

attention to violations, and—where needed—prompt needed changes in U.S. policies toward particular countries. Find the latest annual *Country Reports on Human Right Practices* for the BRIC countries (Brazil, Russia, India, and China), and create a table to compare the findings under the “Worker Rights” sections. What commonalities do you see? What differences are there?

2. The use of bribery in the business setting is an important ethical dilemma many companies face both domestically and abroad. The Bribe Payers Index is a study published every three years to assess the likelihood of firms from 28 leading economies to win business overseas by offering bribes. It also ranks industry sectors based on the prevalence of bribery. Compare the five industries thought to have the largest problems with bribery with those five that have the least problems. What patterns do you see? What factors make some industries more conducive to bribery than others?

Woolworths’ Corporate Responsibility Strategy closing case

The Woolworths Group (woolworthsgroup.com.au) is an Australian conglomerate corporation founded in 1924. The headquarters is in Bella Vista in New South Wales. Colloquially known as “Woolies,” the company has extensive retail interests in the Oceania region, particularly in Australia and New Zealand, but it also has a foothold in India. The Woolworths Group consists of three core businesses (Woolworths Food Group, Endeavour Drinks, and Portfolio Businesses); employs more than 200,000 people; and has revenue of about \$60 billion Australian dollars, or \$46 billion in U.S. dollars. Across the three core businesses, Woolworths has 13 different business subsidiaries.

Integrating these 13 subsidiaries into a corporate social responsibility program is a challenge for a company with more than 200,000 employees and diverse interests. To accomplish its objective, Woolworths Group’s Corporate Responsibility Strategy 2020 identifies 20 corporate responsibility and sustainability goals that the company plans to implement by the year 2020. These goals cover a broad range of Woolworths’ stakeholders (e.g., customers, team members, suppliers, and local communities in which Woolworths

operates). Woolworths' Corporate Responsibility Strategy is based on a framework of People, Planet, and Prosperity.

The focus on People is about encouraging diversity. The target goals include striving for gender equity by targeting at least 40 percent of executive and senior manager positions to be held by women. Woolworths is also setting a goal of no salary wage gap between male and female employees of equivalent positions at all levels of the company. And rooted in Australian business, the company is embracing diversity by increasing the number of Indigenous employees in line with the company's stated commitments under the Australian Federal Government's Employment Parity Initiative.

The focus on the Planet includes two major initiatives. Woolworths is working toward zero food waste going to landfills. According to the U.S. Environmental Protection Agency, 20 percent of what goes into municipal landfills is food. Woolworths is also trying to reduce its carbon emissions or footprint by 10 percent. Many of our daily activities (e.g., using electricity, driving a car, or disposing of waste) cause greenhouse gas emissions. A *carbon footprint* is defined as the total set of greenhouse gas emissions caused by an individual, event, organization, or product, and it is expressed as a carbon dioxide equivalent. Such emissions trap heat in the atmosphere, which according to most scientists contributes to disruptive climate change.



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The focus on Prosperity is founded on trusted relationships. Woolworths' targets are to achieve a top quartile ranking in how the business engages fairly and equitably with its suppliers, as measured by independent supplier surveys. Inspiration is also built into prosperity in the form of the company implementing activities to inspire customers to consume all of Woolworths' products in a healthy, sustainable way. The most transparent Prosperity initiative, though, is to invest the equivalent of 1 percent of total earnings in community partnerships and programs.

Woolworths' People-Planet-Prosperity strategies drive how the company does business. The strategies state that Woolworths is committed to hard work

and that its integrity is resolute. The foundation is a down-to-earth culture and family friendly values. Every aspect of Woolworths' business exists for the purpose of making the customers' lives simpler, easier, and better. Underpinning Woolworths' operations is a working relationship built on mutual trust with suppliers. More than 80 percent of the company's suppliers have been strategic partners with Woolworths for a decade or longer.

Sources: Dimitri Sotiropoulos, "Woolworths Sets Sights on Sustainability," *Inside Retail* (Australia), February 14, 2017; Justin Smith, "How Woolworths Is Building Resilience in Its Food Supply Chain," *Sustainable Brands*, April 11, 2016; Jason LaChappelle, "Woolworths Sees Benefits of Working with Sustainability Standards," *Iseal Alliance*, September 19, 2014; "Woolworths Group's Corporate Responsibility Strategy 2020," <https://woolworthsgroup.com.au/page/community-and-responsibility/group-responsibility>.

CASE DISCUSSION QUESTIONS

1. What challenges do you think a company like Woolworths Group is facing when developing and implementing a companywide corporate social responsibility strategy that takes into account the more than 200,000 employees, diverse interests, and stakeholders?
2. The focus on People is about encouraging diversity. The idea is to increase the number of Indigenous employees in line with the company's stated commitments under the Australian Federal Government's Employment Parity Initiative. Does such a diversity approach enhance, or not, the company's sustainability strategy. How?
3. Woolworths Group is trying to reduce its carbon emissions or footprint by 10 percent. Based on where we are as a world, is 10 percent enough of a reduction? Perhaps global warming is not real, albeit the vast majority of scientists clearly suggest it is; what do you think?
4. Woolworths' targets are to achieve a top quartile ranking in how the business engages fairly and equitably with its suppliers. How do supplier relationships and the fairness in dealing with suppliers relate to sustainability and "doing good" for society (and the company)?

Endnotes