**UNIT 14. CORPORATE SOCIAL RESPONSIBILITY**

**Task 1. Answer the questions.**

1. What companies / brands do you like? Why?
2. Do you know companies that have good / bad reputations? What for?
3. Are there products you won’t buy for ethical reasons? If so, what are they?

**Task 2. Read the text and match the terms with their definitions.**

| *Business* | *Corporation* | *Shareholder* | *Supplier* |
| --- | --- | --- | --- |
| *Corporate responsibility* | *Philanthropy* | *Stakeholder* | *Bottom line* |

...................................................... : financial profits or losses for a company (usually calculated after considering sales figures, capital costs, and other expenses).

......................................................: organizations that are involved in producing, or trading, goods and services to consumers; usually used as a broader term to describe a company, or an industry.

......................................................: how a business accounts for its economic, social and environmental impacts in its operations, maximizing benefits and minimizing negative impacts.

......................................................: a legal entity, with legal rights and responsibilities; usually used to refer to large businesses.

......................................................: those who own stocks, or shares, of a company; a company’s owners, who often make money on their shares if the company is profitable. They do not necessarily make decisions or run the company, but they can vote on important things like the board of directors or merger decisions.

......................................................: an entity that has an interest in a company; these often include investors, employees, customers, suppliers, the community, government, or other associations. They do not make profits from a company, but can be affected by business performance.

......................................................: the desire to promote the welfare of others, expressed especially by the generous donation of money to good causes.

......................................................: a person or organization that provides something needed such as a product or service.

**What Is Corporate Social Responsibility?**

*by Regina Anaejionu*

Corporate social responsibility, or CSR, is a corporation’s obligation to its stakeholders, which are any groups / people that have a stake or interest in a company’s success and products. This includes customers, employees, suppliers, investors and the communities surrounding the business. Stakeholders have varying needs to be met. Whereas a customer’s greatest concern may be the safety of a company’s products, an employee’s need might be for a fair wage and safe working conditions. An investor may be concerned with profits and the bottom line, while the community may care about a business limiting the pollution it causes. Thus, corporate social responsibility means maximizing the good and minimizing the bad effects your company has on these stakeholders’ diverse interests.

## *Facets of CSR*

In his article *The Pyramid of Corporate Social Responsibility*, Dr. Archie B. Carroll, a business management author and professor, identifies four areas that make up a corporate social responsibility pyramid: legal, economic, ethical and philanthropic. This pyramid has become widely used and is meant to explain the main areas that a business’s duties to its stakeholders fall under.

## *Legal*

Corporations must ensure that their business practices are legal. Obeying regulations helps protect consumers, who rely on a business to be truthful about the products it sells, and investors, who stand to lose profits if a company is penalized or shut down because of illegal practices.

## *Economic*

According to the book “Business Ethics”, a company’s economic responsibilities include being profitable in order to provide a return on investment to owners and shareholders, to create jobs in their communities and to contribute useful products and services to society. Part of being economically responsible means streamlining\* processes to find the most efficient ways to run your business and innovating your product offerings and marketing to increase revenue.

## *Ethical*

Beyond abiding by the letter of the law, an organization’s ethical responsibilities include managing waste, recycling and consumption. These areas are sometimes regulated by city, state or federal governments, but often a company can go further than what the law requests and institute policies that help sustain the environment for future generations. Other ethical responsibilities come in the form of advertising, as in not stretching the truth to a customer just to get them to make a purchase, and treatment of employees. A company can provide more than minimum wage and minimum safety precautions for employees; it can provide excellent benefits, insurance and invest resources in building a clean and safe workplace where employees will be happy to come each day.

## *Philanthropic*

The authors of the “Business Ethics” also suggest that part of the philanthropic responsibility corporations face is to promote the welfare of humans and to spread goodwill. An example of this is The Xerox Foundation’s “Xerox Employee Matching Gifts Program” in which Xerox matches its employees’ contributions to higher education institutions up to $1,000. Similarly, the PepsiCo Foundation has committed over $2 million to World Food Program USA, which helps fight hunger in “vulnerable communities around the globe”.

\*Making (an organization or system) more efficient and effective by employing faster or simpler working methods.

**Task 3. Answer the comprehension questions:**

1. Using your own words, briefly describe what social responsibility is.
2. What is the difference between a shareholder and a stakeholder?
3. Should companies be socially responsible?
4. In what ways can businesses be socially responsible?

**Task 4. Connect the words to make sentences about social responsibility.**

1. limit / pollution ..................................................................................................................

.............................................................................................................................................

1. maximize / effects ..............................................................................................................

.............................................................................................................................................

1. contribute / society ............................................................................................................

.............................................................................................................................................

1. invest / workplace ...............................................................................................................

.............................................................................................................................................

**Task 5. Use the words from the box to complete the sentences.**

| *charitable* | *conscious* | *consumers* | *impact* |
| --- | --- | --- | --- |
| *responsible* | *solutions* | *volunteer* |  |

For millennials and Generation Z, socially ..................................... companies are even more important. They believe companies should invest in improving society and look for ..................................... that will assist in those improvements. Companies should share how they are trying to make a positive ….................................. on the world, so the public can see the pro-social initiatives they are making. Showcasing efforts is important to target millennials because these efforts will sway the choices millennials make as ...................................... .

Millennials would also like to take part in initiatives such as being able to participate in ..................................... work or making donations towards a company’s ..................................... efforts. As more and more companies begin to see the impact their socially and environmentally ..................................... efforts have on a consumer’s perception, the more chance there is that they will begin initiatives of their own.

**Task 6. Work in pairs.**

Corporate Social Responsibility allows businesses to enact positive change. You own a company. How would you make your company more socially responsible? What practices would you like your company to implement? E.g., *recycle printer and toner cartridges, encourage staff to car share, walk or use public transport to get to work, turn the office heating system down a few degrees and have it checked regularly, etc.*

**Task 7. Discuss:**

* Why do organizations choose to introduce CSR strategies?
* Do the businesses themselves benefit from corporate responsibility? In what way?
* Within a company, who should be responsible for ensuring a strong ethic of corporate responsibility?
* Is your company / college / university socially responsible? Explain.

**Task 8. Do online research. Find and present examples of socially responsible companies.**

You can find articles on the internet or in local newspapers. Prepare a short report about the organization featured.

The report should include:

* a brief outline of the organization;
* a description of how the organization is socially responsible;
* an explanation in what ways being socially responsible benefits:
	+ the company or organization;
	+ the employees; and
	+ the local community.

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**Task 9. When employees feel that their organization is socially responsible, they experience a greater sense of identity with the business they work for. Explain social responsibility towards employees.**

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**Task 10. Read the text. Explain why employees would like to work for this company.**

When you work for us you are part of a team. Look at some of the advantages we offer staff:

* High pay, sick leave, and long holidays,
* Paid maternity leave,
* Pension scheme,
* Car parking facilities,

There are other benefits too:

The canteen: you can buy cheap meals, drinks and snacks because the company subsidises the canteen.

The crèche: we have a trained nurse to look after your children while you work.

The doctor: the company doctor holds a surgery twice a week to discuss your medical problems.

Sport facilities: you can play football, cricket, tennis and squash at the company’s sports ground.

For full details contact the personnel officer, Barbara Roberts. She’s there to help you.

**Task 11. Read the text in Task 10 again. Write the words for the following definitions (the first letter is given):**

1. money you earn – p ………………………………………………………………
2. money you are paid when you retire – p …………………………………………
3. advantage – b …………………………………………………………………….
4. a plan of arrangement – s ……………………………………………………….
5. time off work – h ………………………………………………………………….
6. time off work – l ………………………………………………………………….
7. Not well – i……………………………………………………………………….
8. Not well – s ………………………………………………………………………
9. Nursery – c ……………………………………………………………………….
10. Indoor game – s……………………………………………………………...........
11. Cafeteria – c ………………………………………………………………………
12. Money paid by the firm or government to make prices cheaper – s………............

……………………………………………………………………………………..

1. Service that makes life easier or more pleasant – f ……………………………….
2. Abbreviation for company – C…………………………………………………….

**Task 12. Work in small groups. You are the Board of Directors of a company. Consult for 15 minutes, and then the corporate communication manager (one person from your group) will have to present the benefits your company can offer the staff. Consider job security, fair remuneration[[1]](#footnote-0), working conditions, health and safety, training, career opportunities, etc.**

Company…………………………………………………………………………………………………………………………………………………………………………………………………………Main activities of the company ………………………………………………………………………. …………………………………………………………………………………………………………List of benefits your company offers the staff………………………………………………………… ………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………

**Task 13. Read the text and match the given word combinations with their definitions below:**

Business is the activity of producing, buying, and selling goods and services. A business, company or firm, or more formally a concern, is an organization that sells goods or services. Large companies considered together are referred to as big business. You can talk about a company or a particular activity as an enterprise, especially to emphasize its risk-taking nature.

Businesses vary in size, from the self-employed person working on their own, through the small or medium enterprise (SME) to the large multinational with activities in several countries.

A large company, especially in the US, is a corporation. The adjective is corporate, used to talk about a big company – or big companies in general. Corporate is often used in these combinations:

| CORPORATE | culture |
| --- | --- |
| ladder |
| headquarters |
| logo |
| image |
| profits |

(*By B. Mascull*)

**Write the answers:**

| 1. Corporate culture | A. a company’s main office | 1 - ….. |
| --- | --- | --- |
| 2. Corporate ladder | B. the money made by companies | 2 - ….. |
| 3. Corporate headquarters | C. all the ideas, opinions, etc. that people have about a company | 3 - ….. |
| 4. Corporate logo | D. the different levels of management in a company | 4 - ….. |
| 5. Corporate image | E. the way a company's employees think and act | 5 - ….. |
| 6. Corporate profits | F. a symbol used by a company on its products, advertising, etc. | 6 - ….. |

**Task 14. Match the two parts of the sentences containing expressions from the text in Task 13.**

| 1. Managers who themselves often worked long hours in order to climb the corporate | a. … image by showing environmental leadership. |
| --- | --- |
| 2. Analysts forecast a slowing of economic growth because of lower corporate | b. … logo in view was the Haagen Dazs name on three table umbrellas. |
| 3. 3M continues to improve its corporate | c. … profits, capital gains taxes and slow job growth |
| 4. Retailer Best Buy is allowing employees at its corporate | d. … ladder may demand the same thing from their employees. |
| 5. The only corporate | e. … culture at Lowe's, and managers use a variety of methods to ensure thatit's happening |
| 6. Listening to customers is part of the corporate  | f. … headquarters to set their own hours and work outside the office. |

**Answers:** 1 - ….., 2 - ….., 3 - ….., 4 - ….., 5 - ….., 6 - …..

**Task 15. Read text and explain the meanings of the following terms. Use the text and online dictionaries**

1. Commerce – ………………………………………………………………………………………...

 ……………………………………………………………………………………………………...

2. Nationalization – …………………………………………………………………………………...

 ………………………………………………………………………………………………………

2. Privatization – ………………………………………………………………………………………

 ……………………………………………………………………………………………………...

3. Bureaucracy – ………………………………………………………………………………………

 ……………………………………………………………………………………………………...

4. Industry – …………………………………………………………………………………………...

 ……………………………………………………………………………………………………...

5. State-owned company – ……………………………………………………………………………

 ……………………………………………………………………………………………………...

The term “commerce” is used:

* to refer to business in relation to other fields: literature, politics, and commerce,
* for government departments that deal with business: US Department of Commerce,
* in the names of organizations that exist to help business: chambers of commerce,
* to refer to business on the internet: electronic commerce or e-commerce.

The adjective commercial describes money-making business activities: for example, commercial airline, commercial artist, commercial disaster.

In 1970s Britain, there were state-owned or government-owned companies in many different industries, such as car manufacturing. Some industries, such as coal and electricity, had been nationalized – they were entirely state-owned. In the 1980s, the Thatcher government believed that nationalized companies were inefficient, so many of them were privatized by selling them to investors. Supporters of privatization believed that bureaucracy – the system for running government departments, with its rigid rules and slow decisions – was not good for business: state-run companies were 100 percent bureaucratic.

Enterprise is used in a positive way to talk about business, emphasizing the use of money
to invest in new activities with a certain amount of risk involved.

Enterprise is often used in these combinations:

| free private | enterprise | business activity owned by individuals rather than the state |
| --- | --- | --- |
| enterprise | culture | when people are encouraged to make money through their own activities and not rely on the government |
| economy | an economy where there is an enterprise culture |
| zone | part of a country where business is encouraged because there are less strict laws, lower taxes, etc. (*By B. Mascull*) |

**Task 16. Work with a partner. Someone is talking about words and expressions in task 15. Which words and expressions are they referring to?**

1. They’re not companies in which people can buy shares. (Find 3 expressions)

……………………………………………………………………………………………………...

2. It carries passengers and goods in order to make a profit.

……………………………………………………………………………………………………...

3. It’s so slow and inefficient: no way to run a business!

……………………………………………………………………………………………………...

4. It’s going to be used for offices and factories, not houses.

……………………………………………………………………………………………………...

5. It’s owned and run by private companies, and the programmes are interrupted by advertising.

……………………………………………………………………………………………………...

6. We need to encourage this for the economy to grow and modernize.

……………………………………………………………………………………………………...

7. He does advertisements: you can’t find his work in art galleries.

……………………………………………………………………………………………………...

8. It was an artistic success, but unfortunately it lost a lot of money.

……………………………………………………………………………………………………...

**Task 17. Use expressions with the word “enterprise” from task 15 to complete this text.**

Margaret Thatcher often talked about the benefits of (1) ……………………… …..…………………. or (2) ……………………… ……………………… . She said that her achievement was to establish an (3) ……………………... ………..……………. in Britain, an economy based on free enterprise. She wanted a society where people were encouraged to start their own companies and where it was acceptable to get rich through business: an (4) …..…………………. …..…………………. .

In some areas, the government reduced the number of laws and regulations to encourage
businesses to move there. Businesses were encouraged to set up in the Docklands of London, for example. The Docklands were an (5) …………………. …………………..

**Task 18. Write a short report about the issues below. Research them on the internet or use databases if necessary.**

* How big is the public sector in your country?
* Do people who work in it have good working conditions compared to those in the private sector?
* In your country, which of these industries are in the public sector, and which are in the private sector? Which have been privatized (bus transport, electricity supply, postal services, rail transport, telephone services, water supply)?

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**Task 19. Match the words (word combinations) with their definitions.**

| 1. ownership | a) a person who can do many different kinds of work (but who may not be very good at any of them) | 1 - ….. |
| --- | --- | --- |
| 2. set up | b) the amount of work assigned to or expected from a worker in a specified time period | 2 - ….. |
| 3. jack-of-all-trades | c) something for which one is responsible | 3 - ….. |
| 4. liability | d) establish | 4 - ….. |
| 5. workload | e) as a representative of someone | 5 - ….. |
| 6. on behalf of | f) to make a legal claim  | 6 - ….. |
| 7. sue | g) legal right to the possession of a thing | 7 - ….. |

**Task 20. Read the text and answer the questions. Use the Vocabulary below where necessary.**

1. What are the types of business organizations in the private sector?

……………………………………………………………………………………………………………………………………………………………………………………………………

1. Who is a sole trader?

……………………………………………………………………………………………………………………………………………………………………………………………………

1. What is a partnership?

……………………………………………………………………………………………………………………………………………………………………………………………………

1. Who is a CEO?

……………………………………………………………………………………………………………………………………………………………………………………………………

1. What does limited liability mean?

……………………………………………………………………………………………………………………………………………………………………………………………………

 6. What is a Stock Exchange?

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**Types of business organization**

The main types of business organization in the private sector in the UK are sole traders, partnerships, and companies.

The *sole trader* is the most common form of business ownership and is found in a wide range of activities (e. g., window cleaning, plumbing, electrical work). In the UK about 20 percent of sole traders operate in the construction industry, a further 20 percent in retailing, and about 10 percent in finance, and 10 percent in catering.

A sole trader business is an enterprise owned and operated by a single person. No complicated paperwork is required to set up a sole trader business. Decisions can be made quickly, and close contact can be kept with customers and employees. All profits go to the sole trader, who also has the satisfaction of building up his or her own business.

But as a sole trader you have to make all the decisions yourself, and you may have to work long hours. You do not have limited liability, and you have to provide all the finance yourself. As a sole trader you need to be a jack-of-all-trades, and just because you are a good hairdresser does not necessarily mean you have a head for business strategy.

A *partnership* is the relationship existing between two or more persons who join to carry on a trade or business. An ordinary partnership can have between two and twenty partners. In Britain and the USA partnerships have unlimited liability for debts. However, the Partnership Act of 2002 has made it legal for some forms of partnership e.g., big accountancy firms to have more partners who also enjoy limited liability. People in business partnerships can share skills and the workload, and it may be easier to raise the capital needed.

Partnerships are usually set up by writing out a deed of partnership which is witnessed by a solicitor and sets out the important details such as how the profits and losses will be shared. Partnerships are particularly common in professional services e.g., accountants, solicitors, vets.

A *company* is owned by shareholders who appoint directors to give direction to the business. The Managing director (Br. English) or Chief Executive Officer (CEO) (Am. English) is the senior official within the company with responsibility for making major decisions. Specialist managers will be appointed to run the company on behalf of the Board of directors.

A company is a legal entity in its own right with an existence that is separate in law from its owners. The company will thus be sued and can sue in its own name. Shareholders put funds into the company by buying shares.

Most companies have limited liability. Limited liability is a form of business protection for company shareholders (and some limited partners). For these individuals the maximum sum they can lose from a business venture which they have contributed going bust is the sum of money that they have invested in the company – this is the limit of their liability.

*Private limited companies* have Ltd. after their name. They are typically smaller than public companies. Shares in a private company can only be bought and sold with permission of the Board of Directors. Shareholders have limited liability. To set up a private limited company you do not need a minimum amount of capital, nor do you need to have hundreds of employees working for you. Setting up a private limited company is a good way for sole traders to protect themselves against trading losses, especially when working within an unstable and ever-changing economic climate. The individual person’s own assets will remain protected from business creditors, and their liability will be limited to their share amount.

A *public limited company*, or PLC for short, is a company that is legally allowed to offer its shares for sale to the public. A PLC is not the most popular choice of company in the UK, in fact over 95 percent of limited companies in the UK are private limited companies. There are certain differences between the two, and there are specific requirements that a public limited company needs to meet. There are a lot of advantages to becoming a public limited company, especially if you are interested in raising capital for your business. You can raise share capital from new and existing investors, and shareholders can buy and sell their shares, if they are quoted on a stock exchange. A public limited company can sell shares to the public and to financial institutions and have their shares traded on the Stock Exchange. A stock exchange is a market where anyone can buy stocks and shares. The main advantage is that large amounts of capital can be raised very quickly. One disadvantage is that control of a business can be lost by the original shareholders if large quantities of shares are purchased as part of a takeover bid. In order to create a public company the directors must apply to the Stock Exchange Council, which will carefully check the accounts.

*(after businesscasestudies.co.uk, yourcompanyformations.co.uk)*

**Vocabulary**

To appoint (v.) (pa)skirti

A board (n.) valdyba, taryba

A deed (n.) dokumentas, aktas

To go bust (su)bankrutuoti

Liability (n.) atsakomybė

Ownership (n.) nuosavybė

Partnership (n.) bendrovė, (ūkinė) bendrija

Private company uždaroji akcinė bendrovė

Public company akcinė bendrovė

To run (v.) vadovauti

A sole trader individuali įmonė

A solicitor (n.) advokatas

To sue (v.) pareikšti ieškinį, iškelti bylą

Takeover (n.) kontrolinio akcijų paketo įsigijimas

To witness (v.) (pa)tvirtinti

Workload (n.) darbo krūvis

**Task 21. Mark the following statements as true or false. Find and mark reasons for your answers in the text.**

1. A sole trader has unlimited liability for debts. \_\_\_\_\_\_\_\_
2. In case of a legal dispute people can take a company’s shareholders to court. \_\_\_\_\_\_\_\_
3. The owners of limited companies must pay all the company’s debts. \_\_\_\_\_\_\_\_
4. Companies are owned by Chief Executive Officers. \_\_\_\_\_\_\_\_
5. Some partnerships have limited liability. \_\_\_\_\_\_\_\_
6. Most companies in the United Kingdom are PLCs. \_\_\_\_\_\_\_\_

**Task 22. Read the text in Task 20 carefully and fill in the table (where possible). Present your findings to the group.**

|  | **Sole trader** | **Partnership** | **Private Company** | **Public Limited Company** |
| --- | --- | --- | --- | --- |
| **Advantages** |  |  |  |  |
| **Disadvantages** |  |  |  |  |
| **Liability of members (limited / unlimited)** |  |  |  |  |
| **Number of members** |  |  |  |  |

**Task 23. Make word combinations**

1. ........................................................................................

2. ........................................................................................

3. ........................................................................................

4. ........................................................................................

5. ........................................................................................

| limited | institution |
| --- | --- |
| private | exchange |
| financial | bid |
| takeover | liability |
| stock | company |

**Task 24. Use the word combinations from task 23 in the following sentences:**

1. .............................................. .......................................... is a company that offers financial services.
2. .............................................. .......................................... is a company whose shares are not traded on the open market.
3. .............................................. .......................................... is an offer to purchase enough shares of a company to overtake the current majority shareholder.
4. The .............................................. .......................................... provides services for stockbrokers, and traders to trade stocks, bonds, and other securities.
5. .............................................. .......................................... is a type of investment in which a partner or investor cannot lose more than the amount invested.

**Task 25. Discuss the following statements with your partner and choose the best answer. Explain your answer.**

1. One of the advantages of a partnership form of business organization is that …

a) all partners always have limited liability.

b) shares can be sold on the Stock Exchange.

c) the business survives the death of the partners.

d) the business has access to more capital than a sole trader.

2. One of the main drawbacks of many public limited companies is that …

a) there can be a loss of control by the original owners as additional shares are sold.

b) firms in the public sector are often less efficient.

c) if the company were to fail, the shareholders could lose all of their assets.

d) employees have to be asked for their opinions before major decisions are taken.

3. The best definition of a sole trader form of business organization is …

a) the business only employs one person.

b) the business is owned by one person.

c) the firm has a single customer.

d) there is a single firm in the industry.

4. One of the claimed advantages of a sole trader business is that …

a) owners have limited liability.

b) shares can be sold to raise capital.

c) decisions and responsibilities can be shared.

d) the owner has independence.

5. One of the disadvantages of a sole trader business is that …

a) capital is limited to owner’s savings and bank loans.

b) decisions take too long to make.

c) as they are government owned there is no profit motive.

d) the owners may disagree.

**Task 26. What do the following abbreviations stand for? Why, in your opinion, is it important to know and use abbreviations in business? Look for the answers in the texts (Tasks 2, 13, 20, and 27)**

1. CSR – ……………………………………………………………………………………………….

2. CEO – ………………………………………………………………………………………………

3. PLC – ……………………………………………………………………………………………….

4. Ltd. – ……………………………………………………………………………………………….

5. SME – ………………………………………………………………………………………………

6. Co. – ………………………………………………………………………………………………..

7. Inc. – ……………………………………………………………………………………………….

8. LLP – ………………………………………………………………………………………………

**Task 27. Read text about various forms of work. Which type of organization is each of these?**

1. A group of engineers who work together to provide consultancy and design services. There are no outside shareholders. ………………………………………………………………………………

2. A large British engineering company with 30,000 employees. Its shares are bought and sold on the stock market. ………………………………………………………………………………………

3. An American engineering company with outside shareholders. …………………………………...

 ……………………………………………………………………………………………………….

4. An engineer who works by herself by providing consultancy. She works from home and visits clients in their offices. (3 possibilities) ……………………………………………………………….

 ………………………………………………………………………………………………………

5. An independent British engineering company with 20 employees. It was founded by three engineers, who are shareholders and directors of the company. There are five other shareholders who do not work for the company. ……………………………………………………………………

…………………………………………………………………………………………………………

Oscar is a freelance graphic designer – a freelancer. He likes the freedom of working for himself. To use the official term, he’s a sole trader. People such as designers and journalists are freelancers, whereas builders and plumbers are normally referred to as being self-employed.

Jane and Miranda are architects who have set up their own architecture partnership. A lot of professional people like lawyers, accountants, and so on work in partnerships. They are partners – there are no shareholders in the organization apart from the two of them.

Jane and her partners have limited liability: if the partnership goes bankrupt – runs out of money – the people to whom the partnership owes money can take the company’s assets to pay the debts, but they can’t take personal assets such as the partners’ houses or cars. It’s a limited liability partnership (LLP).

Jon Robertson is managing director and main shareholder of a small electronics company in Scotland called Advanced Components Ltd. Ltd means limited company, with limited liability.

Howard Schultz is president of Starbucks Inc. Inc. stands for Incorporated. This shows that it is a corporation – used especially in the US for companies with limited liability, and also used in the UK in the names of some big companies. Some British companies include PLC as part of their name. This means that the company is a public limited company, and its shares are bought and sold on the stock exchange.

Organizations with “social” aims such as helping those who are sick or poor, or encouraging artistic activity, are non-profit organizations (in British English) or not-for-profit organizations. They are also called charities and form the voluntary sector: they rely heavily on volunteers – unpaid workers. For example, a charity like Médecins sans Frontières is managed by paid professionals, and together they put a lot of effort into fundraising activities. These activities encourage people to give or donate money, clothes, food, or time to help the organization. These donations are essential for the organization to do its work.

(*By B. Mascull*)

**Task 28. Match the sentence beginnings (1-5) with the correct endings (a-e) to make sentences.**

| 1. British people donate around £4 a week each on average to charities … | A. … with loss-making companies!  | 1 - … |
| --- | --- | --- |
| 2. She organized fundraising … | B. … and many volunteer to give their skills too. | 2 - … |
| 3. Voluntary sector employees earn five to ten percent … | C. … parties for the charity. | 3 - … |
| 4. Non-profit organizations are not to be confused … | D. … when they are helping people in their own social class. | 4 - … |
| 5. Research shows that volunteers give the best service … | E. … less than they would in the private sector. | 5 - … |

**Task 29.** **Write a short report about non-profit organizations of your country and present it in class. Your report should cover the following:**

Which non-profit organizations are well-known?

What are their main activities? / What do they do?

How do they raise money?

Do you volunteer for a non-profit organization?

Do companies implementing corporate social responsibility support these non-profit organizations?

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1. Money paid for work. [↑](#footnote-ref-0)