Can corporations care?  

[Spoiler alert: no]

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To whom is a corporation obligated?

“The interests of a transnational company are not the same as those of the country from which it originates or of the workers it has historically employed. It has become, to coin a phrase, a ‘rootless cosmopolitan.’”

Martin Wolf, Why Globalization Works

Corporation ≠ organization: no fixed nationality

Accenture to Move Base To Ireland From Bermuda

Accenture Ltd. said its board has voted to change the consulting company’s place of incorporation to Ireland from Bermuda.

Accenture incorporated in Bermuda in 2001 after the company did an initial public offering.

Several large companies have recently announced plans to reincorporate from Bermuda, helping them avoid what are expected to be significant changes in how the U.S. taxes multinational corporations. Earlier this month, drug maker Warner Chilcott Ltd. said its board approved a plan to relocate to Ireland from Bermuda.

Accenture shareholders will be asked to vote on the proposed move at meetings in the next three to four months.

“We believe that incorporating in Ireland will provide Accenture with economic benefits and help ensure our continued global competitiveness,” said Chairman and Chief Executive William D. Green, adding that the company will benefit from Ireland’s well-developed corporate, legal and regulatory environment.

The technology outsourcing and management consulting company doesn’t expect any material change in its operations, financial results or tax treatment as a result of the change.

The company will continue to be registered with the Securities and Exchange Commission and its shares will continue to trade on the New York Stock Exchange.

Corporation ≠ organization: no fixed boundaries

Vizio now has the largest market share of LCD televisions in the US (22%)—with 160 employees

Vizio is a fraction the size of Sony and Samsung Electronics Co., both leading brands in the U.S. flat-panel market. Yet Vizio shipped 12.4% of North American’s liquid-crystal-display, or LCD, TVs in the last quarter of 2010.

That's just behind Sony's 13.5% share and Samsung's 14.4%, according to research firm DisplaySearch. Overall, Vizio's sales have multiplied to just under $2 billion last year, up from $750 million in 2006 and $422 million in 2005, according to the closely held company.

The California company's success illustrates the rise of a new business model in the fast-changing TV industry. Big Korean and Japanese consumer-electronics makers spent large sums developing and marketing their own technology, creating a high barrier to entry for newcomers. They also bought many key components in-house, including the all-important LCD and plasma display panels.

But panel technology is becoming ever more commoditized, meaning big brands aren't the only ones competing in the field. The cheapo has allowed bargain buyers like Vizio, which bundles the designs and manufacturing to keep up with contract manufacturers and produce their own cheap TVs. At the same time, discount retailers such as Wal-Mart Stores Inc. are increasing their sales in the electronics category, slashing prices in the process.
Poisonous pet chow containing melamine from China was made by an Ontario-based manufacturer but sold under dozens of different brand names. The global OEM model is not just for Nike anymore.

Corporations are legal fictions configured to make profits, not to care.

“Hermit crab organizations” maintain the brand but lose the people (e.g., Circuit City’s 43,000 employees).
Corporations are not the only way to organize economic activity

- Producer co-operatives
- Consumer co-operatives
- Mutuals
The challenge for organizational scholars

- How can we build on legal and technological changes to create more humane non-corporate organizations?
  - Legal changes
    - L3C enabling laws
    - B corporation laws
  - Technological changes
    - ICTs and new methods of coordinated action

- The goal: the iPhone “workplace democracy app” that turns GM into a kibbutz