

# [Legal issues for managers - ethics](https://assignbuster.com/legal-issues-for-managers-ethics/)

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Legal issues for managers s ID) 14th January The case of Jason and Brad Jason an employee of HRU which is RH’s major competitor is so vengeful to the point he is willing to get back at his employer, without thinking it through; by giving away, the company’s’ pricing policy to its major competing company (RH). Smith’s manager is on the other hand, is so ambitious and interested in obtaining the confidential pricing policy of the major competitor (HRU). As pertains to every company’s conduct no employee is by any means authorized to disclose any confidential information they come across. Thus, Brad would stand breach clause 2 of the standards; which states that such information is not only valuable but also developed from significant resources of the company. The manager also would be exercising breach of code as stated in clause 4 relating to the company’s competition and fair dealing   
Alley Beal’s case   
As relates to Beal’s concerns, the parties involved are; the manager of the accounting department who is aware of the discrepancies in the accounts created in the accounting department and those presented to the board of directors. A few of the accountants are spending the company’s property and working time in running of their own businesses. The manager is aware that someone is responsible for breaching clause 6 of the code. Furthermore, such records amounts up to $100million fraud through overvaluing of assets could most likely lead to harsh disciplinary action like loss of employment or even criminal prosecution. The accountants on the other hand, are not only using the company’s time to conduct their own private businesses; but they also using the company’s assets as well. The accounts are in breach of almost all sub-clauses of clause 5. For instance, they use their business time for their own private work. In addition, as relates to clause 3, the accountants are engaged in using the company’s computers.   
Linda Plant’s case   
The Japanese company, which a major supplier extending an invitation to Linda Plant, the RH purchaser and her husband for a two-day trip to Sydney and Rolling stone’s band concert in Australia. This would mean a breach of sub-clause 5. 3 of the conflict of interest clause. That is, Linda Plant as a purchaser was not to be involved in any form of acceptance (recipient) of gifts from a supplier; which would act towards the interests of the Japanese company benefiting; if Linda would be involved direct or indirectly in the purchase. In addition, any money or services extended to an employee, family member or to any company RH is involved in a transaction with is not allowed.   
Benefits of business ethics   
The term business ethics refers to the recognition between right, wrong, and consistent striving to set an example of a good conduct within a company. The benefits of business ethic in a company include; building customer loyalty. Existing customers are loyal and do not need marketing to buy goods from a company, like new customers, thus loyal customers are the greatest assets to a company. Having business ethics enables, an organization to retain good employees rewarded on merit thus creation of a positive work environment that minimizes legal problems (Turner, 2012).   
Ethical duties of businesses   
I believe the social corporate responsibility is the ethical duty that motivated the creation of RH code because it is the continued commitment by companies to ethically assess the impact of its behavior towards improving the life of its workforce and the community at large. The social corporate responsibility would enable the RH company to impact the society positively by following their set codes of conduct (Turner, 2012).   
Reference   
Turner, C. 2012, Business Law for Managers. Stamford, CT; Cengage Learning