

Good example of review of ethics and technology in walmart case study

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



Wal-Mart ranks highest in the list of United States' private employers and brags of having employed an astonishing 1.4 million workers. It is the nation's favorite retailer registering about 379 billion dollars of sales revenue in the year that ended on January 31, 2008. It achieved this through lowering costs of operation and low costs made possible by an efficient inventory system.

Ethical Dilemmas Facing Wal-Mart

The ethical dilemma in Wal-Mart arose from the conflict in the organizations strategies and the plight and views of the employees. Wal-Mart's strategy to lower costs by altering the procedure for scheduling employees' work shifts had attracted criticism from their employees' rights advocates. In the year 2007, Wal-Mart officially adopted a computerized duty scheduling system against the workers and their advocates' will. Implementation of this strategy brought forth an ethical dilemma on Wal-Mart's choice between uses of technology to arrange work schedules and retaining the manual duty allocation system.

Wal-Mart embraced the use of a computerized scheduling system making it easy to prepare a working schedule for each of the stores within the chain in a few hours' time. It consequently caused the employees to become less motivated since their job security got threatened. The employees experienced unpredictable work schedules. Wal-Mart still stands to lose employees through the system's irregular hours that translate to inconsistent salaries. If Wal-Mart retains the employees' services, it will have to cope and plan with the marginalized returns. That presents an ethical dilemma for the organization.

The Wal-Mart employees also face an ethical dilemma created by the conflict between choosing to support the organization's goals and choosing to look out for their well-being. Even though, adopting the new computerized scheduling system would result in irregular work schedules and inconsistent paychecks for its associates/ employees, Wal-Mart stands to gain by cutting operational costs. The employees have the option of leaving the job at Wal-Mart, hence becoming jobless or staying and working under the uncomfortable job environment.

Ethical Principles That Apply To the Case

One of the ethical principles instilled at Wal-Mart is autonomy; where both the retail company and the employees are considerate of either one's right and respects their contributions within the firm. It is evident in Wal-Mart especially when the company proposes the adoption of a computerized scheduling system. It got criticized by workers' rights and advocates against the impact it may cause in the employees' lives. That shows that the company values the voice of its employees and respects their arguments (Tittle, 2000).

Another ethical principle includes beneficence that touches on how compassionately Wal-Mart values its employees, and their decisions get made with the aim of prosperity of both the employees and the firm (Tittle, 2000). Wal-Mart's computerized scheduling machine is faster and more detailed when allocating duties. It helps save time and resources that may have gotten spent during the formulation of the work schedule.

Nonmaleficence is another ethical principle concerned with avoidance of

harm like in the case of Wal-Mart where the company was hesitant to adopt the computerized work scheduling system. That was in order to safeguard the rights of the employees by ensuring that they received adequate motivation, have regular work schedules and earn consistent paychecks. The company also upgraded to a computerized scheduling system to ease the store manager's tasks. The company is also driven to improve productivity and customers' satisfaction by employing the use of Kronos, a computerized work scheduling system (Tittle, 2000).

Fidelity is another vital ethical principle practiced by Wal-Mart. It usually encompasses a fairness, loyalty, advocacy and dedication to the institution's aims and goals. Fidelity grounds itself on the concept of commitment based on caring as a virtue. Since the company practices fidelity, we find that the employees get considered with regards to the impacts of inclusion of a computerized scheduling system and how it will influence the employees' lives.

Justice is also a crucial ethical principle that we find incorporated in the case. The ethical principle seeks to safeguard the rights of individuals within the confines of law and justice. We also find that the employees have forwarded their fears and complaints about the adoption of a computerized work scheduling system to the company through workers' rights advocates (Tittle, 2000).

Paternalism is the last ethical principle that I have made out within this case study. The principle reflects how one uses power and authority over another person (Tittle, 2000). Even after the employees forwarded their sentiments

about the computerized system, the company still adopted the use of computerized scheduling system.

Potential Effects and Consequences of Computerized Scheduling on Employee Morale

Computerized scheduling may lead to decreased job stability and reduce the workers' morale. It is unpredictable and demands flexibility and availability with work hours. It may also involve irregular hours and inconsistent paychecks which go a long way in demoralizing workers. It complicates and wounds the employees' lives.

The consequences of these effects also affect Wal-Mart through various ways. It enhances low morale of the workers, poor job stability and security consequently resulting in Wal-Mart's poor employee performance. It also leads to loss of the amount of workforce through retrenchment or firing of employees. Moreover, it reduces the level of motivation of the workers, thus not ensuring the workers full determination and motivation in working towards achieving the set goals and objectives.

The current Wal-Mart workers were requested to forward ' personal availability' forms. Within the forms, they were advised that one's personal availability may regulate the amount of hours he/she receives in terms of schedule for work. Evidence suggest that some workers have experienced their hours cut, and shifts swapped around. Some of the experienced employees with high pay grades have voiced concern over the system empowering managers to compel them into quitting. That shows that the employees have lost interest and trust in their employer.

Paul Blank of the WakeUpWalMart. com website asserts that the

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computerized system attempts to optimize the most number of part-time workers whose productivity is volatile due to their short time spent at work. At the same time, ensuring the least number of full-time workers at lower wages. That is in complete disregard to the negative effect it has on the individual workers' lives. Sara Clark, a prominent worker at Wal-Mart, says the system's goal is to provide better customer services by cutting down checkout lines and ensuring better satisfaction of the customers' wants and needs.

Manual scheduling of work may require sparse staff in the early morning hours, steadily rising in numbers towards the midday hustle and bustle followed by a reduction in the number towards the end of the afternoon. In the evening, the staff will be full with plenty of members present. For a chain like Wal-Mart, which has thousands of 24-hour stores with prior labor practice problems, the transition of the computerized scheduling system resulted in complications and controversies.

Reference

Tittle, P. (Ed.). (2000). *Ethical Issues in Business: Inquiries, Cases, and Readings*. Ontario, Canada: Broadview press.