this point.
   You have to wear special protective glasses from this point onwards.
2. Visitors are requested to use the stairs while the lift is under repair.
3. Customers are advised that no refunds will be made without a receipt.
4. Deposits will only be refunded after the return of all equipment to reception.
5. All meetings are transferred to the training centre during redecoration of the conference room.
6. Only expenses which have been approved by a manager will be reimbursed.

Roleplay

With a partner, roleplay a conversation between a dissatisfied customer and a salesperson. First decide what the customer bought, and make a list of promises the salesperson made. Use reporting verbs from the boxes, as in the example.

- Verbs with me, e.g. you told me (that)...
  - tell
  - promise
  - assure
  - ask

- Verbs without me, e.g. you said (that)...
  - say
  - guarantee
  - claim
  - explain
  - imply
  - state

A: I’m very dissatisfied with this car. You promised me it would do 160 kilometres per hour!
B: No, sir. I’m sorry, you asked me if it would do 160, and I said it would, but only downhill with the wind behind you.
6 Company and community

6.4 Speaking Meetings – teamwork

**Discussion**

1 Discuss how acceptable you find the following gifts from a seller to a corporate buyer.

<table>
<thead>
<tr>
<th>a corporate pen</th>
<th>lunch in a good restaurant</th>
<th>a free sample of the product</th>
</tr>
</thead>
<tbody>
<tr>
<td>a case of champagne</td>
<td>a free weekend ‘seminar’ on a yacht</td>
<td>cash</td>
</tr>
</tbody>
</table>

**Listening**

2 2:58 The management committee of an eastern European manufacturer of electrical components have called a meeting to discuss a problem: one of their buyers, Mr Vieri, has been accepting regular gifts from a supplier.

Listen to Version 1. How does one member of the committee, Stanislas, behave inappropriately? List five ways.

3 Listen again and write down six examples of Stanislas’s inappropriate language.

4 2:59 Listen to Version 2 of the meeting. What are the differences?

5 Complete the expressions Stanislas uses in Version 2.

1 Sorry to __________.
2 Would you __________, (Anna)?
3 Sorry, (Anna), I don’t see __________.
4 Well, I feel __________ (we should dismiss Mr Vieri).
5 I’m afraid __________, (Jon).
6 Yes, but, wouldn’t you __________ (his behaviour was unethical)?

6 Reorder the words in **bold** in these useful expressions for meetings. They were all used in Version 2 of the meeting.

1 **that to brings next the point us** on the agenda.
2 **that tend think I to we need …**
3 **but I point your see** you can’t just dismiss someone …
4 **think don’t that you** everyone should have a second chance?
5 **we’re think side-tracked getting I here.**
6 **just come here in I could?**
7 **have on views do any you this issue?**
8 **say you when this issue, mean you do our policy on gifts?**

7 Put the expressions from 5 and 6 into the appropriate category below.

<table>
<thead>
<tr>
<th>Giving an opinion</th>
<th>Asking for opinions</th>
<th>Managing the discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>In my opinion, …</td>
<td>What’s your feeling?</td>
<td>Do we all agree on that, then?</td>
</tr>
<tr>
<td>It seems to me that …</td>
<td></td>
<td>Perhaps we should break for coffee.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Could we come back to this later?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Disagreeing tactfully</th>
<th>Interrupting</th>
<th>Asking for clarification</th>
<th>Persuading</th>
</tr>
</thead>
<tbody>
<tr>
<td>I agree up to a point, but …</td>
<td>Sorry, but could I just say …</td>
<td>So, are you saying that … ?</td>
<td>Isn’t it the case that … ?</td>
</tr>
</tbody>
</table>
8 With a partner, hold short meetings on the four issues below. Follow the structure provided. Take turns being A and B.

1 A vodka manufacturer offers to sponsor your end-of-year party. Do you accept?
2 One of your suppliers uses child labour in Vietnam. What should you do?
3 Advertisements for your product show only slim, beautiful people. Is that OK?
4 Ethnic minorities and the disabled are under-represented in your firm. What can you do?

**Student A**

Give an opinion.

**Student B**

Ask B’s opinion. 
Disagree.

Interrupt. 
Ask for clarification.

Persuade. 
Manage the discussion.

9 Work in small groups. Hold a management meeting to decide what to do in the following cases of employee misbehaviour in your company. For each case, discuss:

- what action to take.
- what corporate policy to adopt (if any).
- how you will implement your decisions.

**Case 1**

**Mike Ho**, a buyer in your purchasing department, accepted cash from suppliers in return for buying large volumes at high prices.

**Case 2**

**Marieta Myska**, a sales manager, obtained confidential information about government contracts by having a relationship with a civil servant.

**Case 3**

**Joseph Fisher**, a project manager, used company resources and equipment to run a club for disabled children at weekends.
6 Company and community

6.5 Writing  Reports and minutes

Discussion
1 Why should companies invest time and money in community projects?

Brainstorming
2 How many different alternatives can you think of for the words in the box?

but   and   so   say   tell   think

Skim reading
3 Mirratec Industries, a subsidiary of a multinational manufacturer of compressors for refrigerators and air-conditioning units, has a plant in the small Polish town of Bychawa. Read the report which Mirratec sent to Head Office, and the minutes of a management committee meeting at Head Office, and answer the questions.

1 What are the arguments for and against involvement in the community centre project?

2 What did a) Head Office and b) Mirratec decide?

Bychawa Community Centre project

EARLIER this year Mirratec was asked to invest in a project to build a Community Centre in Bychawa. As a rule, group policy is to give encouragement but only limited financial support to such community projects. However, a meeting was held by managers and staff at the plant and in this case it was thought that the benefits to the company’s image justified more active and extensive support, in particular after the recent difficult negotiations with the local authorities over the access road to the new workshop. Moreover, it was felt that employee involvement in the project would bring substantial benefits in terms of motivation and job satisfaction. Consequently, it is recommended that the company should contribute 50% of the funding; in addition, selected employees should be assigned to manage key areas of the project during work time, such as design, fund-raising and construction.

Naturally, the project will require a high level of commitment from our staff in order to complete all stages on time. The community centre will be officially opened in September, and it is hoped that department managers will be able to reduce staff workloads for the duration of the project.

In conclusion, it is believed that the community and the company will derive numerous benefits from the project and that overall, the company’s image within the community will be greatly improved. It is expected that an ongoing close relationship with the community will have a positive effect on two strategic areas of our development, namely expansion of our manufacturing facilities and recruitment of our workforce locally.

Minutes of the Management Committee meeting, 15 April
Attendees: Jan Navratil, MD; Ines Caba, Production; Christopher Taberley, Finance

1. Bychawa Community Centre. JN reported that the plan had been favourably received at Head Office. Even so, there were concerns about the size of the investment and the project’s impact on productivity. But he stressed that group management were aware of the need for good relations with local communities, and would support Mirratec’s decision. Consequently, JN felt that they should go ahead.

IC agreed that it was important to improve public relations, but emphasized the risks involved for production, for example, absenteeism and quality issues. She claimed that the project could become an excuse to take time off work, especially during the construction phase in the summer.

CT reminded the meeting that only a small number of employees would be concerned. Obviously department managers would have to organize cover for any absences. In other words, production should not be affected. Furthermore, managers of other departments were very happy with the project on the whole. In brief, he suggested that the benefits in developing team spirit were clearly far greater than any potential risk to productivity.

Finally, it was agreed that the project should be approved.
Scan reading

4 Read the report and the minutes again. Underline the linking words and complete the table.

<table>
<thead>
<tr>
<th>Function</th>
<th>Linking words</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addition</td>
<td>besides, mo________, in ad________, fur________</td>
</tr>
<tr>
<td>Conclusion</td>
<td>lastly, in c________, f________</td>
</tr>
<tr>
<td>Consequence</td>
<td>so, therefore, c________</td>
</tr>
<tr>
<td>Contrast</td>
<td>but, h________, e________, s________</td>
</tr>
<tr>
<td>Equivalence</td>
<td>that is to say, n________, in o________ w________</td>
</tr>
<tr>
<td>Example</td>
<td>for instance, s________ as, f________ e________</td>
</tr>
<tr>
<td>Generalization</td>
<td>in most cases, as a________, on the w________</td>
</tr>
<tr>
<td>Highlighting</td>
<td>mainly, chiefly, in p________, es________</td>
</tr>
<tr>
<td>Stating the obvious</td>
<td>of course, n________, ob________, cl________</td>
</tr>
<tr>
<td>Summary</td>
<td>to sum up, o________, in b________</td>
</tr>
</tbody>
</table>

Writing

5 Replace the inappropriate linking words in bold with a better choice from 4.

Josiah Wedgwood was a pioneer in social responsibility, building a village for his workforce in 1769. **For instance,** his products combined technology with classical culture. More than a century later, George Cadbury developed social housing for his chocolate factory workers. **As a rule,** Cadbury’s became one of Britain’s most respected companies. Both men were pioneers of corporate social responsibility. **Overall,** they were also accused of paternalism.

Today, sustainable development policies aim to manage the effects of business on employees, the community, and, **on the whole,** on the environment. Multinationals like Shell are focusing on the idea of being good neighbours, **naturally,** by consulting local stakeholders before beginning new projects which may affect them.

Reading for detail

6 Read the quote below and identify five more impersonal structures used in the report in 3 to express the views of Mirratec’s management.

‘... it was thought that the benefits to the company’s image justified more active and extensive support ...’

7 Choose an appropriate reporting verb from the box and report Christopher Taberley’s statements below, as in the example. The verbs in the box were all in the minutes in 3.

<table>
<thead>
<tr>
<th>report</th>
<th>agree</th>
<th>suggest</th>
<th>stress</th>
<th>claim</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, I have to say that you are quite right that productivity is a concern.</td>
<td>Christopher agreed that productivity was a concern.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On the other hand, you mustn’t forget that only a small number of staff will be directly involved.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As a matter of fact, most department managers don’t expect any problems.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I’ve heard there’s a similar project in Greece where they’ve actually improved productivity.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I’m pretty sure team spirit will be much better when the community centre has been built.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Listening and writing

8.60 Listen to a discussion of the second point on the agenda of the meeting in 3. Take notes. Then, with a partner, write a short summary of the discussion and decisions.
Company and community

6.6 Case study | Phoenix

Discussion
1. Would you like to have a recycling centre near your home? Why (not)?

Reading
2. Read the Internet page about Phoenix and answer the questions.
   1. What kind of corporate image does the company try to project?
   2. What do you imagine working at Phoenix is like?

Roleplay preparation
Divide into three groups: Port Katherine Planning Department, Port Katherine Residents’ Association, and Phoenix. Use the activities opposite (3, 4 and 5) to gather information for your group, in preparation for a public meeting (6 opposite) to discuss the choice of site for a new recycling centre in Port Katherine. You will need to make a presentation at the meeting summarizing your views, stating which site you prefer and why, and explaining why the other sites are not appropriate. You should also be prepared to ask the other groups questions, and argue against their proposals if they conflict with your interests.

Every year almost a million of Australia’s ten million cars reach the end of their useful lives. Phoenix provides a valuable community service by recycling over 75% of each vehicle.

Phoenix’s mission is to protect and preserve Australia’s unique ecology. We take special care to ensure that hazardous materials and toxic substances are processed safely and securely with minimum risk to the environment or the population.

At all our recycling centres across Australia, we believe in being good neighbours. We believe it is our duty to treat customers, employees and suppliers fairly, to respect the local environment and to be involved in community causes.
Listening

3. Listen to part of a meeting at Phoenix's head office in Sydney and answer the questions.

1. Why is Port Katherine a good choice for Phoenix's new site? Give four reasons.
2. What are the pros and cons of sites A, B and C from your group's point of view?
3. What do you think 'Operation Charm and Diplomacy' is?

Reading and discussion

4. In your groups, prepare for the public meeting by reading a message and answering some questions.
   Group A – Port Katherine Planning Department: turn to page 112.
   Group B – Port Katherine Residents’ Association: turn to page 114.
   Group C – Phoenix: turn to page 117.

5. Read the agenda. Then, in your groups, prepare your presentation and strategy for the public meeting.

Roleplay

6. Roleplay the public meeting using the agenda above.

Writing

7. Write a short report on the meeting.
   Port Katherine Planning Department: write to Duncan Gillespie at the Lord Mayor’s Office.
   Port Katherine Residents’ Association: write to your members.
   Phoenix: write to your head office in Sydney.

Agenda

1. Welcome and introductions
2. Opening presentations
   • Phoenix
   • Port Katherine Planning Department
   • Port Katherine Residents’ Association
3. Questions and discussion of the three possible sites
4. Summary and conclusion