Lesson 3 Business

ELE: Business and the Environment

# HOW BUSINESSES RESPOND TO ENVIRONMENTAL ISSUES (NOTES)

# Marketing

# Companies use environmental policies as part of their marketing campaigns (e.g. Body Shop)

# Finance

# Being environmentally friendly can lead to cost savings (energy savings)

# Could increase costs too: introducing new machinery would decrease CO2 production levels, but there are introduction costs.

# Operations Management

# Pollution controls will affect how a product is made e.g. May change raw materials used, production methods and after-sales service

# HR

# Staff need to be recruited and trained to comply with environmental regulations.

# Tensions between financial targets and meeting environmental targets may arise.

**Be a sustainable business**

* For many businesses, going 'green' is a lot more than a popular trend. It's part of a strategy to improve business sustainability.
* Sustainable businesses seek to minimise negative environmental and social impacts and ensure that future generations will have adequate resources to meet their needs.
* Becoming a sustainable business is not only good for the environment but can also enhance the competitiveness and reputation of a business.

# Top 10 sustainable businesses 2020

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#  HOW BUSINESSES RESPOND TO ENVIRONMENTAL ISSUES

**BECOMING A SUSTAINABLE BUSINESS**

READ: Exam board notes (from section “The impact on business activity” pages 2 - 3)

Lesson slides 7, 8 & 9

7 easy ways to run a greener business <https://www.simplybusiness.co.uk/knowledge/articles/2019/10/7-easy-ways-to-run-a-greener-business/>

Expert tips on becoming a more sustainable business <https://www.telegraph.co.uk/connect/better-business/business-sustainability/expert-tips-becoming-more-sustainable/>

5 ways to make your business more sustainable <https://www.telegraph.co.uk/business/ready-and-enabled/sustainability/ways-to-make-your-business-more-sustainable/>

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| Identify and **explain** 3 changes / steps a business can take to become more sustainable. **Analyse** the **impact** of those changes on the environment / business activity |

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# HOW BUSINESSES RESPOND TO ENVIRONMENTAL ISSUES

**BENEFITS AND DRAWBACKS OF BEING A SUSTAINABLE / ENVIRONMENTALL FRIENDLY BUSINESS**

READ: Lesson slides 10 & 12

6 ways going green benefits your business <https://www.staplesadvantage.co.uk/get-inspired/sustainability/6-ways-going-green-benefits-your-business/?browse=1>

Disadvantages of going green <https://smallbusiness.chron.com/disadvantages-going-green-corporation-3318.html>

Why more than half of UK businesses are planning to increase spend on sustainability <https://www.telegraph.co.uk/business/ready-and-enabled/sustainability/increasing-spend/>

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| **Explain** and **analyse** 3 benefits of being an environmentally friendly business |
| **Explain** and **analyse** 3 disadvantages of being an environmentally friendly business |

**Environmental Case Study: McDonalds

*To meet learning aim:* ***Evaluate*** *the* ***impact*** *on a business of implementing environmentally friendly policies*

Carry out research and prepare a 2 - 3 page report on **ONE** of the topics below. Your report should include relevant information, links and images to educate a GCSE business class on your chosen topic. Your report should address the following questions.

1. How could McDonalds be said to have a negative environmental impact in relation to your topic area?
2. What positive environmental policies do McDonalds have in place (relating to your topic)?
3. Can McDonalds’ environmental impact easily be quantified in monetary terms (£s)?
4. Analyse whether environmental impact is important to McDonalds. Give reasons for your answer: you may want to consider McDonalds’ stakeholders e.g. suppliers, consumers, employees, shareholders, the Government (see next activity).
5. If you were McDonalds, what would you do differently?

**Topics**

* Packaging and waste at McDonalds
* Beef supply and food production at McDonalds
* Energy and water use at McDonalds
* Litter and recycling at McDonalds

**Some links to help you get started (please carry out your own research on your topic also)**

Packaging and waste

<https://corporate.mcdonalds.com/corpmcd/scale-for-good/our-planet/eliminating-waste.html>

<https://corporate.mcdonalds.com/corpmcd/scale-for-good/packaging-and-recycling.html>

<https://www.bbc.co.uk/news/business-42704291>

Beef supply and food production

<https://corporate.mcdonalds.com/corpmcd/scale-for-good/beef-sustainability.html>

<https://corporate.mcdonalds.com/corpmcd/scale-for-good/our-food.html>

<https://www.youtube.com/watch?v=ut3URdEzlKQ>

Energy and water use

<https://corporate.mcdonalds.com/corpmcd/scale-for-good/our-planet/protecting-water-resources.html>

<https://corporate.mcdonalds.com/corpmcd/scale-for-good/our-planet/sustainable-restaurant-design.html>

Litter and recycling

<https://www.mcdonalds.com/gb/en-gb/good-to-know/environment.html>

<https://corporate.mcdonalds.com/corpmcd/scale-for-good/packaging-and-recycling.html>

<https://www.recyclingbins.co.uk/blog/green-champions-mcdonalds/>

Report Page 1

Report page 2

Report page 3

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What is the **impact** (positive or negative) on stakeholders of McDonalds trying to reduce the effect of its activities on the environment? Explain / analyse.

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| Stakeholder | Impact |
| **Customers** | Make at least two points for each stakeholder. |
| **Employees** |  |
| **Farmers (i.e. suppliers)** |  |
| **Investors / Franchise owners** |  |
| **Local communities** |  |
| **Competitors (e.g. Burger King, KFC)** |  |