Social Responsibility with Ethical Leadership - Redefined by Women Entrepreneurs

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ABSTRACT

A company at all times seeks out to create the optimal value in all its relationships. One such relationship of the organization is with its planet. Society’s expectations of companies have always been changing. So companies have to come out with good ethical leadership not to just earn profits but also to save their planet. Social responsibility with ethical leadership also helps companies to win society’s confidence along with a good public image. The environment is being hurt so badly by various activities of human beings that it is becoming difficult for human beings to survive on this planet. One such activity is the use of single-use plastic which pollutes the environment. The screaming voice of the environment has been heard by women who were working with IBM. They redefined social responsibility with ethical leadership by coming out with a start-up to manufacture edible cutlery. To protect the environment these women came out with such a process of manufacturing that is environment-friendly, bio-degradable, and no plastic. Women entrepreneurs who wanted to fulfill their responsibility towards society are earning not only profits from this startup but also contributing to protecting its environment. In this journey of success, they are also contributing towards Swatch Bharath Abhiyan. In this context, a case study has been developed.

Keywords: Social responsibility; Ethical leadership; Environment; Single-use plastic; Edible cutlery; Edible pro.

1.0 Introduction

Our planet is drowning in plastic pollution—it’s time for a change! - UN Environment Programme Plastic has multiple uses but at the same time, it has environmental consequences. Single-use or disposable plastic has become an addiction. According to UN Environment Programme, in every single minute one million plastic drinking bottles are purchased around the world and every year 5 trillion single-use plastic bags are used in the whole world. Half of all plastic produced is used only once — and then thrown away. Researchers have estimated that there have been more than 8.3 billion tonnes of plastic produced since the early 1950s. It is further estimated that around 60% of the plastic produced has led to landfills & negatively impacted the natural environment. So it is the need of the hour to slow the flow of plastic at its source. It means companies who are producing plastic have to take some steps to save the planet and thereby fulfill their responsibility towards its society.

Also, companies have to focus on improving the way plastic waste can be managed. There are three main perspectives on which organizations need to work that are strategic changes, the new social contract between employer and employee, and growth of global ethics. Earlier corporate philanthropy involved companies seeking charitable donations but today the focus has been shifted to strategic giving. When the organization expands it must follow a certain code of ethics and guidelines. Here comes the role of companies where companies have to take ethical leadership in saving the planet earth and thereby redefine its role as a CSR.

2.0 Review of Literature

Corporate social responsibility (CSR) is referred to as “the broad array of strategies and operating
practices that a company develops in its efforts to deal with and create relationships with its numerous stakeholders and the natural environment” - S. Waddock (2004).

According to C.B Bhattacharya et al., (2004) CSR has shifted from community-level activities (e.g., a donation to local facilities or communities) to societal-level initiatives (e.g., running a business that will not harm the environment or society).

According to D.A. Waldman et. al., (2008) It is necessary to assess the relationship between leadership possessed by senior management and organizational practices and/or strategies (e.g., CSR initiatives). Furthermore, According to N.M. Pless et. al.,(2011) recent literature has highlighted a need to develop leadership theories with regards to the interrelationship among CSR, ethical leadership, and organizational performance.

K.S. Groves et al., (2011) stated that the Ethical leadership style brings socially-oriented changes and initiatives to an organization as a driver of CSR initiatives. There is a paucity of research that investigates how social responsibility with ethical leadership is redefined by WOMEN ENTREPRENEURS. Little is known about how senior management’s leadership style drives a firm’s CSR initiatives and enhances organizational consequences (K.S. Groves & M.A LaRocca, 2011).

Further according to Lindgreen, et al., (2013) This expansion has been led by ideological thinking that an organization plays a role as a positive force for social change, as well as driven by the return on investment from CSR initiatives.

Lisa Jones Christensen. J.L, Mackey. A and Whetten.D (2013) identified how leaders can influence CSR. The given study highlights how the combination of CSR and leadership can strengthen each other. Usually CSR provides outcomes to leadership scholars.

S. Mittal et al., (2016) highlighted that senior management’s operating philosophy motivates its franchise business to fulfill social goals and objectives, and advocates business engagement with a socially oriented perspective.

Given the growing interest in CSR as a global corporate priority, the influence of senior management leadership on CSR practices remains limited and needs further examination (S. Du,2013). Since the perception of CSR is intangible and may be vague, it needs to be implemented by tangible policies and processes (i.e., CSR activities) to realize its full performance (S.A. Eisenbeiss, 2015).

Kim. M, Thapa. B (2018) identified a given fact that CSR has become an important part of the foodservice industry. Keeping this fact in mind it examines the impact of senior management in evaluating operational, commercial, and economic performances. The given study indicates that CSR had a positive effect on operational and commercial performance.

Saha. R, Shashi, Cerchione. R, Singh. R and Dahiya. R (2019) conducted a systematic review on ethical leadership and CSR concepts and how it has affected firms performance. It has been identified that financial factors are major barriers affecting the adoption of CSR practices. In the given research it has been identified how values have positively affected leadership which in turn affected a firm’s performance.

Nguyen .N and Nguyen .P.N and Hoai. T (2021) in the given research identified a given fact that how CSR and firm reputation can lead to ethical leadership to enhanced firm performance. The data is collected from the top and middle-level managers of Vietnam indicating how ethical leadership positively influences CSR which indirectly enhances firm reputation and performance. The studies listed above highlights the research gap.

One more justification behind the study is that the present study is made specifically in the context of women entrepreneurs that is how social responsibility with ethical leadership is redefined by women entrepreneurs.

3.0 About the Case

3.1 Nurturing the planet through edible cutlery

Single-use plastic cutlery is easily disposable which leads to environmental pollution and environmental degradation too. There are several harmful effects of Plastic cutlery such as air pollution, water pollution, high carbon footprint, threatened wildlife, extinction of marine species, etc. To save the planet the use of single-use plastic should be curbed and there come edible cutlery into the picture. Edible cutlery can help the planet to fight against plastic pollution. Edible cutlery is the cutlery that can be eaten after consuming the food or drink. For E.g Edible Utility Bowls, Edible Spoons, Edible Beverage Cups, etc. Someone can be served with
Edible PRO offers edible utility bowls, edible dinner spoons, edible ice-cream spoons, edible soup spoons of different sizes and shapes. The company offers more than 80 variants in terms of designs, flavors, colors, and textures at reasonable prices. The company is also planning to come out with edible beverage cups shortly. These cups can be used to serve tea or coffee along with a nutritious and crunchy biscuit material that will work with the beverages. To attract young children for edible cutlery the company also offers Teddy Bear Spoons and alphabet-shaped cutlery which are suitable for toddlers. These edible cutlery products are made up of millets, grains, pulses, and spices which makes them rich in fiber and protein. The grains and other materials used in manufacturing the cutlery are sourced from local farmers. The company gave employment to rural women also. So the startup worked out ways to cut the use of plastic cutlery and came out with ‘Zero Waste’, ‘No Plastic’, and ‘Biodegradable’ cutlery.

The Process of manufacturing edible cutlery that the company follows starts from Grain to finished Product with no preservatives or artificial colors. The company uses natural colors which are extracted from vegetables and fruits like beetroot, carrot, and spinach.

This increases the shelf life of the products. With nutritious material, elated design, consumable vessel, and nil preservatives in the manufacturing process the company can offer twin treasures - Environmental Friendly & Competitively Sustainable solutions to the market.

5.0 Edible PRO Products’ Benefits

Edible PRO cutlery can be eaten after consuming the food or the drink. So there is no need to dispose of it off. To absorb the idea of eating cutlery among people the company offers a variety of flavors such as pulses, millets, grains, and spices, chocolates among others.

They also make use of fruits and vegetables to extract colours. So making use of these colours makes the edible cutlery 100% natural. Another benefit of Edible PRO cutlery is its Lightweight and it is easy to use. Also, they become non-existent after their use. Furthermore, there is no bad effect on the health of human beings even if it is eaten by them or fed to the animals. Edible cutlery also promises shelf life. For e.g, it takes 1.5 hours for the spoon to ripen up once it is immersed in the soup bowl.

Another promising benefit of its use is that it reduces plastic pollution. The price is anything between Rs 2-155. Though it is higher than plastic cutlery, Shaila and Lakshmi believe it is worth every penny. We do not believe in keeping our prices low if they justify the quality. If we claim that our products can survive in -40 degrees, they have been successfully tested,” adds Lakshmi.

Edible PRO had started with just a spoon, and in two years, it boasts of 25 products that are sold
across India and abroad. Most of EdiblePRO’s clients are B2B, including restaurants, ice cream parlours, and wholesalers. However, they also provide customized products for large gatherings such as weddings, birthdays, and so on.

6.0 Challenges Ahead

Lack of awareness is probably the biggest challenge the founders faced at every stage of their venture. And why wouldn’t they, in a country like India where plastic is abundant and less expensive than water? It is nearly impossible to convince someone to buy a product valued at Rs 2 for the greater good, over something that is valued in paise. Lakshmi and Shaila were very well aware of this unfortunate reality when they entered the Indian market with their sustainable product. But their zeal to lead change remained unshakable. With companies like EdiblePRO actively acting against the plastic menace by providing eco-friendly alternatives, we can make a sustainable switch for the greater good.

7.0 Conclusion

It has already been discussed that companies with women at the top are the best practitioners of CSR and sustainability. It has been stated that female leaders contribute in the best manner towards society’s development. According to various studies conducted there is a need for business houses to manage their relationship with society. Leaders are responsible for their organizations and their impact on society and nearby areas. Experienced leaders gain new perspective and approach to society and they will develop a new innovative model/approach based on sustainability.

CSR is becoming a basic principle for Top Management and Entrepreneurs. Female Entrepreneurship is a key contributor towards economic growth and progress. Various research has shown that how the focus has been shifted to manage the business environment effectively and various institutions. There are various ways in which companies can initiate CSR practices in nearby community areas.

Such initiatives comprise community relations, environment improvement exercises, making donations, etc. Corporate Accountability has played an important role in gaining social acceptance in society. The concept of entrepreneurship has gained importance in all realms of society. Social entrepreneurship provides new opportunities and options to attain the systematic goals and objectives of an organization.

References

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