

# [The ethical and legal responsibilities of handm](https://assignbuster.com/the-ethical-and-legal-responsibilities-of-hm/)

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Operational activities

A company’s typical daily processes that generate income. Operating activities pertain to a company’s core business activities, such as manufacturing, distributing, marketing and selling a product or service. These activities should provide the majority of a company’s cash flow and will largely determine whether a company is profitable. With regards to H&M they offer merchandise such as garments, shoes as well as accessories in their daily actions this is known as their operational activities.

Branding ethics

Business ethics are implemented in order to ensure that a certain required level of trust exists between consumers and various forms of market participants with businesses. Thus meaning H&M must follow business ethnics when performing its activities.

Corporate governance

Business Corporation is all about who comes up with the verdicts of the business. Limited firms comprise of a board of directors who are accountable for overreaching strategic direction. Operation managers at various levels answer to the board. Hence H&M will have a board of directors who carry out vital judgments. They are answerable to board managers.

Governance is vital to big companies such as H&M because how will H&M directors acknowledge what managers are doing. Thus the government will step in. hence corporate governance is the employees and measures for taking important decisions within H&M.

Corporate SocialResponsibility(CSR)

This is the policy regarding H&M for all the stakeholders that takes their interest into account. CSR also refers to the extent that H&M considers what it does in relation to the wider world. The government encourages CSR.

Sustainability

The planet is not capable to withstand ever growing industries. Thus it will be challenging for H&M to surge its operational activities which will harm the planet hey may be a specific point where they can take up for their operational activities.

Human rights

Business ethics reflect activities occupied on behalf of institutes such as H&M. Business ethics as the business if its activities stand moral or immoral for us people.

Numerous queries that come forward in business ethics affect every one of us such as the environmental ones. There are also some issues which relate to human rights too. Consequently it is vital that H&M deal with these concerns and queries properly as they do affect people and theenvironment.

Human rights are generally aboutdiscrimination. For example it is illegal in the UK to treat people differently because of their race, gender, religion, sexual orientation or disability. These are referred to as basic human rights. There are additional forms of human rights which are fabricated into our legal system. At H&M workers are eligible to a contract of employment, to work part time, to be able to join a union and to have hearing against unjust dismissal. This is for everyone; this is known as human rights.

Corruption

Corruption is the dishonest behaviour by those in positions of power, such as managers or government officials. Corruption can include giving or accepting bribes or inappropriate gifts, double dealing, under-the-table transactions, diverting funds, launderingmoneyand defrauding investors. Consequently for instance H&M or any of their workers use unjust means to possess something they are corrupt they will get a bad name.

Trading fairly

Fair trade is where; business is carried on in an open manner. H&M is carried out in an open manner. Competition takes place on grounds that are equal for all parties. Therefore H&M will have to make sure their competitors are kind of equal for them to compete with. This means not exploiting poor countries. Consumers can feel secure that the goods and services they are buying are going to be of satisfactory quality. Therefore H&M will have to make sure their goods meet the criteria for trading fairly.

Legal and regulatory compliance

There are numerous regulations that H&M need to follow. These are so H&Ms customers, its workers and others in the wider environment are protected.

Consumer laws

When consumers purchase goods from businesses such as H&M they put their trust into the business. They expect the best from the product and business. An unethical business may give a false description of a product therefore there is a law for businesses to follow as it is illegal for them to give false descriptions of a product to its consumers. The law is known as consumer protection law. Therefore this means consumers have rights and businesses such as H&M shouldrespectthese rights for example if H&M described a product which really does not match its description it is illegal for them to sell this product to its consumers. H&M as a business will have to follow three acts which are consumer protection act 1978, sales of goods act 1979 and trades description at 1968. All these acts are rights for consumers at H&M. Also H&M must comply with trading standards. Trading standards offices exist to ensure consumers are given protection against rogue traders whether they are selling goods or offering services. Rogue means a trader operating as a legitimate business without the necessary skills and abilities to the job.

Protecting employees

Firms are obligated by regulation to treat workers properly and without discrimination. The sex discrimination act 1975, the equal pay act 1970 and the employment protection act 1975 all place firms are required to handle employees in a just open manner. For instance H&M are under all these acts and must abode by them. For any reason H&M fail to do so they are breaking the law and therefore will occur. Also workers are also given protection underhealthand safety. It is H&Ms Responsibility that they make sure workers are safe at all times. Such as making sure they abstain the correct and suitable equipment to accomplish their work. Furthermore carrying out risk assessments.

The wider environment

An unethical firm could damage the environment as they tip waste, pollute water ways and constructing without permission from planners. H&M will have to be cautious to ensure that they do not do any of the following unethical actions.

Business practices

The regulation covers key ethical matters that can affect numerous stakeholders in H&M. This comprises customers, employees and the near environment. Nevertheless there is perhaps a chance for actual business actions to fall short of legal requirements. Uncertainty this did not occur there would be no need for regulations. As managers of H&M handle everything it may become too much pressure for them to achieve their objectives as a result they may use malpractice which means an occasion when someone does not follow accepted normal practice. Things can become very serious and wrong if H&M use malpractice to obtain their objectives. H&M could do malpractice through corruption or illegal activity.

Working conditions

Whenever individuals begin to work for H&M they are eligible to a set of minimum working conditions, which are not just about salaries. They include areas such as hours, holiday entailment, privacy, harassment, and discrimination. It is up to bosses to have a decent working area for workers. Trade unions can aid employers gain their rights from immoral bosses. H&M must ensure working conditions are suitable for workers and see if they also suit their employees.

Individual ethical responsibilities

Individual ethics define our basic values and standards of behaviour. Management is responsible for staff working in H&M. The HR purpose tries to hire the individuals who will perform the work correctly. It is H&M mangers accountable to ensure employees maintain ethical procedures of a business. Equally it is up to individuals to maintain their own ethical values at all times e. g. employees at H&M.