

# Ethical obligation of wal-mart

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



The focal point of the paper is to analyze if Wal-Mart have an ethical obligation to increase wages and improve healthcare benefits for its employees or is Wal-Mart simply an ethically legit business operating within a capitalistic society? For the purpose it is important to evaluate the background of the company and its wage structure incorporated with utilitarianism ethics. It can well be stated that Wal-Mart is a retail giant. According to walmartfacts.com, Wal-Mart operates over 3, 800 facilities in the United States and more than 2, 600 facilities overseas.

More than 176 million customers per week shop at Wal-Mart. It employs over 1. 8 million associates worldwide, making the company the largest private employer in the United States. For the fiscal quarter ending in January 2006, Wal-Mart reported \$312. 4 billion in sales and \$3. 8 billion in net profit. In light of all this, Wal-Mart prides itself on its low prices - making products affordable to all, including the less well-off. (Data supplied by customer) Wal-Mart, however, has been the target of criticism. In 2003, for example, the company increased part-time employees from 20 percent to 40 percent.

Employees are required to be available 24 hours a day and on weekends. Wal-Mart spent \$1. 3 billion of its \$256 billion in sales in 2003 on employee health care to insure about 45 percent of its workforce (Costco insured 96 percent). Many Wal-Mart employees cannot afford Wal-Mart's health care package. Finally, according to 2003 statistics, full-time employees make about \$1, 200 a month or \$8 an hour, below the federal poverty level for a family of three (Union grocery workers earn approximately 30 percent more).

Full-time Wal-Mart employees who are not self-sufficient are encouraged by the company to go on food stamps. (Data supplied by customer) Under such conditions it could be stated that ethics are often called upon when making a decision, especially when the choices become a simple matter of right or wrong. In many cases, the easier choice is often the unethical one. So does that, in fact, make it wrong? With so many differing opinions on the subject, it is hard to say for sure. One particular view allows common ethics to be thrown by the wayside in order to achieve happiness for oneself.

The view, or way of life for some, is known as utilitarianism. It is the belief that good is whatever brings the greatest amount of happiness to the largest amount of people, thus meaning that those not included in the 'largest amount of people' will more than likely be left with some form of pain. That, in a broader view, is essentially what utilitarianism is - pleasure versus pain. Actions are right if they promote happiness and are wrong if they produce the reverse of happiness—not just the happiness of the performer of the action but also that of everyone affected by it.

Through the years the theory has been changed to simply "the greatest happiness principle", so as not to pit one human against another in order to achieve their own personal happiness. (Dollard, 89-92) The utilitarian view could absolutely affect the way in which a person makes their important decisions. Sometimes it is a matter of who should be happy when all is said and done - the decision-maker, or those affected by the decision? That, as hard as it may be, is up to whoever is dealing with the problem. Whether utilitarianism is ethical or not is a matter of opinion.

If the utilitarian ideas are used by a moral-minded intelligent person, then it could be considered ethical, and even just. The bottom line is that it is extremely important to have ethical judgment in all decision making processes. No matter what views are taken, an ethical side to it can always be found. As seen with utilitarianism, some acts can be deemed unethical, while others are ethical because they do what is best for all involved. Utilitarian decision making means that the happiness of the greatest amount of people involved will be the reason for the final outcome.

That, paired with moral thinking, creates ethical decision making. Under such conditions it could be stated that the influence of ethics is very relevant in decision making in this modern world of business environment. However, it should be remembered and it is an extremely notable point that under these circumstances of the Wal-Mart there was a significant change in another sector of employment. It is found and has been reported that within this time frame the agreement of employment under the head of individual contract has risen in a considerable number.

This suggests that there is a considerable rise in the context of pay per performances and there is rather a utilitarian perspective in the context of employment. That way this method of contact system with an individual has given birth to a system that evolved on greater and direct communications system or method with the top management and the employee. This is another excellent example of the usage of the term unitary mode where the details of each employee is monitored by the management system without the intervention of any third parties like the trade union or the labor union or any other similar employee beneficial groups.

This example of the term unitary mode defines a method where the administration hold the key to any and every employee by treating them a singular number thereby cutting down the enforcement criteria of the individual without hampering the area of that individual's responsibility towards the organization. In other words the employee would be liable for each and every function that is imposed on him but on the other hand the organization or the administration would hold a limited liability towards that individual. (Fletcher, 188)

Furthermore, it should be added in the context of the above mentioned formulation and implementation of the utilitarian perspective, that while the individual is regularly judged by the dint of individual feedback process and assessment of individual employee attitude, it should be remembered that in the same context and under the same time frame the programs like joint decision making declined in a struck contrast but all in all it should be taken into account that all these approach are in the direction towards a better formation of utilitarian perspective and the Wal-Mart managers are highly successful in this regard.

However it should be state that labor has been a major sector of problem in many industries over a long period of time and measures had been taken in behalf of this variable by the dint of different means and it could be ascertained that utilitarian perspective is one such method to solve this problem. It should be remembered that this technique of utilitarian perspective was implemented in the Wal-Mart scenario as a calculated move and this remains as a philosophy and a principal in the Wal-Mart context of the business plan. (Kar, 145)

Therefore it is obvious that steps relating to utilitarianism are sometimes obvious and these obvious steps are taken into account by the industry and its managers to the extreme by transforming them into well defined criteria of formulated principals. Thus, in a way, the statement made by several studies confirming that Wal-Mart managers generally hold to a strongly utilitarianism perspective on employment relations in the Wal-Mart workplace is basically true but at the same context it should be stated that as calculated measures the outlook of utilitarianism perspective on employment relations is a result out of need.

However, it should be mentioned that this perspective is quite appropriate for an understanding of relations between employers and the workforce in contemporary US workplaces as this principal of utilitarianism perspective on employment relations is the usual norm and it is latently backed by the government. (King, 126) In conclusion it should be stated in this context that Utilitarianism represents all ethical theories where the goal is maximization of some measure of goodness. These are outcome-oriented ethics where goodness is measured by its results.

Commandments of God are ethical theories that accept some higher power as their source. It is self-evident that a major weakness of these theories is disagreement about just what it is that God has commanded. In this context it could be stated that to sum it up- it would be very relevant to state that in our all utilitarian materialistic market economy driven needs of urban life the advertisements play a vital role and salary structure and Wal-Mart payment methods are an integral part of it.

Thus the method taken by Wal-Mart can always be stated as an ethical company and it has no obligation to raise the payment in favor of the workers. It would be wrong to address the company as ' simply an ethically legit business operating within a capitalistic society' because under capitalist economy every dollar saved is every dollar earned and not dollar ever come cheap. Thus Wal-Mart can raise the pay if it wishes but there is no hike of payment the company would not be responsible and should not be charged with ethical obligation as per as utilitarian materialistic point of view is concerned.

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