

# [Legal issues for managers - ethics assessment](https://assignbuster.com/legal-issues-for-managers-ethics-assessment/)

[](https://assignbuster.com/)[Law](https://assignbuster.com/essay-subjects/law/)

LEGAL ISSUES FOR MANAGERS - ethics assessment According to clause 3, conflict of interest arises when a person’s interests conflict with the company’s interests. This happens when an employee has an interest, which makes the performance of his work difficult. A conflict of interests example becomes apparent when an employee transacts on behave of the company with a family member.   
2. An employee should not conduct company related business with a family member according to clause 3, sub clause (a), Jessica dealing with her uncles NZ Company contravenes this section provisions. Sub clause (d) prohibits the company employees from accepting gifts from anyone who deals with the company and whose influence can benefit directly or indirectly the donor. Jessica’s acceptance of the paid holiday trip from a customer is against the provision of the code to avoid a conflict of interest.   
3. In dealing with the uncles company Jessica should avoid any further direct dealing with the company. She should let some other company employee who has no relation with the owner of the company do the transactions. In compliance with the prohibition of clause 3, sub clause (a), the cutting of direct business dealings with the uncles company is essential to avoid conflict of interest. On the issue of accepting gifts from companies or individuals, according to prohibition by clause 3, sub clause (d), Jessica should decline the paid holiday offer. The offer compromises the interest of the employee and ends up in a conflict of interest. Clause 6 provides that the company seek to outperform its competitors in an honest and fair way. The plan for the exchange of a competitors plan is against this provision and Jessica should not pay the requisite amount for the plans and dismiss the offer advances altogether.   
4. The potential breach concerns the requirement that the company demands honest and accurate information as regarding accounting procedures. The accounting records should reflect accurate and authentic information that are in conformity with the company’s internal audit, accounting and legal requirements. Clause 7 prohibits the maintaining of undisclosed records by the company as done by the chief financial officer and the internal auditors. The action James should take is to report the matter to the senior ethics officer as provided for by clause 8.   
5. The situation in south Africa where Jessica noticed children working in the factory are against paragraph 6 of the Norms of the Responsibilities of Transnational Corporations and Other Business Enterprise with Regard to Human Rights principle which prohibits economical exploitation of children by employing children before the attain the compulsory education. The employed children in the South African factory go against the stated provision. The fifth of the United Nations Global Compact aims at abolishing all forms of child labour.   
6. The ethical duty that provides for creation of the WCL code of ethics is the contrasting view, which promotes social responsibility. The view is so since the code of the company promotes social responsibility, as opposed to maximising returns to shareholders. If the aim of the company code were maximising profits, it would not have classified dealing with family members as a cause of conflict of interest but perceived as a profit driven incentive. The classification shows that the company’s code aims at attaining corporate social responsibility. The aims of the code are to promote social responsibility.   
Reference   
McConnell, C. (2011). The health care managers legal guide. Jones & Bartlett Learning.