

How might a large multinational clothing retailer ensure its workers and its supp...

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Ans. The first thing a multinational corporation should do is carefully plan and devise a code of ethics. This code of ethics should provide general guidelines on what behaviors and practices are acceptable and what are not. The code of ethics should also mention the penalties and liabilities associated with the breach of particular rules. In addition to that, there should be a special code of ethics customized to the individualistic laws of the various countries in which the branches operate. The special code of ethics should include additional rules and regulations without driving out the power or significance of the general code of ethics in areas where there is no contradiction between the two. Formulation of the special code of ethics would demonstrate sensitivity of the corporation to the local traditions. The companywide code of conduct should be supplemented by the internal business units of the corporation. Formulation of the special code of ethics should be a teamwork effort by the different functional areas of the corporation. “ Enlisting the support of these local functions is important in shaping acceptable policies and dispelling notions that people at the home office dictate standards of behavior without respecting cultural differences” (LRN, 2007, p. 2). Top management assumes great responsibility for developing ethically responsible culture in multinational corporations. They should frequently conduct meetings to identify any lapses and temptations of unethical business conduct by the employees (Godiwalla, 2012). Multinational corporations should have an efficient communication and reporting system in place to timely identify and control ethical misconducts.

References:

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