

Walmart facing discrimination lawsuit

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American retail giant Walmart was going to face the largest class-action employment lawsuit in U. S history when a federal appeals court was ultimately allowed the combined multiparty litigation to move ahead to trial. After that, Walmart decided to ask the U. S. Supreme Court to review the ruling of the federal appeals court. And the U. S. Supreme Court agreed to hear the case.

The lawsuit was first filed by Betty Dukes, a store greeter in Pittsburg, California, along with five of her co-workers in 2001. In that case, Walmart is accused of paying women on salary and those hourly wages less than men for the same jobs and giving them fewer opportunities for promotion. The workers also said that women workers made up more than 70 percent of Walmart's hourly work force, but made up less than one-third of its store management in the past decade. The plaintiffs wanted back pay and punitive damage.

Now the question for the U. S Supreme Court is not if there was discrimination but if the claims by the individual employees can be combined as a class action. If the previous ruling stood, the case would cover about 1. 5 million-plus women including all current and former women workers, and their claims could amount to billions of dollars. And this case will become the biggest private gender-bias case in U. S. history.

This case is a very important business issue for Walmart, and any senior manager of the organization should care about this. Not only because of the billions of dollars Walmart might have to pay out, but also the impact and damage it would cost on the company's image. The plaintiffs in this case was

seeking back pay and punitive damage, and due to the fact that over 1.5 million Walmart female workers could be involved, the claim could be up to billions of dollars. This would be a big loss to the company. Also, Walmart tried to project an improved image for the organization, and this case could be a big blow to the company's image. Moreover, the case might also lead to a drop in the company's stock price. And most importantly, if this case ultimately proceeds to trial, it might lead to a lot more similar cases against the company.

In this issue, there are many stakeholders involved. First of all, Walmart's shareholders are one of the key stakeholders. Because if the case gets proceeded, there is a very big chance in dropping in the company stock price. And if Walmart ultimately lost the case, the company would need to pay billions of dollars. In both situations, the company's shareholders would have direct financial loss. Although the shareholders might have no interest in the company's image, they would still hope the company can solve the issue as soon as possible and in an efficient way. Though they are the shareholders of the company, they had not much power regarding to this issue. There are not much they can do to help the company. They might sell their shares if they thought the future of the company is uncertain.

Another key stakeholder is the management of Walmart. They are one of the main reasons why Walmart is facing the discrimination issue. The female workers filed a lawsuit since they thought Walmart management treated them unfairly. If the case gets proceeded and Walmart ultimately lost the case, the Board of Directors might want to review and lay off part of the

management to prevent similar issues from happening again. Since the issue is now already in stage 4, there is not much the management could do.

Walmart's Board of Directors are surely one of the key stakeholders. The issue directly affects the company's revenue and earning, therefore it had direct impact on the Board of Directors. Also, since the company's management was responsible for this issue, and the management was chosen by the Board of Directors, therefore, they were responsible for the issue too. The Board of Directors would try to solve the issue as soon as possible but in an efficient way. They would want to solve the issue soon in order to protect the company's image and sustain the customers' confidence. However, they would not settle the issue easily since they need to act in the best interest of the company.

The last key stakeholders are the workers of the company, especially the female workers. Because this case had a big influence on the benefit of the company's workers. No matter how the case go, Walmart's management would adjust the way they treat their workers. And if the ruling is favor of the workers, they would get back pay and claim for the punitive damage. And if that is the case, the company's workers will have more power to them. This case could be seen as an example for any similar cases.

To solve this action, the company would want to protect and improve the company's image as a good corporate. Also, Walmart would not mind pay some claim to settle the lawsuit, since they would like to settle the issue quickly in order to gain back customers' confidence. However, they would only settle for some reasonable amount.

In my opinion, Walmart should face the lawsuit and wait for the result from the U. S Supreme Court. It is because this case could affect far more than this case. If the company settle for the issue, there is a big chance that more similar cases would come up in the future. And that is not good for the company future development. The key decision maker of Walmart should not settle easily in this particular case.

Other than this strategy, Walmart could try to settle with the workers with compromises. In order to avoid the lawsuit, the company could negotiate with the workers and try to settle by paying a significant amount of dollars. The amount could be a very huge number considering the case involved over 1.5 million female workers. However, this strategy might lead to more of the similar cases and more lawsuits against the company.

Therefore, I would recommend Walmart's key decision maker to take the first strategy. Walmart should wait for the result from the U. S. Supreme Court and let the court to determine the result, it is the best interest for the company's future and development.