

## Intercultural Panagement

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### Heineken beer company – Key factors

#### In brief

- Global beer industry based in the Netherlands
- One of the biggest beer companies in the world
- More than 140 breweries in 71 countries

#### Origin



#### **Key Performance Indicator**

- €20.792 million (total revenue)
- 49,1 mhl (sales volume)
- 73.525 (employees)

#### **Characteristic Product**



### Heineken approach to a SSCM with regards to the four criteria of the UN Global Compact

Research & Procurement Production Marketing & Sales



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Environment



**Anti-Corruption** 

#### Non-complicity in Human rights violations

Heineken will act in such a way that none of its operations knowingly contribute to human rights violations by others

#### **Non-discrimination**

People are based on the principle of equal opportunity, without distinction to race, gender, sexual orientation, religion, descent or origin.

After Sales &

**Financial Services** 

#### Freedom of association and the right to collective bargaining

Heineken respects the rights of its employee to represented in order to advance their legitimate interests

#### **Working hours**

Heineken recognizes the right to rest and leisure and will therefore always comply with local laws, regulations and/or local customs with regard to working hours and overtime.

#### Forced labor and child labor

Heineken will avoid working with suppliers or employment agencies that are known to be making use of forced or compulsory labor in their operation.

#### Remuneration

Heineken pays for responsibility and for performance

#### **Beverage Industry Environmental Roundtable (BIER)**

Heineken is a member of Beverage Industry Environmental Roundtable (BIER) and has signed the BIER 2015 Joint Commitment on Climate Changes, committing to:

- Reduce energy consumption and source cleaner fuels
- Work with others to share tools and knowledge to manage water risk
- Collaborate on research and partnerships to create a more climate-resilient food chain
- Continue to reduce the industry's water footprint and support other sectors do the same

#### Specific standard disclosures

G4-S03

Total number and percentage of operations assessed for risks related to corruption and the significant risks identified

G4-S04

Communication and training on anti-corruption policies and procedures

G4-S05

Confirmed incidents of corruption and actions taken

### **AmBev**



### Ambev beer company – Key factors

#### In brief

- Global beer industry based in the Brazil
- One of the biggest beer companies in the world
- More than 500 beer brands in 50 countries

# Origin

#### **Key Performance Indicator**

- \$4.85 billion (total revenue)
- 116 mhl (sales volume)
- 200.000 (employees)

#### **Characteristic Product**



## Ambev approach to a SSCM with regards to the four criteria of the UN Global Compact

Research & Development

**Procurement** 

Production

Marketing & Sales After Sales & Financial Services



#### **Human Rights**



Labor



Environment



Anti-Corruption

#### **Global Procurement Responsibility Policy**

The policy defines the standards and principles to be followed in the company and in the supply chain in the matters.

#### Health and safety for employees

The company makes sure the health and safety rate into the company and it is improving every year

#### **Working hours**

The average working hours per employee are 8.8 for men and 11.3 for woman in the year 2016.

#### Water Efficiency Self-Assessment System

- Member of SAVEh
- Member of the Unied Nation Global Compact
- The CEO Water Mandate

#### Ambev as most sustainable company

Amvev was elected one of the eight most sustainable companies in the customers good sector. This was one of the most imporant awards in this area of Brazil.

#### Member of two main anti-Corruption laws

- Brazilian Anti-corruption law
- To US Foreign Corruption Parcites Act called "FCPA"

Every employee must sign an anti-corruption contract

### Overall comparison regarding to US GC Principles



### ambev



**Human Rights** 



Labor



Environment



Anti-Corruption

- Heineken has certain policies for human rights but don't have projects to improve the human rights.
- Proactive support and wants employees to come up with ideas. Heineken gives extra money for responsibility and perfomance.
- Heineken is a member of Beverage Industry Environmental Roundtable (BIER) and has signed the BIER 2015 Joint Commitment on Climate Changes. They have different rules they need to live up to.
- They have specific standard disclosures they have to uphold.

- Ambev has a policy about human rights but the company is so big to achieve that.
- Employees can work a lot of hours in the company on an average day. The company wants the employees just to their work.
- Have joint the water Efficiency Self-Assessment System

• The are member of two main anti-Corruption laws

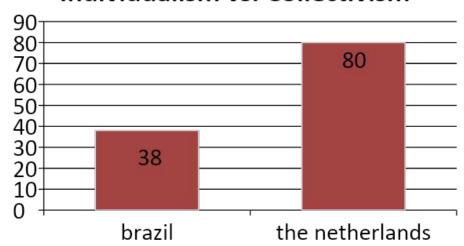


	Netherlands	Brazil
Power Distance	(38)being independent, hierarchy for convenience only, equal rights, superiors accessible, coaching leader, management facilitates and empowers	(69) Believe in hierarchy and the different distribution of power justifies the fact that power holders have more benefits
Individualism vs. Collectivism	(80)individuals are expected to take care of themselves and their immediate families only; hiring and promotion decisions are supposed to be based on merit only	(38) Family is very important; In business it is important to build up trustworthy and long lasting relationships
Long-Term Orientation	(67) easily adapt traditions to changed conditions, a strong propensity to save and invest, perseverance in achieving results	(44) Intermediate score
Uncertainty Avoidance	(53) Slight preference for uncertainty avoidance	(76) strong need for rules and elaborate legal systems

## Differences in the companies' approach to Human Rights

Due to a high degree in individualism in the Netherlands(80), it could be suggested that they do not take care of Human Right standards very thoroughly whereas Brazil has a higher degree of collectivism (38) which could suggest that they value Human Rights more

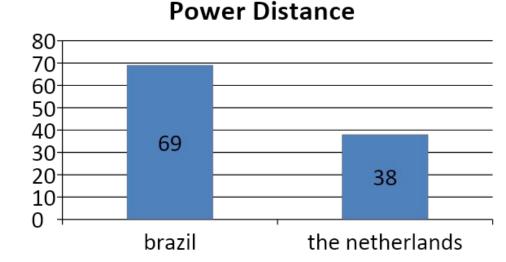
#### Individualism vs. Collectivism



- ->Heineken actually recognizes that all people should be treated equally without distinction to race, gender, sexual orientation, religion, descent or origin they don't have any real plans
- ->Ambev actually his only more of a policy towards human rights but no distinct regulations

## Differences in the companies' approach to Labour

The Low degree in power distance in the Netherlands(38), suggests an emphasis on equal power distribution within their suppliers network whereas the high degree in Brazil (69)suggests a top-down structure

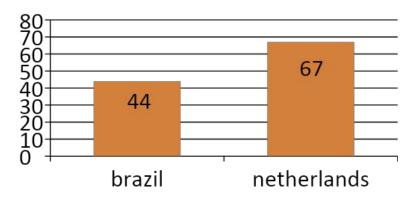


- -> Heineken actually cares for an equal payment and employees can forward their own ideas. Heineken also pays it's suppliers dependent on how responsible they act
- ->Ambev applies, as according to Hofstede, a top-down structure

### Differences in the companies' approach to Environment

The intermediate score for Brazil (44) suggests that the main focus doesn't lie on the preservation of nature and using renewable resources whereas the high score of the Netherlands (67) suggests a high awareness towards the nature and using resources judiciously.

#### **Long-Term Orientation**



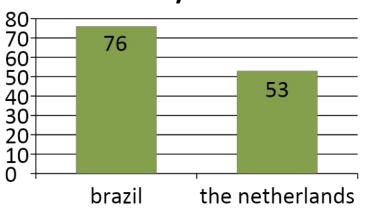
- -> Heineken is a member of Beverage Industry Environmental Roundtable (BIER) and committed itself to following certain rules which is in line with the expectable
- -> in contradiction to Hofstede, Ambev is Member in several environmental organizations and was even elected one of the eight most sustainable companies in the customers good sector in Brazil

## Differences in the companies approach to Anti-Corruption

The high score of Brazil (76) suggests that companies have a lot of rigid rules and do not tolerate corruption

The intermediate score with a slight preference for Uncertainty Avoidance of the Netherlands (53) suggests that they are not acting as severe against corruption and have more flexible rules

#### **Uncertainty Avoidance**



- -> Heineken is actually fighting against corruption by providing trainings on anti-corruption policies and procedures
- ->Ambev as in line with Hofstede there are a lot of contracts and rigid framework