

# Wall-mart is a giant in the retailer

Business



In 2005, it created jobs for more than 1.

5 million people worldwide. In the United States this number is 1.3 million. Every year, Wall-Mart distributes 2% gross national product in US with estimated \$300 billion annual sales. After nearly a half of a century, it still follows Sam Walton philosophy to provide low price for customers every day (Stagnant & Stagnant, 2009).

In 2006, this organization has slipped to number two after a serious problem.

This case study loud show these unethical issues that Wall-Mart faced many years from 2001 to 2006, including off-the-clock work. Sexual discrimination, health benefits, union, and using illegal aliens and child labor. In 2000, the main unethical of Wall-Mart shows in this case is the “ off-the-clock work” that the employees were enforced working overtime In the Wall-Mart stores. From 11 states In 2001 that was pending lawsuits against Wall-Mart the number of states had Increased even 28 after one year (Satanist & Satanist, 2009).

The store managers had required the employee check UT their time card, while they were working at night and locked inside the stores.

Many emergencies happened without any help because the managers were not around to open the door. These Wall-Mart activities show that this organization is breaking the law when enforced Its employees working more time without any payment while the managers went out earlier. Sexual discrimination Is another unethical Issue that Wall-Mart faced in 2001. In

fact, the percentage of male employees who were promoted to management is less than female employees.

According to Satanist and Stagnant (2009), there are sixty-five percent women employees of the hourly worker, but women who stand on management position just only thirty-three percent at Wall-Mart. Some employee claimed that, Wall-Mart gave these job opportunities to men because the men had to feed their family, whereas women just want to make some extra money (Stagnant & Stagnant, 2009).

There are clearly things that Wall-Mart were not fair with women who daily worked for this organization. This activity should be considered and adjusted to fit with the new situation.

Wall-Mart was blamed that provided many policies reduce cost of health care. This corporation provided the health benefit programs for its employee, but somehow many employees cannot pay or payable but less benefit.

Normally, all companies in the United States spend average \$ 5,646 per user for health care than the average rate (Satanist & Satanist, 2009).

This is considered unethical issue in Wall-Mart when this organization is largest retailer in the world. In addition, Wall-Mart has used states health benefits program to instead its own payment; it was not responsible action of a big corporation.

Many employees and their family could not allow Wall-Mart's health care program, they return to Medicaid – a state's health care program.

Marshland's law stated that the company had to pay at least 8 percent of

payroll costs per user health insurance, nor the difference amount actual pair and percentage must be passed to Marshland's Medicaid fund (Satanist & Satanist, 2009). Wall-Mart had changed its health care policy and reported increasing the percentage up to 8 percent, however, only 47. 5% employees can approach Wall-Mart's health care insurance (Satanist ; Satanist, 2009).

Keep the labor cost as low as possible seem tick with its philosophy “ everyday low prices” because if the labor cost increase that means this philosophy would no longer right. That also was the problem that Wall- Mart faced in globalization. That is why Wall-Mart disbanded the meat department and nearly 180 other stores when the employees became unionized (Satanist ; Satanist, 2009). In fact, if employees become a member of a union, they would get a lot of support from this community to fight for their right benefits.

However, Wall-Mart had to allow unions in protected of China government because if they not allow they loud lose a lot of resources such as: material, merchandise, low labor cost, and series of suppliers, etc. Other issues at Wall-Mart stores are using illegal aliens working for the company.

Although Wall-Mart knows exactly if it uses these employees they are against the law. However, Wall-Mart has continued to hire illegal aliens from the outside employment agency for cleaning. This company has agreed to charge for this issue \$11 million, four times higher than normal charge by another corporation (Satanist ; Satanist, 2009).

Wall-Mart used child labors and violated child labor laws. The result of the audit showed that Wall-Mart used employees under eighteen years old for <https://assignbuster.com/wall-mart-is-a-giant-in-the-retailer/>

working at night, on school hour, and more than 8 hours per day (Satanist ; Satanist, 2009).

Not at all, this company also used child labor in the dangerous Job such as: chain saw and cardboard balers. Once again, Wall-Mart has broken the law in many states. In 2005, the International Labor Rights Fund filed a lawsuit against Wall-Mart with series of violating labor laws in five countries: Swaziland, Indonesia, China, Bangladesh, and Nicaragua (Satanist ; Satanist, 2009).

The violations include irking overtime without payment, preventing any effort to have a union, and locked in working time. The major reason that making Wall-Mart supplier broken the laws is Wall-Mart was not enforcing the company's code of conduct with its suppliers (Satanist & Satanist, 2009). After a series of unethical issues during few years, Wall- Mart shows that it is still the big company where it provided the cooperation to repair and troubleshoot its problems quickly.

Wall-Mart has acknowledged its issues and step-by-step solve them making ethical decisions, changing management methods, ND charging for all people who directly impacted.

In conclusion, responsibilities of the big corporation should always do the right thing, and fixes every issue ethically to making the better reputation. The discuss questions that more clearly about this case study: 1 . Are the ethical issues Wall-Mart faces really any different from other large retailers? The largest retailer faces this these ethical issues that means many target for any concern and naturally the ethical issues become a sensitive problem.  
<https://assignbuster.com/wall-mart-is-a-giant-in-the-retailer/>

In addition, Wall-Mart cannot hire its problem, because of million employees who irking on thousands of stores.

Wall-Mart might be a good case study for other corporations who are facing ethical issues.

2. Wall-Mart officials have stated that they don't feel women are interested in management positions at the company. Do you agree or disagree? I disagree with this point of Wall-Mart. Women are much more holding the key position in the company. It shows a fact that women also do the same things as much as men can do. I do not see any reason to reject the opportunity to offer the management positions of women at work.

The world is changing, women as no longer just take care their family, they also are great people in the business. . Wall-Mart is continually criticized for its health-care policy. Is this really an ethical issue? Why or why not? This is considered unethical issue in Wall-Mart because the health cares that Wall-Mart provides to their employees are not fitted with a world- class company. In addition, Wall-Mart has used states health benefits program to instead its own payment; it was not responsible action off big corporation. Many employees and their family could not follow Wall-Mart's health care program, they turn to Medicaid – a state's health care program.

Billion of revenue that the company could get is based on its employee's distribution. Pay more money for health care also kind of investment, and I guessed that the return of this is greater than the profit, including loyalty, employees' effort, and good company's image. 4. Should Wall-Mart be concerned about unionization of stores since allowing unionization of workers  
<https://assignbuster.com/wall-mart-is-a-giant-in-the-retailer/>

in China? The major reason the make Wall-Mart allow unionizing in China not start from its expectation. However, this is a good signal for a ewe revolution in many Wall-Mart stores worldwide.

In America, if any store starts to form a union the store could face many problems from Wall-Mart managers. This would change because of no former union are not fair for United States employees. The union would keep fighting the employee's right benefit. On the other hand, my opinion, United States government should protect the union like China government that also protects the American labors.