

Different types of innovation and technology and how they impacted the economic progress of a
country +corporate governance

University

Department

Professor Name

Student's Name



Dissertation
Help Services

Task 1

Britvic is a UK based soft drinks company. It was founded in the year 1845 in Ireland. It has since been listed in London stock exchange, and its growth can be evidenced by the subsidiaries it operates. It has revenues of over 1.5 billion GBP for the year 2018, and its performance has been facilitated by various factors (Britvic plc, 2019). Technology is applied in various sectors in an economy and in businesses. This study evaluates the technology use in the recent five years, and how a company such as Britvic plc has benefited from such technologies. This can help tell the implications of such technologies to organisations such as Britvic.

Technology and innovation has helped make the life of the various societies easier. Technology is known to be the combination of various inputs that are needed in the production process. An example is where a new machine would reduce the combination of labour and capital needed to make a product. It also refers to the use of scientific knowledge to solve practical problems in the society (Keeley, 2012). Innovation, on the other hand, means developing new ideas or even products. It means that innovation is what leads to new technologies in the society.

There are various categories of innovation and technology. There is disruptive technology, which involves having a completely new product in the market that changes the whole of the market. An example is when Apple introduced a new phone called iPhone in the market. It led to the introduction of what is now called smartphones in the market. There is incremental technology, which involves addition of some few features to an already existing product (Keeley, 2012). An example is adding new features to a new iPhone device to make it better than the previous one. There is also the architectural technology, which involves using

technology of a particular product in another product development or improvement. An example is where the idea of smartphone use and apps has been incorporated in computers to make them even better devices (Keeley, 2012). The other type of innovation is the radical innovation, which involves having a completely new product that swallows an industry or creates a new industry. An example is where the invention of a plane helped create the airline industry.

OECD countries have experienced continuous growth because of various technologies that have been implemented in their countries. Japan is one of the countries where technologies have continuously been advanced. A critical area has been in the artificial intelligence, which has been driving the production sector (OECD, 2018). It has helped in enabling production using robots, which are programmed to do various tasks. The country can manufacture vehicles because this technology can help produce more goods at lower costs. Internet of things, on the other hand, has enabled the management of the supply chain as the interests of the customers can be identified, and goods are tailored towards meeting the desires of the customers (OECD, 2018). An example is where car manufacturing companies determine the kind of cars, whether SUVs or smaller cars that would move faster in certain countries. The use of artificial intelligence has also been shared in areas such as healthcare, where surgeries can be done with greater accuracy. This has helped improve the health of the people in countries such as Japan.

Convergence of technology is an important innovation that has increasingly changed the way companies engage in business. Internet has been improved over the years, and the implementation of the infrastructure throughout place such as Japan coupled with improved smartphones, and other electronic devices has affected the shopping practices (OECD, 2018). B2B and B2C technologies coupled with the use of money transfer methods has been brought together through what is known as technology convergence. Companies in OECD countries can

get orders from various parts of the world and deliver them in a timely manner (OECD, 2018). Companies such as Amazon have helped in influencing economic growth in that they generate massive sales. The traditional method of selling goods has been shrinking. Efficient delivery that is associated with the idea of convergence of technology is a reason why the various economies have been doing very well.

It should be noted that various other technologies are being developed and tested as well as patented in OECD countries such as Japan. They are expected to continue driving the growth of these countries.

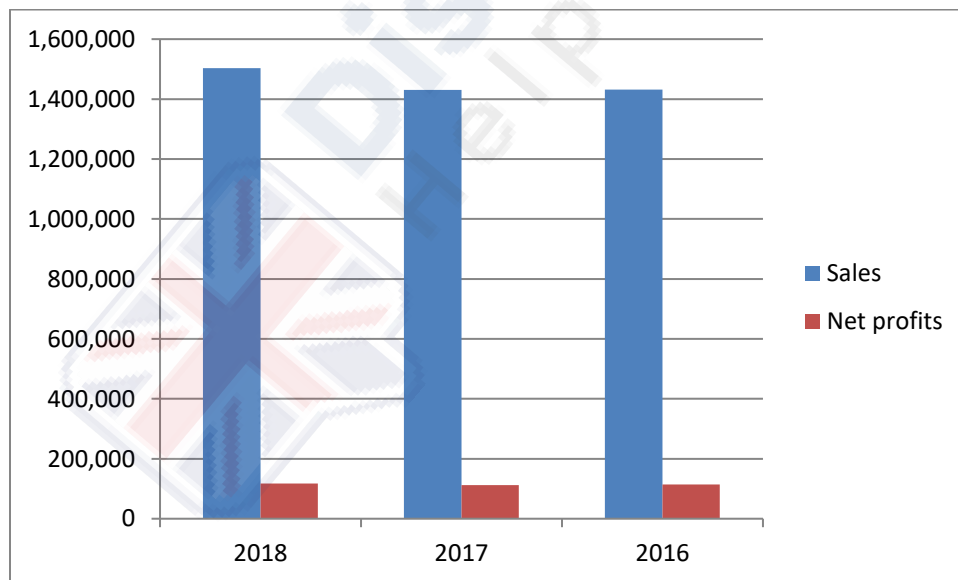
Britvic Plc

This is a company that has been investing in various technologies to ensure that it is not only making profits but is also sustainable. The first kind of technology the company has been using has been digital marketing. This includes the use of internet and social media to create attractive messages that would influence the choices that the customers make when it comes to purchase of goods. In the year 2017, the company invested so heavily in the use of social media such as Facebook to educate the customers as well as inform them of the various available products at the company (Beveragedaily.com, 2017). In this case, the company uses artificial intelligence to determine the target customers and the kind of messages that would be suitable (Roderick, 2016). Creative videos and pictures, as well as messages, are then used to target the customers. This kind of customisation of messaging is essential in reaching the right customers. Convergence of technologies is one area the company has applied in that use of social media and artificial intelligence to target customers is very effective.

Another area the company invested in was in the use of eco-friendly packaging materials for its products. Considering that there have been challenges associated with environmental pollution, the company has been keen in reducing the emissions hence ensuring that the customers can prefer the company products as they are environmentally friendly. This is a technology that has been emphasised on in the year 2017 (Beveragedaily.com, 2017).

In the year 2018, the company invested heavily on the use of green sources of energy, which is very important in reducing costs in the future. The use of solar energy is expected to lead to reduced electricity bills; hence the cost of production will be lowered to a great extent. With a lower cost of production, the company will be able to charge lower prices for its products, achieve greater sales and a higher level of profitability.

After investing in these technologies, the following is the impact;



The values are in thousands of pounds (Yahoo Finance, n.d).

From the analysis, it can be observed that there was a slight drop in net profits for the company in 2017, and this can be associated with the costs and expenses incurred in investing in the marketing campaigns for the year and producing eco-friendly packaging materials. However, the company has invested in green sources of energy, which also play a great role in reduction of the production costs to ensure that the prices for the company products are reduced (Yahoo Finance, n.d). In the year 2018, the sales grew, and this indicates that the use of convergence of technologies to target potential customers and market its products online was working.

However, the slow growth in sales and profits can be associated with the fact that the company has not invested in most new technologies such as artificial intelligence in production activities. There is also no use of B2C websites to sell products to the customers. This is a technology that can help boost sales for the company. It is recommendable that the company invests in these technologies so that it can continue to grow the sales revenue and also reduce the costs incurred in the daily operations (Keeley, 2012).

In summary, Britvic plc has not used most recent technologies that have been used in UK to achieve higher value for the customers and shareholders. There has been no much e-commerce at the company, and this means access to a limited number of customers. The company can also use robotic technologies with artificial intelligence to manufacture its products, hence reduce the costs of production and also help increase the sales that are generated. The fact that these most recent technologies have not be effectively applied mean that the growth in revenues and profits has been slow. This is why the company has to evaluate the technologies that can be used in OECD countries to boost the performance of businesses.

Task 2

G4S is a multinational company that has headquarters in London. It was formed in the year 2004 through a merger. The company is listed in London Stock exchange market, hence is required to report the corporate social responsibility activities. It operates in different parts of the world, and it has to indicate how it engages in corporate social responsibility activities. The company is thus influenced by the corporate governance regulations in the UK. This section is thus based on this company (G4S, n.d).

Corporate governance tells the way various stakeholders relate in an organisation, to control the way a company is run. The role of corporate governance is to ensure that the interests that the various stakeholders of a company have are well protected (Needle, 2010). Most of the stakeholders may not be involved in daily operations of the company, and this is why protection of the interests of everyone is very important. Corporate governance defines the roles and responsibilities of various stakeholders which include the management, board of management, CEO and the shareholders. It tells how decisions are made, by whom and how (Needle, 2010). It defines how the authorities of various stakeholders can be checked to ensure that they do not pursue their personal interests only.

In the UK, there has been evolution of code of procedures that are to be followed by all companies that are listed; hence their shares are traded publicly. The Cadbury report of 2009 set the first code that was to be followed by publicly traded companies (Morrison, 2016). Other reports helped make adjustments. An example is that in 2003, there was a response by EU to ensure independent audit following the Sarbanes Oxley act of 2002 in the United States. Various other events have led to the modification of the code. Current code requires that the position of the CEO and chairman are separated. It also requires that the board should have three members who are no executive, and two among the three should have no financial ties with the company

(Tricker, 2012). Every company is also expected to have an audit committee that should have non-executive directors only.

The board of directors at UK companies is the top decision making organ. It has several responsibilities. It sets the future vision and mission of the company, which is then simplified to specific objectives that the company is to implement. It is the role of the board to also mediate between the management and shareholders, to ensure that the interests of the shareholders are protected all the time (Needle, 2010). It is the role of the board to set the code of ethics to be followed by the company, as well as the corporate social responsibility of the company. It has to ensure that there are reports that are available to the public every financial year.

Corporate social responsibility, on the other hand, is associated with sustainable societies, where the individuals seek to company seeks to protect the environment, support the society that supplies raw materials and other inputs such as labour, and also seeks to deepen the relationship with the employees (Barth, & Wolff, 2009). This ensures that there are higher chances of success by the company considering that it gets support from all its stakeholders if it engages in corporate social responsibility. Archie Carroll, on the other hand, defines CSR as the expectations that society has about the company and they can be categorised into economic, ethical, philanthropic and legal (Boddy, 2012). In this case, these expectations are discussed for the case of G4S plc. From the company CSR report, it is possible to understand what the company is doing to meet the expectations of the society as per the view of Carroll.

Economic

Economically, G4S reported that it had created jobs not only in UK but in various parts of the world. There is proper negotiation with the unions and employees ensure that there is

reasonable compensation of the workers. There are also indirect benefits to the economy in that suppliers that G4S contract also gets jobs indirectly from the company operations. The payment of taxes is another area where the company can support the countries where it operates. Payment of taxes ensures that the countries where the company operates get resources needed to build the economy (G4S PLC, 2018). It should be noted that the company also provides security to business operations so that they can operate even in hazardous areas so that there is progress economically. Employees from the company lose lives or get injured to ensure that there are economic activities that are going on all the times.

Ethical

The company has a code of ethics that ensures that there are social inclusion and respect for every individual working in the company (G4S PLC, 2018). These are essential values that ensure that there good coexistence between the individuals. It hires men and women equally and ensures that the individuals can work together in the performance of duties while also ensuring that there is respect for each other.

The company conducts background checks to find out the behaviour of the employees so that there is an assurance that they are well behaved. There is also a policy that the company does not tolerate corruption (G4S PLC, 2018). It helps eliminate corruption incidences in society through its employees. The whistle-blowing activities at the company ensure that any unethical activities by the employees such as theft, or even corruption are reported and actions are taken.

The ethics for the company also ensure that there is the protection of the environment, which is a wish for every member of society. The company is committed to reducing emissions from its cars and even buildings that it provides its workers.

Philanthropic activities

G4S is keen to ensure that it engages in philanthropic activities that help give back to the society. The chosen strategy is to train the prisoners and support their families. This ensures that the prisoner unemployment rate in the community reduces. When out of jail, the prisoners can work and generate incomes hence support their families (G4S PLC, 2018). This is an indication that the company helps the society members make money instead of directly giving such people cash which can be easily misused. The training that the company offers to the prisoners could have cost the government or the specific individuals some money, and this is why this activity is regarded as philanthropic.

Legal

G4S is always respecting the law, and this ensures that it does not face difficulties dealing with governments. First, the company complies with tax laws by ensuring that it pays the taxes as per the provisions of the law. The company also works with the security agencies to ensure that any insecurity related crimes are handled to the end. This includes incidences where the employees are involved in the breach of the law (G4S PLC, 2018). By ensuring that it engages in whistleblowing those who engage in corruption, the company shows commitment to ensuring that the law is respected all through.

G4S plc is also at the forefront of protecting human rights. This is why it only deals with illegal activities. It ensures that any incidences of human right violation are reported to the authorities for legal enforcement (G4S PLC, 2018).

In summary, G4S is doing an excellent job in terms of implementing its corporate social responsibility strategy. It seeks to protect the people, respect the law, support the economy of the

countries that it operates and also engage in philanthropic activities that improve the future of the country. All these activities aim at ensuring that the company can continue with its operations even in the future. It reviews its corporate social responsibility, and reports on the progress that is achieved at every point of the financial year and this ensures that there are continuous improvements.



References

- Barth, R., & Wolff, F. 2009. *Corporate social responsibility in Europe: Rhetoric and realities*. Cheltenham; Northampton, Mass. : Edward Elgar.
- Beveragedaily.com. 2017, March 8. Innovation to boost premium soft drinks says Britvic. Retrieved from <https://www.beveragedaily.com/Article/2007/03/08/Innovation-to-boost-premium-soft-drinks-says-Britvic>
- Britvic plc. 2019, April 5. Home. Retrieved from <https://www.britvic.com>
- Boddy, D. 2008. *Management: An introduction*. Pearson Education Limited.
- G4S PLC. 2018. *Integrated Report and Accounts 2018 CSR Extract*. Retrieved from G4S PLC website: https://www.g4s.com/-/media/g4s/global/files/annual-reports/integrated-report-extracts-2018/g4s_csr_extract_2018.ashx
- G4S. n.d. Our History. Retrieved from <https://www.g4s.com/who-we-are/our-history>
- Keeley, L. 2013. *Ten types of innovation: The discipline of building breakthroughs*. Hoboken, N.J: Wiley.
- Morrison, J. 2016. *The Global Business Environment: Challenges and Responsibilities*. Basingstoke: Palgrave Macmillan.
- Needle, D. 2010. *Business in context: An introduction to business and its environment*. London: Thomson.
- OECD. 2018. *TRANSFORMATIVE TECHNOLOGIES AND JOBS OF THE FUTURE*. Retrieved from OECD website: <https://www.oecd.org/innovation/transformative-technologies-and-jobs-of-the-future.pdf>
- Roderick L. 2016, January 7. Britvic CMO: ‘Spending money on digital is easy, it’s producing great content that’s hard’. Retrieved from

<https://www.marketingweek.com/2016/01/07/why-britvic-is-prioritising-creative-and-digital-in-2016/>

Tricker, R. I. 2012. *Corporate Governance: Principles, policies, and practices*. Oxford: Oxford University Press.

Yahoo Finance. n.d. BRITVIC PLC ORD 20P (BVIC.L) Income Statement. Retrieved from <https://finance.yahoo.com/quote/BVIC.L/financials/>



Dissertation
Help Services