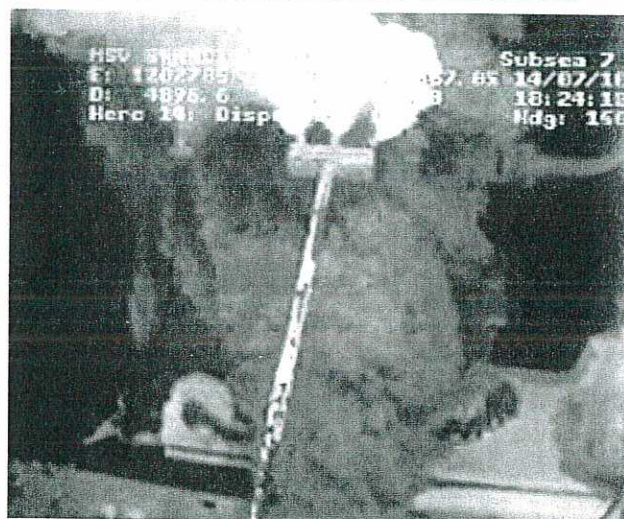
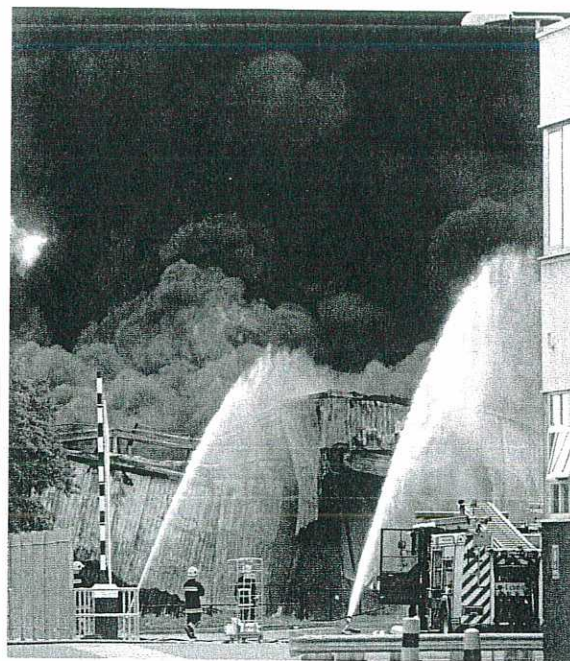


1

## Preview

## Business and the community

Look at the pictures which show a variety of problems that businesses have had to face. What messages do they convey about the companies or industries involved? What do you know about the stories or issues behind the photos?



## Listening 1

Listen to David Du Cane, a business journalist, talking about how businesses are increasingly having to accept responsibility for the impacts that result from their activities. Answer the following questions.

- 1 How has the relationship between business and the media evolved?
- 2 The speaker refers to two critical events. What happened in each?
- 3 How were the victims compensated?
- 4 What lessons has the business community learnt from these two events?

## Speaking

How important is it to know how responsible a company is when you are buying one of its products or services? How do you know whether the products that you buy are environmentally-friendly or not?

## Reading 1

## Business principles

Read the text on the opposite page and answer the questions that follow.





## Business principles

## Just good business

Corporate social responsibility, once a do-gooding sideshow, is now seen as mainstream

<sup>1</sup> IN the lobby of Marks & Spencer the words scroll across a giant electronic ticker. They describe progress against "Plan A", a set of 100 worthy targets. The company will help give 15,000 children in Uganda a better education; it is saving 55,000 tonnes of CO<sub>2</sub>; it is tripling sales of organic food.

<sup>2</sup> The M&S ticker says a lot about the current state of what is commonly known as corporate social responsibility (CSR). First, nobody much likes the CSR label. Some companies prefer to describe it as "corporate citizenship", or "building a sustainable business". One Nordic executive glories in the title of Director, Accountability and Triple-bottom-line Leadership. All this is convoluted code for something simple: companies meaning (or seeming) to be good.

<sup>3</sup> Second, the list shows what a vast range of activities now comes under the doing-good umbrella. It spans everything from volunteering in the local community to saving the planet. With such a wide-ranging subject, many companies find it hard to know what to focus on.

<sup>4</sup> Third, the M&S ticker demonstrates that CSR is booming. Big companies want to tell the world about their good citizenship. Their chief executives queue up to speak at conferences to explain their passion for the community or their commitment to making their company carbon neutral.

<sup>5</sup> Why the boom? For a number of reasons, companies are having to work harder to protect their reputation. Scandals

at Enron, WorldCom and elsewhere undermined trust in big business. An army of non-governmental organisations (NGOs) stands ready to do battle with multinational companies at the slightest sign of misbehaviour. Myriad rankings put pressure on companies to report on their non-financial performance as well as on their financial results. And, more than ever, companies are being watched. Embarrassing news anywhere in the world – a child working on a piece of clothing with your company's brand on it, say – can be captured on camera and published everywhere in an instant, thanks to the Internet.

<sup>6</sup> Now comes concern over climate change, probably the biggest driver of growth in the CSR industry of late. The great green awakening is making company after company take a serious look at its own impact on the environment. As well as these external pressures, firms are also facing strong demand for CSR from their employees. Ask almost any large company about the rationale for its CSR efforts and you will be told that they help to motivate, attract and retain staff.

<sup>7</sup> Too much of a good thing? Since there is so much CSR about, you might think big companies would by now be getting rather good at it. A few are, but most are struggling. CSR is now made up of three broad layers. The most basic is traditional corporate philanthropy. Companies typically allocate about 1% of pre-tax profits to worthy causes. But many feel that simply writing cheques to charities

## Glossary

**do-gooding** well-meaning but interfering

**ticker** information that appears on a narrow band or tape

**window-dressing** a superficial presentation of something

is no longer enough. Shareholders want to know that their money is being put to good use, and employees want to be actively involved in good works.

<sup>8</sup> Money alone is not the answer when companies come under attack for their behaviour. Hence the second layer of CSR, which is a branch of risk management. Starting in the 1980s, with environmental disasters such as the explosion at Bhopal and the Exxon Valdez oil spill, industry after industry has suffered blows to its reputation.

<sup>9</sup> So, often belatedly, companies responded by trying to manage the risks. They talk to NGOs and to governments, create codes of conduct and commit themselves to more transparency in their operations. Increasingly, too, they get together with their competitors in the same industry to set common rules, spread the risk and shape opinion.

<sup>10</sup> All this is largely defensive, but there are also opportunities for those that get ahead of the game. The emphasis on opportunity is the third and trendiest layer of CSR: the idea that it can help to create value. If approached in a strategic way, CSR could become part of a company's competitive advantage. That is just the sort of thing chief executives like to hear. "Doing well by doing good" has become a fashionable mantra.

<sup>11</sup> Nonetheless, the business of trying to be good is confronting executives with difficult questions. Can you measure CSR performance? Should you be co-operating with NGOs and with your competitors? Is there really competitive advantage to be had from a green strategy?

<sup>12</sup> Done badly, CSR is often just window-dressing and can be positively harmful. Done well, though, it is not some separate activity that companies do on the side, a corner of corporate life reserved for virtue: it is just good business. ■



**1** Look at the four sets of possible paragraph headings. In each set, the headings appear in the wrong order. Scan the article and rearrange the headings in the correct order.

- ☐ The name of the game; Setting objectives; A little bit of everything (paragraphs 1-3)
- ☐ Growth sector; Getting greener; Keeping watch (paragraphs 4-6)
- ☐ Getting together; Dealing with danger; Giving it away (paragraphs 7-9)
- ☐ Unanswered questions; Opportunity knocks; Making business sense (paragraphs 10-12)

**2** Read the text again and answer the following questions.

- 1 Paragraphs 2-4 list three things that can be inferred about CSR. Summarise what is said about each.
- 2 Paragraphs 7-10 describe various components of CSR. How many components are mentioned and what does each consist of?

### Speaking

Do you think that CSR is an important consideration for all businesses? Should companies focus more on making a profit and less on doing good?



An Internet search using the keywords 'CSR companies' will list companies that have adopted CSR. Choose one of the examples. How are they using CSR? What initiatives have they taken?

### Vocabulary 1

Read the definitions of six key words from the text. Which words are defined?

- 1 avoiding the depletion of natural resources (para 2) \_\_\_\_\_
- 2 the quality of being held responsible for something (para 2) \_\_\_\_\_
- 3 an accounting approach which includes financial performance as well as environmental and social performance (para 2) \_\_\_\_\_
- 4 belonging to a community (para 4) \_\_\_\_\_
- 5 producing as little CO<sub>2</sub> as possible and paying compensation for all gases emitted (para 4) \_\_\_\_\_
- 6 the condition of having fair, honest and visible business practices (para 9) \_\_\_\_\_

### Vocabulary 2

## Compound nouns

In the text there are several examples of compound nouns that are formed with an adjective followed by a noun.

*organic food*                      *big business*                      *financial results*

What other compound nouns can be made with the following adjectives?

environmental                      financial                      corporate                      competitive



## Paired structures

Paired structures are pairs of words or phrases which appear in different parts of a sentence. They are used to present options or alternatives, introduce similarities and refer to the timing of events.

not only ... (but) also	both ... and	neither ... nor
either ... or	whether ... or	some ... other
one ... the other/another	as ... so ...	once ... then
on the one hand ... on the other hand ...		

Which of these paired structures could be used to do the following?

- 1 Present two different views (or two sides of an argument). \_\_\_\_\_
- 2 List two things (or sets of things) that are similar. \_\_\_\_\_
- 3 Show two alternative options. \_\_\_\_\_
- 4 Show a chronological sequence for two events. \_\_\_\_\_
- 5 Point to two things that occur simultaneously. \_\_\_\_\_
- 6 Present two examples in the negative. \_\_\_\_\_



For more information, see page 155.

### Practice 1

Complete the following sentences with a paired structure.

- 1 People often have different attitudes to CSR; \_\_\_\_\_ they consider it to be a cynical effort by companies to cover up unethical activities \_\_\_\_\_ they see it as a genuine effort to integrate core values.
- 2 \_\_\_\_\_ businesses have determined which areas of their operations they need to improve, they can \_\_\_\_\_ start to implement procedures.
- 3 \_\_\_\_\_ employees' values and attitudes change over time, \_\_\_\_\_ do their work styles and their career aspirations.
- 4 It is now increasingly being accepted that \_\_\_\_\_ society \_\_\_\_\_ the economy can continue to operate successfully unless the environment around them remains healthy.
- 5 Participants in the survey were asked \_\_\_\_\_ they were in favour of the government's proposal to subsidise alternative energy development \_\_\_\_\_ against it.

## Paired comparatives

Another common form of paired structure uses two comparatives preceded by *the*. The second clause expresses the consequence of the first clause.

*The more money that is spent on energy research, the greater the chance of one day finding a new, clean fuel.*

### Practice 2

Rewrite the following sentences using the comparative adjectives in brackets. Make any changes necessary.

- 1 There are more and more cars on the roads so the impact of pollution is increasing. (*more, great*)
- 2 With fuel becoming more costly, people are using their cars less frequently. (*expensive, less*)
- 3 Companies that are 'responsible' will attract more job applicants. (*responsible, attractive*)
- 4 A lightweight vehicle uses less energy. (*light, less*)
- 5 In countries where people have low per capita incomes, it is more difficult to implement sustainable policies. (*low, hard*)



## Reading 2 Greenwashing

Read the extract from the Greenwashing Index and answer the following questions.

- 1 What is the main purpose of this document? Who do you think might have prepared it and why?
- 2 How might this type of document influence business organisations?

### GREENWASHING INDEX

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#### Green claims

## Greenwashing

**What is Greenwashing? It's Whitewashing, but with a Green Brush**

Everyone's heard the expression 'whitewashing' – it's defined as 'a coordinated attempt to hide unpleasant facts, especially in a political context'. 'Greenwashing' is the same, but in an environmental context.

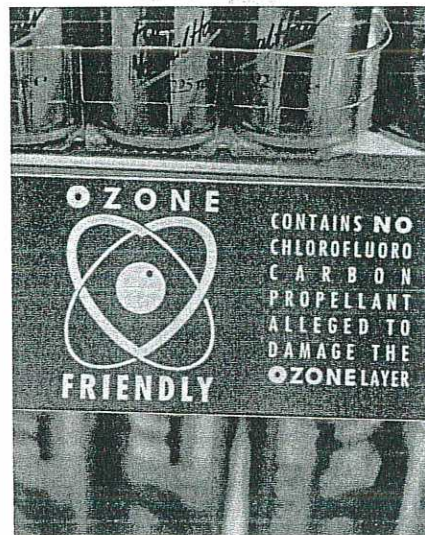
It's greenwashing when a company or organisation spends more time and money claiming to be 'green' through advertising and marketing than actually implementing business practices that minimise environmental impact. It's whitewashing, but with a green brush.

A classic example might be an energy company that runs an advertising

campaign touting a 'green' technology they're working on – but that 'green' technology represents only a sliver of the company's otherwise not-so-green business, or may be marketed on the heels of an oil spill or plant explosion.

Or a hotel chain that calls itself 'green' because it allows guests to choose to sleep on the same sheets and reuse towels, but actually does very little to save water and energy where it counts – on its grounds, with its appliances and lighting, in its kitchens and with its vehicle fleet.

Or a bank that's suddenly 'green' because you can conduct your finances



online, or a grocery store that's 'green' because they'll take back your plastic grocery bags, or ...

You get the picture!

#### Speaking

Look at the following examples of environmental claims that have been made by businesses. Would you say that these are examples of greenwashing or do they demonstrate genuine environmental commitment?

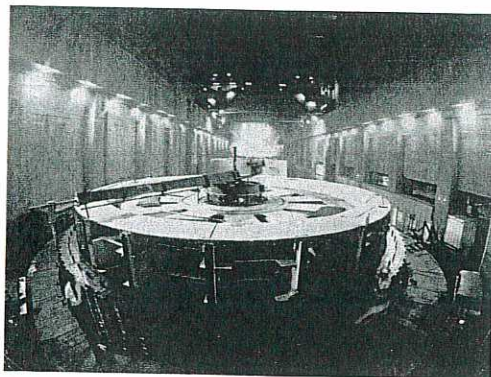
- 1 A US deodorant manufacturer has placed bright labels on spray canisters which guarantee that they contain no CFC gases.
- 2 The president of a British group which includes several airline companies has announced plans to open the Caribbean's first eco-friendly resort on a private island that he owns in the West Indies.
- 3 A major petroleum company is running an ad which shows one of its factories with flowers growing out of the chimneys. The slogan says: 'We use our waste CO<sub>2</sub> to grow flowers'.
- 4 A car manufacturer has produced an advertising campaign which shows one of its cars on a deserted road in a beautiful wild landscape. The text of the advertisement mentions that future buyers need not feel guilty as the car is 'carbon neutral'.

@ An Internet search using the keyword 'greenwashing' will list companies and products that have been accused of greenwashing. Choose one example to discuss.



## Listening 1

## Alternative energies



Geoff Carr is the science editor on *The Economist* who wrote the article on page 75. Before you listen to an interview with him, prepare a short list of questions about the future of energy.

**1** Listen to the complete interview and pay careful attention to the questions that are asked. Did Geoff Carr provide the information to answer your questions?

**2** Listen again, pausing after Geoff Carr's answer to each question, and answer the questions below.

### Part 1

- 1 Which two alternative energies does Geoff Carr refer to?
- 2 What three external factors does he cite as being responsible for the emergence of new companies and entrepreneurs in the energy sector?
- 3 What question still has to be resolved before new energy technologies become more widely used?
- 4 What reasons does he give for the level of interest in alternative energies?

### Part 2

- 1 What examples does he give of a policy reason and an economic reason for the likely boom in the energy sector?

### Part 3

- 1 What are the four different types of businesses that are involved in the alternative energy sector in the US?
- 2 What developments does Geoff Carr predict for the automobile industry?

### Part 4

- 1 What are the main obstacles to using hydrogen to power vehicles?
- 2 Why does Geoff Carr suggest that electricity could be a better power source for vehicles?

### Part 5

- 1 How will the next generation of biofuels be different?

### Part 6

- 1 What does Geoff Carr say are the main differences between nuclear power and alternative energy sources?
- 2 What does he suggest is the best solution to deal with the problem of nuclear waste?



An Internet search using the keywords 'new energies' will list websites which refer to new developments in the energy field. Find an example of a new programme or discovery.

### Speaking

The US company, Hyperion, has announced that it will begin mass production of mini nuclear reactors which will each be capable of producing enough electricity for 10,000 households. How would you react if a mini reactor was planned for your neighbourhood? Discuss your opinions with a partner.

### Writing

Write an email to your local newspaper expressing your views about the plan to install a mini reactor.



## Language check **Future perfect**

We use the future perfect to make projections about how ongoing events, now or in the future, are likely to evolve in relation to a specific time further in the future. Future perfect structures usually include a time reference introduced with the prepositions *by* or *when* which may be stated or only implied.

Look at the examples below.

- 1 By the end of this year the contractors *will have finished* laying the foundations for the new dam.
- 2 Do you realise that by the end of this month we *will have been working* non-stop on this project for more than a year?
- 3 If I discover in six months' time that we haven't made significant progress on making our operations greener, then I *won't have done* my job.
- 4 I sent her the conference programme last week so I'm sure she'll *have had* enough time to decide what she wants to say during the debate.

Which sentences focus on:

- a a situation that may be complete at the time of speaking?
- b a situation that depends on a future outcome?
- c an uninterrupted action that will still be under way at a time in the future?
- d an action that is expected to be complete at a time in the future?



For more information see page 158.

**Practice** Choose the most appropriate future forms to complete the introduction to a presentation.

I'm sure some of you <sup>1</sup> *will have had/will have* an opportunity to hear Dr Jeffares speak before on the subject of climate change and the effects it is having both on society and on business. However, I'm sure you <sup>2</sup> *won't hear/won't have heard* that Dr Jeffares is planning to retire next year. If he does, then I <sup>3</sup> *shall have/shall have had* to accept some personal responsibility for that, as I <sup>4</sup> *won't have succeeded/won't be succeeding* in convincing him to continue as director of the Institute of Climatology. But if he does retire, then he can do so knowing that the twenty years he has spent with us have been among the most memorable in the history of our organisation. Before he takes that decision, his latest book on this subject <sup>5</sup> *will be publishing/will have been published* and very interesting it is too. I'd just like to mention one or two of the most striking things that he has to say. By 2030, if no concerted action is taken to control carbon emissions, the planet <sup>6</sup> *will have lost/will have been losing* more than 20% of its indigenous species and, needless to say, the future well-being of many of the Earth's inhabitants, both poor and rich, <sup>7</sup> *will be compromised/will have compromised*. Those are some of the very real challenges we all <sup>8</sup> *will have faced/will be facing* in the future and many of us, including Dr Jeffares, hope that by that date, science and technology <sup>9</sup> *will have provided/shall provide* some of the solutions we need to overcome them and that a worst case climate scenario <sup>10</sup> *will have been avoided/will avoid*. So here to talk about the future, our future and perhaps even his own future, ladies and gentlemen ... I'd like you to welcome Dr Bernard Jeffares.

**Speaking** Work in pairs and discuss your plans for the next ten years. What do you think you *will have achieved* by then? What things *will have happened* to your ideas? Exchange ideas with another pair.