

➤ Creating a corporate social responsibility strategy

Creating a corporate social responsibility - brief

Introduction

Amway is one of the world's largest direct sales companies. It provides its own branded products. These are sold by over 3 million Independent Business Owners (IBOs) worldwide. They sell to people that they know or meet. Amway aims to be more than just a business that provides good products. It also aims to play a positive role in the community. Its vision is 'To help people live better lives'. It aims to be an ethical business. This is part of its corporate social responsibility (CSR). Many IBOs are couples raising children so Amway's link with UNICEF makes sense. UNICEF is the United Nations Children's Fund.

Stakeholders

Amway has to meet the needs of its stakeholders and makes sure its CSR plan fits with these. There are five main stakeholder groups:

- * Amway wants to see its business grow, and its CSR plan will contribute to this.
- * IBOs want to see that Amway cares about others.
- * Customers want to buy from an ethical concern.
- * Staff want to do good whilst earning a living.
- * UNICEF want to partner with an ethical concern that helps them help others.

One by One

Amway launched its One by One global Campaign for Children in 2002. This established CSR at a high level. Under the One by One Programme Amway has helped:

- * to set up schools in China
- * organise a Children's day party for 3,000 orphans
- * supply Braille books for blind children in India.

One of the reasons Amway has grown is because it trades ethically. This helps it to grow through:

- * recruiting more IBOs
- * IBOs increasing the range of products they sell
- * motivating IBOs to increase sales.

Strategy

A strategy is a set of plans. Amway's CSR plan is designed to:

- * make its own staff and IBOs feel loyal and proud
- * show that Amway is a caring company
- * help bring about real changes to human lives.

Every year 1.7 million children die from a disease that could have been avoided. For less than £12 a child can be vaccinated against the most serious of these. Amway raises money for UNICEF's Immunisation Plus programme. In 2005 the link was strengthened when Amway Europe committed to a five year agreement with UNICEF. This has created closer and longer term ties. Amway Europe aims to raise â,~500,000 (around £325,000) a year each year until 2010.

Communications

Clear communications between the people involved is vital to the smooth working of the partnership. These take place through:

- * Regular meetings between Amway, UNICEF and the IBOs
- * Written material such as newsletters and emails.
- * A part of Amway's website is dedicated to supporting the Partnership through the sale of UNICEF merchandise in the Partner Store.

Conclusion

Amway is a family concern. Its link with a children's charity therefore makes good sense. Both organisations are responsible and global. Both have the needs of children at heart.