

Alcoa's case study essay sample

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1. How would you classify Alcoa's ethical work climate? Which ethical criterion, as shown in Figure 5. 1, was used by the company: egoism (self-centered), benevolence (concern for others), or principles (integrity approach)? Or, using Professor Paine's two distinct ethics approaches, as discussed in this chapter, was Alcoa's approach more compliance or integrity? Alcoa's ethical work climate is diverse, encourages open communication and learning, and community outreach. The company's strategy encourages employees to be the first to brainstorm ideas for improvements and innovations. They are also supported to take responsibility and ingenuity by REWARDING them financially and non-financially. Among the diversity they expect a work environment that employees are respected, valued and encouraged to contribute to the company. The ethical criteria that Alcoa uses are principles (integrity approach). They conduct SURVEYS among the community through focus groups to find new programs that will help the environment.

Alcoa is committed to improve the quality of life within the communities their employees live and work. Their principles also are geared towards research and development of innovative products and environmental issues. Alcoa is highly committed to the preservation of natural resources and environmental stewardship, they believe it is the right thing to do and a key factor to exceptional value to shareholders. 2. What role did top management commitment play in developing the ethical work climate and organizational performance seen at Alcoa? What other ethical safeguards are mentioned in the case to support the company's efforts at developing a strong ethical culture? Top management commitment to their values played in important

role in their transformation. The leader of Alcoa, Paul O'Neill, began with reducing the amount of products sold and widened the range OF BUSINESS globally.

Alcoa also created a new office, Environmental Health and Safety, at the corporate level to comply with each country's environmental and health standards. More responsibilities were also given to front-line managers and field managers, reducing higher management positions within Alcoa. The company considered the U. S. Federal Sentencing Guidelines, and Sarbanes-Oxley Act with all of the basic elements included. 3. Was O'Neil justified in terminating the manager for his lack of reporting the WORKPLACE ACCIDENTS, even though no serious harm resulted from the workplace incident? Yes most definitely O'Neil was justified in terminating the facility manager for his lack of reporting WORKPLACE ACCIDENTS, incident clarification, and record keeping of occupational illnesses. Although the manager had a stellar record of increased sales and profitability and high marks in customer satisfaction, also compliant with all appropriate laws and regulations he misunderstood the company's core values.

According to O'Neil, " It is equally imperative that we all learn from this and full compliance with both the letter and spirit of our policies is imperative. Anything less is acceptance." 4. Can Alcoa's " values in practice" be adopted by other organizations as a universal set of ethical standards leading to ethical employee behavior? I believe that this method of thinking can be put into place by any organization. It is simply setting the standards high for leadership and in turn the leadership following through with corrective action when those below them continuously fail to meet the set requirements. After <https://assignbuster.com/alcoas-case-study-essay-sample/>

all, if this was an impossible task then how could Alcoa ever live up their vision of “ being the best company in the world.”