

# Essay summary of nike case

[Business](#), [Company](#)



Nike Case 1. Should Nike be held responsible for working conditions in foreign factories that it does not own, but where subcontractors make products for Nike? No, I do not believe Nike should be responsible for working conditions in foreign factories. I do believe that there should be working standards in place and adhered to but I do not believe that is Nike's responsibility. Nike is a business in order to run a successful business one must abide by good business practices including respecting others beliefs and values.

It would be no different than if a Nike employee another employee how to raise their kids. As long as they are abiding by the laws governed in that their own country people are free to raise their children how they please. 2. What labor standards regarding safety, working conditions, overtime, and the like, should Nike hold foreign factories to: those prevailing in that country, or those prevailing in the United States? Nike should uphold the standards prevailing in the particular country.

If there are issues regarding safety, working conditions, overtime, etc, they should be discussed through separate entities, for instance the United Nations. 3. An income of \$2.28 a day, the base pay of Nike factory workers in Indonesia, is double the daily income of about half the working population. Half of all adults in Indonesia are farmers, who receive less than \$1 a day. Given this, is it correct to criticize Nike for the low pay rates of its subcontractors in Indonesia? It is not appropriate to criticize Nike for low pay rates.

According to salary.gov, the average American income is 46,326. If a company from United Arab of Emirates came exports products from a store <https://assignbuster.com/essay-summary-of-nike-case/>

in the U. S. and paid the workers 105, 623 (equal to the percentage raise Nike is paying in Indonesia), Americans would be grateful. 4. Could Nike have handled the negative publicity over sweatshops better? What might it have done differently, not just from a public relations perspective, but also from a policy perspective? Yes, Nike could have handled the negative publicity better.

For instance Andrew Young should have brought his own interpreter into the factories. There is no way of knowing what is actually being said and the motives behind a foreign interpreter. Nike took the right steps when it mandated hours worked per week, minimum wage per governing country, and raising the child labor laws. They set workplace standards and followed up with them. When they found businesses not adhering to the regulations they increased them, and gave the business a clear definition of what the regulation mandates.

I don't think Nike could/should have done anything else. 5. Do you think Nike needs to make any changes to its current policy? If so, what? Should Nike make changes even if they hinder the ability of the company to compete in the marketplace? No, I do not believe Nike needs to make changes to its current policy. The fact that they even implemented policy shows their character. If Nike did make changes and couldn't compete in the marketplace thousands of Americans would be upset about losing their favorite sports brand, and millions of people would be out of jobs.

The failure of Nike to compete in the marketplace could literally mean the downturn of foreign economies. 6. Is the WRC right to argue that the FLA is a tool of industry? The WRC is correct in stating FLA is a tool of the industry.

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However, the businesses involved are exactly that, businesses. The FLA was an appropriate step in the right direction for the pursuit of better business practices by other countries while maintaining the best business relationship possible. Disrespect, is not only a great way to lose business, but wars are literally started over it.

FLA takes the times to look at the beliefs, and values of the companies it is working with and not just “ do what they feel is the right thing to do”. 7. If sweatshops are a global problem, what might be a global solution to this problem? The United Nations should handle the sweatshop issue. That way it is not just the U. S. attacking, or implementing their business structures on other countries. The United Nations is specifically designed to handle global issues. Having multiple nations give their input and suggests would be an incredibly helpful and compromising tool for employees and employers in all countries.