

Globalisation and CSR

Case Study: TESCO PLC

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Introduction to Globalisation

- Keeping in view the fast-growing organisational world, competition and consumer demands have intersected on a greater level.
- The ease in communication and modernisation has developed a new concept of globalisation.
- Globalisation refers to the closeness in gaps between individuals and groups in terms of social and commercial exchanges (Michie, 2019).

Introduction to CSR

- Another important concept being focussed greatly is referred to as CSR.
- CSR is abbreviated as Corporate Social Responsibility.
- It is a whole context containing different corporate responsibilities of an organisation for the betterment and well-being of the wider environment (Orlitzky, Siegel and Waldman, 2011).
- CSR practices are necessary to be considered for adoption to maximise stakeholder interest significantly.

Linking the Aspects of Globalisation and CSR

- Globalisation and CSR can be two different concepts but are interlinked within the practical business environment.
- CSR is important within a globalised industry, surrounded by well-known MNCs.
- MNCs are multinational corporations who have their operations spread in more than one country.
- CSR is important for MNCs as they have a wider customer base with stakeholders from different characteristics (Crane, Matten and Spence, 2013).
- Hence, to keep their interest maximised in a positive way, CSR practices are necessary.

Tesco as a Globalised MNC

- The MNCs which will be discussed in this presentation is Tesco Plc.
- Tesco is a well-known MNC from the UK and spread all across the world.
- It is known for its retail business.
- Being a well-known organisation, Tesco is highly regarded to pay attention to its CSR responsibilities while it strategizes its supply chain activities (Tesco Plc, 2020).

Implementation of CSR Strategies or activities by Tesco in its SCM Context

- Tesco has been highly focussed towards improving its CSR strategies when designing its SCM practices.
- It has adapted significant technologies, such as Cloud Computing which will enable the update on the inventory control system as soon as a product is added or is rotated (Ju and Li, 2011).
- This is done to focus on improving organisational efficiency, remain cost-effective and respond to customer demand trends efficiently.

Some problems encountered in implementing CSR TESCO

- increasing uncertainty...
- market increase in transparency customers are more aware of prices..
- global recession has damaged the global business'
- public criticism on social media
- government laws protecting the environment
- maintenance of quality levels
- accept only certain quality levels and below that rising complexity and variability prevailing in global market places are negatively affecting the processes and production which is increasing the defects production. negatively influences the corporate image and reputation
- time difference
- the time difference is not really a problem but many global corporations are finding it daunting or difficult to streamline the processes

Potential Issues with other Strategies Researched

- Other than the strategic option of adapting technology to improve CSR practices, there are certain strategies researched which were not suitable for application.
- One of such strategies is referred to as sustainable packaging.
- Sustainable packaging might not suit CSR practice for all stakeholder groups as it can raise the overall cost of the product and make it expensive (Giunipero, Hooker and Denslow, 2012).
- Another reason is that sustainable packaging will also not satisfy the need for some customers who are considerate to check the actual product first through its packaging before making a decision.

Legal and Ethical Issues Associated with the CSR Strategies

- There are certain ethical and legal issues associated with the selected strategy of technology as well.
- Tesco needs to ensure that it purchases and renews all technology licences legally, which can be an additional cost.
- As an ethical approach, Tesco is also recommended to train its existing employees to operate technology rather than conducting a new recruitment for replacement of old employees with new and skilled employees (De Chiara and Spena, 2011).

Conclusion

- Keeping in view the different aspects discussed above, CSR is an important strategy required for adaptation, especially within global organisations.
- It is highly recommended to conduct detailed analysis before adapting and implementing a CSR strategy as it would be shaping the interest and influence of the stakeholders.
- The higher authorities of TESCO are recommended to equip the entity with sufficient skills and experiences required for analysis and implementation accordingly.
- incorporate some technological procedures and must stay innovative to effectively assess and respond to its challenges.
- Also mention the environment social impacts of its cotton production or high street clothing retailing

References

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