

Lego: Ethics and Social Responsibility

Eugenio Orona, Jr.

University of Mary

BUS 504: Management and Organizational Behavior

Dr. Raquel Fischer

May 20, 2021

Ethics and Social Responsibility

Two danish words, "leg godt," meaning "play well," came together to form the word "LEGO." In 1932, the Danish company LEGO was born in a small carpenter's workshop by its creator Ole Kirk Kristiansen. LEGO's can be found in over 40 countries and is still a family-owned business. Since its inception, LEGO has believed in children, their creativity and strived to inspire and develop the builders of tomorrow (The LEGO Group, 2021). Throughout the decades, the company has grown and garnered lots of success; however, in 2014, the company came under fire when Greenpeace released a video that received the attention of almost 6 million views (Vaughn, 2014).

LEGO vs. Greenpeace vs. Shell Group

Greenpeace attacked LEGO for its partnership with the oil giant Shell Group, which it has had since the 1960s. The environmental company did not agree with Shell's plan of drilling for fossil fuels in the Arctic. Greenpeace bombarded the toy giant since part of LEGO's brand identity is providing products that will positively impact children and the world. LEGO's branding was contradictory to their partnership with Shell; therefore, Greenpeace released their "Everything is not awesome" video, which drew public attention (Vaughn, 2014).

The video depicts oil-stricken arctic people, wildlife, and beauty destroyed from oil due to the drilling of fossil fuels (Greenpeace International, 2014). The attention this video received from the public, the backlash, and its negative impact on the LEGO brand, forced the company to re-evaluate its partnership with the Shell Group and not renew its contract with the oil conglomerate (Vaughn, 2014).

After the Greenpeace campaign aired and the fallout with Shell Group, the LEGO company has made efforts to keep true to their brand identity and mission of inspiring children to help them build a better future (The LEGO Group, 2021).

The Four Promises

LEGOs website contains four promises to its customers: play, people, partner, and the planet. These promises focus on LEGOs commitment to be an ethically and socially responsible company.

The play promise:

The LEGO company understands that play is essential to a child's development. Therefore, the organization manufactures toys and sets to foster creativity, problem-solving skills, and resilience (The LEGO Group, 2021).

The people promise:

LEGO promises its employees they will uphold their human rights, ensure their safety, and provide a healthy and respectful atmosphere. The company works hard at creating reliable business philosophies throughout the organization (The LEGO Group, 2021).

The partner promise:

LEGO makes an ethical promise to its customers, suppliers, and intellectual property associated by creating a mutual value for all entities involved (The LEGO Group, 2021).

The planet promise:

This promise made by the company is to help build a sustainable future and create a positive impact on the environment on a global level. LEGO also promises to minimize its environmental impact within its operations and manufacturing (The LEGO Group, 2021).

Ethically and Social Responsibility

Since the Greenpeace debacle, LEGO is focusing on ways to be ethically and socially responsible. The LEGO Company has made changes within its organization to improve its sustainability efforts in the last ten years. In 2020, the company announced a \$400 million investment they would make in the next three years to support their commitment to being socially responsible and produce sustainable packaging by 2025 (Hutchins, 2020).

The company is improving its environmental impact by doing away with their single-use plastic bags in their boxes and replacing them with certified recyclable paper bags. LEGO has decided to move in this direction since receiving numerous letters from children who asked the company to stop using single-use plastic packaging. LEGO tested out many prototypes of packages and asking hundreds of kids for their input and feedback. The research showed kids preferred the recyclable paper bags the most because they did not harm the environment and were easy to open (Hutchins, 2020).

The investment made by the company will also have an emphasis on creating social and environmentally focused actions helping kids learn through play by working with UNICEF, Save the Children foundation, and various partners. The goal is to provide access to play and opportunities to develop collaboration, problem-solving, and communication for those children who are impoverished (Hutchins, 2020).

LEGO Replay was introduced in 2019, encourages children and families to donate any used building bricks to kids who are in need. Legos will introduce this new program to two more countries in 2022; currently, over 23,000 LEGOs were donated from children across the United States since the introduction of Replay. In addition to working with UNICEF and Save the

Children, the LEGO company will also be working with the World Wild Fund for Nature and the Ellen MacArthur Foundation to achieve its goals (Hutchins, 2020).

Two percent of the LEGO bio-bricks are produced from sugar cane developed by its sustainable materials program. The company has pledged to increase its production of bio-bricks using sugar cane and other sustainable materials by the end of 2030. Additionally, the company will research ways of using sustainable plastics from recycled or renewable materials and create partnerships with various companies to help them develop bio-based manufacturing technologies to produce high-quality bricks that are long-lasting (Hutchins, 2020).

LEGOs will use this money to achieve a more carbon-neutral operation throughout the organization by installing additional solar panels in all their plants. The organization is looking to create and supply its renewable energy, and one of its uses it to provide better air quality and cooling process during brick production. Furthermore, the company is working on reducing their use of water consumption and improve waste handling. Their goal is to reduce their water consumption by 10% and not divert waste to landfills by 2022 and 2025, respectively. (Hutchins, 2020).

Conclusion

All business needs to strive for being ethically and socially responsible. The LEGO company was tasked to make changes within their organization to be more environmentally conscious and live by their mission and vision. Making these changes has elevated the company's brand and reputation among the public; moreover, the organization's profits and productivity increased. More companies should follow in the footsteps taken by the LEGO organization and help make the world a greener, more sustainable planet.

Reference

- Greenpeace International. (2014, July 8). *LEGO: Everything is not awesome*. YouTube.
https://www.youtube.com/watch?v=qhbliUq0_r4.
- Hutchins, R. (2020, September 16). *LEGO to invest \$400m over the next three years in its sustainability and social responsibility drive*. ToyNews. <https://www.toynews.com/online.biz/2020/09/16/lego-to-invest-400m-over-next-three-years-in-its-sustainability-and-social-responsibilitydrive/#:~:text=The%20LEGO%20Group%20is%20to,by%20the%20end%20of%202025>.
- The LEGO® brand*. The LEGO Brand - The LEGO Group - About us - LEGO.com US. (2021).
<https://www.lego.com/en-us/aboutus/lego-group/the-lego-brand>.
- Neck, C. P., Houghton, J. D., & Murray, E. L. (2020). *Organizational behavior: a skill-building approach*. Sage.
- Vaughn, A. (2014, October 9). *Lego ends Shell partnership following Greenpeace campaign*. The Guardian. <https://www.theguardian.com/environment/2014/oct/09/lego-ends-shell-partnership-following-greenpeace-campaign>.