



THE TIMES 100

BUSINESS CASE STUDIES

Corporate Social Responsibility - Primark



Primark's products are mainly sourced from suppliers in Europe and Asia. Its key sourcing countries are China, India, Bangladesh and Turkey. Primark has initiated a programme of activities which supports its corporate social responsibility (CSR) stance and ensures that its trading meets the company's values and ethical standards. Corporate social responsibility represents the responsibility that a business has towards all its stakeholders, not just to owners or shareholders, to deal with their needs fairly. As an international business with a global supply chain and a growing retail base, Primark believes that business has a responsibility to act and trade ethically and that, by doing so, it can be a force for good. Its business directly contributes to the employment of more than 700,000 workers across three continents. Primark does not own the companies or factories that produce its goods, but it does have a responsibility to the workers in those factories, to its customers and shareholders, to ensure that its products are made in good working conditions.

The HERproject in Bangladesh is an example of how Primark is actively seeking to make positive changes in the lives of its supplier workforces. In Bangladesh, over 50% of the manufacturing workforce is made up of women. The jobs available to women in garment factories give them greater independence and help to reduce poverty. However, these women often have little education and low levels of literacy as they drop out of education early to help their families. They also lack basic knowledge of health, hygiene and nutrition and an understanding of how a woman's body works. Childbirth is particularly hazardous and post-birth complications are common. There is little understanding of the symptoms of sexually transmitted diseases (including HIV) or the means of preventing transmission. Far more women than men are malnourished and many women suffer from anaemia. These issues, often combined with a lack of access to qualified medical advice, mean that the female workforce is particularly vulnerable. The HERproject uses education as the key tool against all these interrelated problems. The programme aims not only to improve the health of female workers through training and education, but also to give them the tools to help them take charge of their personal and working lives. These benefits in turn pass on to their families and help to enhance whole communities. The HERproject is an initiative started by BSR (Business for Social Responsibility), a non-governmental organisation that works with over 250 companies on environmental, social and human rights. The HERproject has so far helped over 50,000 women in different countries. It has done this through working with companies like Primark, Primark's suppliers and local health providers. The HERproject is simple but surprisingly powerful:

- A small number of female staff in a factory (around 10%) is selected to become health education trainers called 'peer group educators'.
- The local health service provider trains the peer group educators, who are then responsible for training the other women based in the workplace, passing on the message and helping to disseminate what they have learned.

Mrs Kaniz Fatema is the managing director of a medium-sized factory in Dhaka, Bangladesh. When the HERproject was introduced to her factory a year ago, she was unconvinced, viewing it as 'just another project'. However, just one year later her view has been transformed. Women's health is now high on her agenda. A healthier workforce is literally paying dividends. Absenteeism and labour turnover are down by a startling 50%. Productivity is up and even internal staff communication is more effective. To date, 4,500 women in Primark's factories have been trained under the HERproject in Bangladesh. The project results have shown such benefit that the project is being rolled out to Primark's suppliers in China and India. Primark's ongoing involvement with the women workers in Bangladesh and other supplier countries will help to provide it with a sustainable and ethical business model.



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Questions

1. What is corporate social responsibility?

2. Describe the HERproject.

3. Explain the benefits to Primark of its involvement in the HERproject.

4. Evaluate whether firms should consider the needs of all their stakeholders, rather than concentrating only on the needs of the shareholders.

Task

Investigation – carry out some research to find the CSR Reports for a couple of different businesses. There are plenty available on the internet. From the reports, identify the activities that are carried out by the firms in their quest to be socially responsible. Also, consider the methods they use to measure their CSR success.

What have you learned?

Summary circle – create summary circle of your learning about corporate social responsibility. Identify the number of learning points from the session. Divide a circle into this many segments and concisely write each learning point into a segment. Use colours, icons and images to aid recall.