

# Essay on employment practices at walmart

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



## **Introduction**

Walmart is the world's largest public corporation in terms of revenue and it largely attributes that due to its aim of bringing the lowest cost possible to clients. Sam Walton the founder of the retail store exhibited admirable traits that he also wanted to instil in the company's workforce such as more effort, loyalty, humility, sincerity, and prudence (Basker, 2007). Furthermore, he also wanted his employees to also be happy, and inspired to work in the company. Presently, Walmart staffs the most workers than any other organisation in USA, yet most workers live below the poverty line (Cascio, 2006). Furthermore, following their unrelenting mission of " Always Low Prices" has drawn significant criticism about the company's employment practices, relationship with suppliers, and the company's impact with local communities.

This paper will highlight the unethical employment practices at the company with reference to three ethical principles that are fairness, dignity, and transparency. The practices that will be critically analysed are: resistance of labour unions, gender inequality, poor health plans, and unacceptable working environment. The combined analysis of these practices will provide evidence of the thesis that there are indeed unethical employment practices at Walmart and actions that would correct the situation should be encouraged.

## **Discussion**

Firstly, in Walmart there is opposition of labour unions that have surfaced as a result of policies resisting employment unions. Opposition of workers

joining the unions is against the business ethical principle of dignity where there is prevention of association (Velasquez, 2006). Ceausu, 2006, asserted that the reluctance of employees to join the labour union is as a result of the company's anti-union strategies such as managerial scrutiny and anticipatory closure of branches that decide to form unions. However, the company defends itself by saying that it is not anti-union but rather pro-associate where there is no need for labour force to pay third party organisations to discuss their problems with the management (Hemphill, 2008). The company's accessibility policy for every worker is adequate for them to air their grievances vertically up the management hierarchy.

Cases of anti-union campaigns in the company are evident since the seventies in the era of the owner Sam Walton. In the early seventies, Sam hired a professional union buster to squash the formation of a Retail Clerks International Union in Missouri (Ceausu, 2006). Furthermore, several years later the company hired a firm to come up with strategy that would impede formation of unions whose effect are evident up to today. The absences of labour unions are avenues of employees being ignored and at the mercy of their rights being violated.

Secondly, there is also prejudice against females in the company where they lack fair access to rights such as promotions and improvement programs. This is against the fairness principle where women lack fair competition and treatment when it comes to promotion considerations in the company (Velasquez, 2006). An example is, " Adair Donnar, a worker at the company for ten years at Wal-Mart in Tennessee and California was bluntly told that she

was not liable for promotion to a manager because she was a woman (Besen & Kimmel, 2006)". Apart from promotion difficulties experienced by women, other mechanisms for unfairness are women discouragement in competing for challenging tasks. In this discrimination, the most prominent rejection mode is indirect one where women would still maintain their positions once they were rejected. In essence only men got the managerial positions hence the name " Sam's Club."

DASH, highlighted the mechanisms of sex discrimination that were similar to what was going on in Walmart. The mechanisms are nine and depict the common ways of gender discrimination in the work environment. They include: supportive discouragement, friendly harassment, liberated sexism, collegiate exclusion, radiant devaluation, arrogant chivalry, benevolent exploitation, subjective objectification, and considerate domination (Spangler et al., 2008). The theories that explain the subtle discrimination of certain genders in the work environment are similar to stories that are illustrated by women working or have worked in Walmart. The discrimination has resulted in women in Walmart having lower wages in comparison to their male workmates.

Thirdly, the company offers inadequate health insurance to their worker which is against the principle of dignity. In 2005, the company had given 44% of its workers; health insurance in comparison to 96% recorded by wholesaler Costco its rival (Basker, 2007). Carden et al., 2009, explained the low health insurances to workers to the high cost of low prices. The company introduced a health plan to part time employees who had worked for a year

a shift from those who had worked for two years. “ The demerit of the plan was that workers would get the benefit after \$1000 deductible is paid which might be out of reach financially for part-time workers (Hollon, 2005)”.

Furthermore, full time employees must work for six months continuously before being eligible for the company’s primary health-care insurance (Hollon, 2005). The inadequate health insurance given to workers highlights the violation of dignity principle in business code ethics and will result in risky work conditions and lower productivity.

Lastly, there are sub-standard work conditions in the company where employees are forced to work overtime without pay or even working without breaks or rests (Hemphill, 2008). This is against the transparency principle where there is absence of truthfulness in the amount of hours employees are supposed to work. This is deception in the sense that workers’ salaries and bonuses were reduced when sales declined. Workers are converted from salaried employees to hourly employees which is somewhat similar to casual workers hence there is no guarantee on the part of employees of the actual amount of money they will take home at the end of every month. Poor conditions result in low wages which is a deception of what the company stands as the largest employer in USA. This deception is against the transparency principle. Proof of these poor conditions was in 2000, where Wal-Mart settled a class action suit with 50 million to all its 69, 000 Colorado workers (Richey, 2010).

## **Conclusion**

It can therefore be stipulated that employment practices at Walmart are negative and go against the ethical principles advocated for in maintaining standards in Global businesses. The practice of labour union opposition is against the principle of dignity were employees are denied the right of association and expression. Absence of association and expression leads to uncreative and de-motivated employees that record low productivity in the retail store. Discrimination against females is also evident as they are discouraged and denied equal chances in climbing the corporate ladder which is against the fairness principle of business ethics. Discrimination has been proved in the company through internal strategies that would deny women fair chances without them even knowing. Inadequate health insurance is also against the dignity principle and has resulted in workers to be more at risk in the work environment. Transparency principle was also violated in Wal-Mart's employment practices where employees were tricked into working for longer hours without even rest and then eventually denied over-time payment. Therefore, the company has to incorporate measures that would also promote employment practices hence resulting to motivated, innovative, inspired, and happy employees as the owner Sam Walton intended.

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