

Applied business ethics assignment

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However Toyota only made their first major call after a month. 1. 2 Ethical Dilemma in a Business Situation Toyota Motor Corporation known about the sudden-acceleration problem but they did not make any recall or even announce to the public about this problem. It is an ethical dilemma in business situation for Toyota, if they recall their car it like announcing to the public that those car have problem.

Thus it will affect customer loyalty and Toyota reputation. On the other hand, if they do not do so, customer might not know about the problem and this may lead to serious injury or damage for customers who are driving those cars with problem. Toyota delays the inspection of federal safety rule requiring on the side- impact air bags. By delaying the inspection Toyota save \$124 million and cost of 50, 000 labors hours for the company. On the other hand, if Toyota did not delay the inspection, the company could have lost \$124 million and cost of 50, 000 labor hours.

However, Toyota is more concern about the company profit over the consumers. By delaying the inspection, Toyota has put their customers at a risk. Toyota purposely and repeatedly delayed safety regulations by avoiding defect investigations and obstructing government inquiries into safety encores. Delaying a rule for safety regulations governing roof crush standards, electric shocks from hybrid and electric vehicle batteries, and sliding doors on vehicles help Toyota saved \$11 million. Toyota delayed the safety regulation to help the company to save cost but at the same time neglected the consumer's safety.

Toyota also avoided a government probe of rust problems in the Tacoma pickup. It also passed an investigation on the Sienna van rear hatch, which a few consumers had complained that it is dangerous. Toyota continuously avoids and delayed safety regulations from the federal highway regulatory agency and government. These could cause serious injuries or damage to the consumers by driving their cars without a proper safety and regulations inspections, as their Toyota cars might not reach the requirement. On the other hand by avoiding and delaying Toyota can save a lot Of cost.

Toyota spokeswoman Martha Voss said in a statement that the company values has always been putting customer first and ensure the highest levels of safety and quality. What she said and what the Toyota Company is currently doing is totally different. Martha Voss is giving untruth information to the public. By doing this, Toyota builds image, reputation and trust towards the customers but at the same time it an unethical way of doing it as Toyota is trying to cover the truth from their customers. It is important for Toyota to balance the interest of its various stakeholders.

Different stakeholder groups have different priorities, for example: Shareholders expect the business to make a profit and receive a return on their investment. Employees require good working conditions if they are to be retained. Investors may want to see evidence of how a company responds to environmental issues before committing money to the business. Conflict will arises when the needs of some stakeholder groups compromise the expectations of others. Toyota might make choices, which some stakeholders might not like.

For example, the cheapest supplier goods, which can help keep prices down for customers, must not come at the expense of ethical practice by suppliers. Some of the stakeholders are potentially impacted from the decision on the situation. Toyota Company is not the only one who is making the decision. The stakeholders act according to their interest too and use their power to influence the decision in the direction they desire. Furthermore stakeholders are also defined as any person or organization that has legitimate interest in the company, who can affect or be affected by organizations with their managerial behaviors. . 3 Ethical Solutions Toyota Company solution towards the ethical dilemma can be done by building the company and improves its current status. Looking at the dilemma, this had been a big influence on the Toyota's production and it had a lot of effect on the sales being made as the consumers were slowly losing faith in the company. Toyota Company should take major steps in dealing with the problem in order to prevent future accidents from taking place. They should recall all the affected vehicles and try to fix their quality control issues.

Toyota could do by issuing a recall notices globally to fix sudden acceleration problem and other quality issues identified. Toyota can publicized the use of a highly computerized engine on the cars and a functional control system that will be use to repair all the affected vehicles. The company should also agreed to assist and make further investigations in order to clear their name from the mess and to win back the consumer's trust. The Toyota Company should approach the dilemma by accepting the blame and making apologies to their consumers. Then explained to the consumers and media where the problem was and how they aimed to deal with it.

The Toyota Company need to assured that, they valued their customers based on the actions that they took regarding their quality control issues that lead to accidents. Therefore it will re-establish an authentic connection with the customer. Since the problem was located to be from the auto company, it was discovered that the company only assemble the parts of the cars that have been imported but do not make their own cars. Therefore, the Toyota Company will have to look out at the problem of their supply chain management department. Toyota Company needs to fix the quality Of their car production. Toyota can create a Special Task Force.

This special task force can be used to outlines and tightening the system of delivering quality and supply chain management for Toyota Company. The Toyota Company can also deal with the supply chain management problem by applying the management principles of the company in all its branches. The fact that there is problem in supply chain management is due to the increase in plants at a global level, thus it has raised some difficulties in he department. Because to develop strategies that will suitable to all the employees and to satisfied the customers is very difficult. Therefore problem occurred.

The Toyota Company can deal with the problem by applying the management principles of the company in all its branches. Team work is the main aspect for the company and this principle need to be passed on to the rest of the companies in other different countries. To further restoring trust in the brand, the public need to hear from Toast’s leaders what is being done and how that ensures potential defect information will be handled differently. Toyota created an advertisement said; “ At Toyota we care about your safety <https://assignbuster.com/applied-business-ethics-assignment/>

which is why we're investing \$1 million every hour to improve our technology and your safety" (Toyota, 2014).

Above are a number of things that Toyota Corporation can be done to correct the problem and deal with the bigger picture. Of quality, however, the role of its leaders in helping rebuild trust and reputation is also critically important.

Part B 2. 0 Portfolio of Evidence 2. 1 Appendix A In seminar four we were given four case studies about four different characters, whereas each team in the seminar is asked to play on one of these characters. Each team is asked to agree and disagree on the other two characters which you are not assigned on. The four different characters are Mike Gustafson, Jan Edwards, Me-Huh Flung and Dishes Chem..

These four characters have very different points of view on ethical values. My team was assigned to the character of Me-Huh Flung and we agreed on Dishes Chem. and disagreed on Mike Gustafson. Me-Huh is a successful graduate accountant and she is also a successful Senior Manager at International Pharmaceuticals Company WAC. She has a strong feeling towards ethical conduct. Mike's point of view for ethical leadership is to make ethical decisions and use ethical rules to develop employees and the company. Mike finds tension with his daughter, as his daughter is more focused on her next bonus payment over the environment and social problem.

Mike is a retired lecturer who taught Business Ethics for a long time. He is full of Business Ethics knowledge, but what is going on in the real business world is totally different from what is taught in the class. From Anna's point of view, Mike will not understand that there is a lot of ethical dilemma going on

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which he is not able to control. Me-Huh believes in corporate codes of governance and professional codes of ethics. She always believes in these codes of conduct, as she stated that it is reinforced in corporate induction and company literature.

Me-Huh doing seems to be unethical and it not an ethical leadership behaviors. As her Company WAC, provide charities to the third world countries and at the same time they do marketing for their company in the third world country. It is unethical as WAC main purpose is not about the charities but more about marketing. From Me-Huh point of view, she was hired as a Enron manager, and her job is to bring the best values towards the company. Beside from that Me-Huh cannot stop what the company or shareholder want to do, as she is just a senior manager.

According to Kohlraubi's (1969) theory, there are three broad levels of moral development. Pre-Conventional when an Individuals concerned with reward and punishment, Conventional where an Individuals do what is expected by others and Post Conventional where an Individuals make decisions based on normative principles. Me-Huh is the Post Conventional type of person, as she makes decisions based on normative principles. Me-Huh is always playing with the rules but not breaking them. Dishes Chant grew up believing that getting good education background will get him good job and can start a stable environment for his future family.

Therefore his parent saves up for a long time to send him to UK for further studies in business school. But he find on of his module business ethics is completely pointless, as it conflicts with the real business and wont help in

the real business. As Dishes comes from a place where there are very little ethical values. From Dishes point of view, the starting of every business is about survival and there is no extra amount of cost for ethical value. Other team stated that Dishes come from developing country that is lacked of ethical education background, that the reason why he doesn't believe in ethical values.

But developed countries such as I-J and US that are highly ethical educated countries are having business in the developing county, paying the local cheap labor to get cheapest production cost to gain the maximum profit out of it. 2. 2 Appendix B On seminar 1 and 5, we were to identify an ethical dilemma on the case. The case is about a guy named Berries, whether he should stay for work or go for his vacation to meet his girlfriend (See Lana) and her family in Hong Kong. Berries took two weeks holiday to go to his girlfriend's home in Hong. This is a very important holiday, as Berries is going to meet See Lana parents.

Before the holiday, Berries was told that one of his client have brought forward their product launch. The product launch would be in the middle of Berries's holiday. Berries is facing an ethical dilemma of whether he should stay and work or go for his holiday. If Berries stay and work he is being responsible for his work but at the same time for being selfish towards his girlfriend. This behavior is known as Egoism. If Berries stay for work, he will help the company to maximize its welfare and this is known as Utilitarianism (Crane, A & Matten, D. 2010).

But if Berries went for holiday, means that he is being irresponsible for his work. According to Kohlraibies (1969) theory Berries is being Conventional as he does what is expected by others. As his girlfriend expect him to go on this important holiday with her. Boride's manager did not ask him to stay or he would face sanctions for taking holiday. From the point of view of Boride's manager, he has three options. Firstly he can find someone to cover Berries work. Secondly he can let Berries go for holiday and he cover up Berries work by himself. Lastly, ask Berries to stay and work on the product launch.

But he did not, he only emphasize to Berries how important the client is. At this point, Boride's manager is pre-conventional. Kohlraibi's (1969) theory stated that individuals are concern with their own immediate interests. As Boride's manager is worried about his interests will be affected if Berries went for holiday and no one can handle his work. Boride's manager at the same time is also being Egoism, as he considers only is self-interest but not Berries girlfriend and her family. But Boride's manager also being utilitarianism as he maximize the company welfare when Berries stay and work for his client. Crane, A & Matter, D. 2010). Boride's friends argue that what he did is wrong. His friend Marcus said that he is being a coward for giving up his holiday. Marcus also said that Berries had jeopardized his relationship with See Can. Not only that, he also let his friend down as his friends cannot say no when they are asked to give up their holiday now. Boride's friends are pre-conventional at this point of view, as they only think bout their self-interest. They did not concern about that Berries have been working on this project for a long time, how he can just leave at the end of the project (Kohlraibies 1969).

Marcus is Egoism at this point, as he only thinks about his self-interests, as he might have to give up his holiday in the future if similar situation happen. But Marcus have no concern about how hard it is going to be on Berries, as Berries have to give up his holiday and jeopardized his relationship with See Lana. See Lana can only agree to Berries decision. As Berries had made his decision, See Lana cannot make him change his decision. Demonology can be apply to See Lana on this situation, as Berries had made his decision it mean that it is a duty bound.

Solution for See Lana is to be post Conventional, as she can fully support Berries decision. 2. 3 Appendix C One of the interpersonal skills that I have is the ability to have effective communication with my tutor and colleague. I always recognize the person that am talking to, so that they know that I am listening to what they are saying. Believe that effective communication skills are always important no matter where you are. Also take time to listen carefully to what others are saying. I tend to have an interest on what people are talking about during seminars, as other people may have different points of view. Loud try to see things from their perspective. So that can learn something whilst and might gain the respect and trust of others. It is a good way of interacting with people in a new environment, as am an international student. During seminars, we often find ourselves in group situations, professionally and socially. We often have debate about ethical values. Different group and people will have different points of view. So am also being assertive, trying to express my point of view in a way that others can understand.

Not only have that, I always kept positive attitude towards others who disagree with me, as people have different points of view. Like Interact with others on a one-to-one and whole group basis, so that I could understand them more. Like to work with a range of people from different backgrounds, experiences and attitudes, as it will broaden my basic knowledge. If we are given a task as a group, I will try to work together as a group in order to complete assigned tasks. I will always encourage and support each other to contribute a positive atmosphere among the group.