

What are the problems that Walmart has faced, and what has the company done to a...

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Wal-Mart Stores, Inc. , is an icon of American business. From small-town business to multinational, from hugely controversial to a leader in renewable energy, Wal-Mart has long been a lightning rod for news and criticism. With 2008 sales of over \$405. 6 billion and more than two million employees worldwide, the world's largest public corporation must carefully manage many different stakeholder relationships. It is a challenge that has sparked significant debate.

Although Wal-Mart reportedly can save the average family \$3, 200 annually, the company has historically received plenty of criticism regarding its treatment of employees, suppliers, and economic impacts on communities. Feminists, activists, and labor union leaders have all voiced their beliefs that Wal-Mart has engaged in misconduct in order to provide low prices. However, Wal-Mart has been turning over a new leaf. New emphases on diversity, charitable giving, and sustainability have contributed to Wal-Mart's revitalized image.

The story of Wal-Mart and its low prices includes both positive and negative impacts on society. Positively, Wal-Mart reportedly saves consumers over \$287 billion annually, equating to about \$950 per person. On the flip side, research shows that communities can be negatively impacted by Wal-Mart's arrival in their areas. This analysis attempts to show both sides of the controversy. It begins by briefly examining the growth of Wal-Mart, and then discusses Wal-Mart's various relationships with its stakeholders, including competitors, suppliers, and employees.

Some of the ethical issues concerning these stakeholders include accusations of discrimination, illegal immigration issues, and leadership misconduct as demonstrated by Wal-Mart former vice chair Thomas Coughlin. Yet, in an effort to show Wal-Mart's attempts to position itself as a socially responsible company, this case also examines Wal-Mart's sustainability plans, its ethical initiatives, and former CEO Lee Scott's impressive leadership qualities. The analysis concludes by highlighting Wal-Mart's strategy during the most recent recession and recovery.