coca cola

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COCA-COLA CSR

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The concept of CRS is hinged on the idea that corporates are no longer autonomous, but they are interconnected closely to the society. The former perspective was on competitiveness, profitability, and survival of business does not exist. Moreover, coca cola just like any other corporate it has a role to play in its CSR. The company has managed to implement all the possible aspects of CSR fully. The company can be described as the one which seeks to maximize profits but also values CSR and its impacts to the prosperity of any society. Therefore, this paper will highlight possible issues that Coca Cola faces in the implementation of its CSR. Further, it will address some of the way forward that both the government and Coca Cola can put in place to mitigate those issues.

Background of the company

Coca-Cola is termed as the world's biggest company dealing with beverages; it was founded back in 1886 at Atlanta. Currently, the company operates nearly in every country in the world. It has over 500 brands either distribution or production in the consumer markets. Moreover, the company has continually been subjected to criticism from various major markets like India. Its corporate social responsibility has been under scrutiny by either government, consumers or social groups. Because of its unethical value systems which are evident in its business approaches, employee issues, health effects of the product and environmental issues of pollution originating from its plant operations (Cha, Buenger, Daniel, Roongruengvuthikul, Vaubourgeix, Coca-Cola Co, 2016, 29).

Why coca cola engages in CSR initiatives

Tai & Chuang, (2014, 117), believes that decrease in government roles like funding and growth in distrust of country's regulations has caused coca cola to start a voluntary initiative to offer their support. The company was compelled by the existing need for a greater commercial disclosure. There is an increasing need for company disclosure on behalf of all the company's stakeholders. Another push is the increasing interests of the clients. Ethical behavior of corporates has got an influence on client's purchasing decision. A labor market which is competitive pushed coca cola to adjust employee's welfare trough salaries and bonus. That aimed at retaining of staffs whose practices suits the company's value. To enable coca cola to recruit and keep the best talents, working condition has to be improved. Through CSR, coca cola has achieved, advanced economic performance, minimize the cost of operation, build and improve company reputation and image of

the brand. Consequently, it is to the advantage that coca cola engages in CSR initiatives besides the issues that may come up.

Environmental issues

Though the CSR policies focus on economic, social and the environmental benefits of a given environmental benefit of a given society. Moreover, coca cola has some few issues which need to be addressed about its corporate social responsibilities. First, it is the environmental issues that Coca-Cola needs to address. To well elaborate the issue of environmental concerns of Coca-Cola, I will review a case of India. The issue of depletion of groundwater resource especially the areas near its bottling plants. Back in 2002, excessive extraction of water led to draught and thereby reducing agriculture production drastically in the nearby areas. After the issue was confirmed, that lead to widespread of both strikes and protests. Another prevalent issue is the pollution brought about by the dumping of toxic waste and discharging of risky elements based water into the agricultural plantations near its plants which does bottling. The corporate's plants were are also using supercilious quantities of energy and possibly the greenhouse gases that were emitted because of refrigeration. Marketing techniques adopted for creation were generating high intensities of air pollution. The latter contributed much to the land, air and water pollution, hence creating long-term special effects on the society. The company at some point was accused of distribution of toxic waste as manure to farmers who are within the company's environs (Russell, & Honea, (2016, 759-773)

Environmental issues mitigation

Coca Cola Company started water conservation projects like the harvesting of rainwater and also watershed protection throughout the countries of operations to replace the damage that depletion of groundwater caused. Coca-Cola has again embarked on the management of solid waste that was geared towards recycling of any possible solid waste that was realized during production. Coolers and freezers were put in place in a right manner to do away with HFCs that causes pollution to the air. Specifically, on the issue of water, coca cola has put in place measures to ensure water is well utilized and not polluted in all its areas of operations. The company envisioned that by 2020 a safe returning the society and nature a quantity of water that is equal to what coca cola utilizes in its finished beverages and also its production. The company also targets that by 2020 it should be able to the efficiency of water in operations of manufacturing by approximately 20% as compared to 2010 case. Another approach is the assessment of water

sources risks. Via its water stewardship initiative, the company has put in place a rights-based approach to water management. The company compels its bottling industries to access the susceptibilities of quantity and quality of the community water source and water for production. In case they are different, the company determines the potential impact of the company water utilization and release of wastewater and then address the emanating issues.

Water recycling and treatment, it's a practice by the company to return to the environment. The water is made in a way that the wastewater can support aquatic life, from its manufacturing process. For the new or existing facilities, coca cola the quality of water that coca cola returns is purified and treated to meet the expected standards. Incorporation of a government agency, bottling partners and community has seen water replenishment a success. Coca-Cola has adopted a golden triangle of collaboration especially in India, to aid in water replenishment. Coca-Cola has succeeded in improving the way it manages water across it region as a way of accomplishing its CSR.

Theory of social responsibility

The social responsibility concept as recommended by Greenberg has it that every company must consider wellbeing of all its investors. The stakeholders include workers, government, consumers, the public, and shareholders to ensure that there is worth creation for every cluster. Soil, air, and groundwater are not recyclable sources, and they are the basis of man natural life (Karnani, A., 2014, 11). In most developing economies wherever agriculture is the backbone to the nation's overall GDP, impact of pollution on natural wealth can prove to be exceptionally dangerous for human beings. In line with integrated strategy point of view, on the theory of social responsibility, it is evident that coca cola is not in customer's interests. Also, it is evident that Coca Cola Company is not ready to improve the life's quality in a manner which is efficient and ethical. The principles of CSR are evident to be neglected at the grounds level, through causing irreversible damage to both the society and customers

Social wellbeing and health issues.

Coca-Cola brands have been seen as critically, because of the dangers that they pose to the health of the individual consumer. For instance, an Indian NGO raises a concern on the company that there were some residual traces of pesticide in both the company's bottled water and soft drinks. According to test is done, it was discovered that the product contained up to 36 more times

higher than the global set standards. The latter could potentially cause lethal health concerns like birth effects, serious disruption of the immune system among others.

Mitigation approaches to social issues

On health matters, coca cola has implemented an approach of carbon filtration in its bottling and manufacturing units to do away with any pesticide or a solvent traces in its products. The company has up-to-date ascertained that its products have met the requirements of FSSAI. Coca-Cola has involved all the possible stake orders just to ensure that it achieves a positive image in the community. It is one of its mandates to harmoniously live with the community in the cause of its businesses operations.

Other interventions

The goal of the CSR program is majorly on sustainability. The latter is articulated through the actions of the company in some areas. The wellbeing of a consumer, recycling and packaging, employee development, climate, supply, and energy. Regarding the health of the consumer, the company has put in place mechanisms to meet modern life trends of the customers. On that note, it has broadened the portfolio of the product which is not unhealthy. Consequently, it has reduced the calories level in its products by almost 80%. On packaging and recycling, coca cola presented a plant bottle which is a recyclable bottle made from petroleum blend and with some high level of plant-based materials. According to Melton, Damron & Vernon, (2017, 72) on water stewardship, the corporate is on the forefront to improve the efficiency of water usage. It has advanced on water usage for the last decade. A ration of making a single litter of its product requires approximately 1.7 liters.

Development of workers is also an objective that CSR aims at achieving. Coca-Cola trusts that workforces are the key basis for the company's triumph. Coca-Cola has shaped a CSR initiative to appeal, maintain and develop expertise and capabilities of its workers. The program facilitates staffs to exhaustively exploit their capabilities while advancing leadership skills and also talents that the company requires in all the areas and all the countries that it works. Currently, Coca-Cola can say that it has advanced the level of its worker's engagement. In regards to climate and energy, coca cola signed a Copenhagen. It was a helpful action to the global agreement

regarding climate change, consequently for two years consequently it has reduced on company carbon.

Conclusion

CSR programs enhance global reputation of coca cola brand. After experiencing some dilemma and conflicts between US and India, Coca-Cola embarked on CSR to maintain their customers as well as reputation. Also, if coca cola applies the CSR successfully, it will be able to attract a bigger number of customers to accept its products. After the experience of some conflicts, CSR programs of the company increase swiftly facilitating a faster brand implementation. The latter would see the sales volume increase as well as the benefits. At long run, coca cola is confident that the CSR ingenuity would be a major player in the success of a business. Moreover, there are some drawbacks in using CSR approaches. For example, all the expenses of CSR would cause harm to the shareholders. Also, it is clear that the good of CSR program would be far much better compared to the company and also the society. Therefore, the issues which came up, coca cola has set effective mechanisms to address them with CSR in their mind.

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