

Week4journal phi445 personal and organizational ethics

Business



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Organizations, profit making and non-profit making organizations, face challenges in the operational environments. Understanding the challenges, their causes, and potential solutions is significant to the organizations' sustainability and are the focus of this discussion.

Profit making organization: McDonalds

McDonalds is a multinational profit making organization with its headquarters in the United States. The organization has been facing challenges to its long-term strategy and projects persistence of the challenges. One of the problems that face the organization is "under cost pressure" pressure in the market (Wong, 2013, p. 1). Customers value affordability and are willing to shift to cheaper options while competitors discount their products. This occurs amidst high production costs.

Competitiveness of the fast food industry, cost of production, and scarcity of resources among consumers are the reasons for the pressure and identifies competitors, consumers, and production resources as the responsible factors to the problem that strains McDonalds' profit margin. Reducing production costs through retrenching some workers and increasing workload of remaining workers, developing a brand image that will attract and retain customers are some of the possible solutions to the problem. Brand imaging is the better solution because of its focus on the market and its high probability of success through marketing initiatives. In addition and contrary to reducing number of employees and increasing their workload that promises harm to the society, brand imaging promises benefits to the

company, its employees who will retain their jobs, and consumers who will derive greater utility. Marketing challenges and scepticism are however significant to brand image development (Wong, 2013).

Change in taste and preferences challenge the company's objectives by reducing perceived value of its products and increasing competition from retailers that the changes favour. The changes may be pushed by customers needs or pulled by competitors' innovation and this identify responsibility of the two classes of stakeholders. The change leads to reduced demand and therefore lower profitability of the organization. Sensitivity to customers' needs and market trends, and innovation into influencing customers' taste are the possible solutions. Research based innovation is the suitable solution because of its wide scope and benevolence even though it faces the cost challenge (Wong, 2013).

Non-profit making organization: Care international

CARE International is an international nongovernmental organization that deals in humanitarian issues. One of the challenges that the organization faces, like other of its kind, is its inability to sustain a good image among its diversified audience. Globalization and technology offers information, some of which attack the organization and may not be necessarily true. Publishers and readers of such information are the significant stakeholders to the challenge that threatens trust from the organization's audience and therefore threatened the organization's objectives. Effective communication to the audience to clarify on emerging issues and confronting sources of the negative information are some of the solutions. Effective communication is the best alternative because it is likely to harmonize existing information and

promote unity than confrontation that may threaten further negativity.

Information overload is however a challenge (CARE, 2005).

Volatile political environment is another challenge that faces the organization as it may sometime operate against opinions and intentions of some political forces, leading to restraint and negative attitudes from the audience. Political leaders and the audience are the parties to the problem that is likely to reduce trust in the organization and its effectiveness.

Effective public relations and neutrality in operations are the possible solutions. Public relations is however the best because of its awareness role that may derive audience's support in overcoming the challenges and help manage political environments. Negative allegiances may however be a challenge (CARE, 2005).

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