

Ethical analysis of gumdrop northern

[Sociology](#), [Ethics](#)



At the conclusion of this audit, the following ethical Issues were identified: emergence to International law and treaties by exporting manufactured landmines to Afghanistan and Iran; use of substandard materials used to construct body armor; disclosing Information from the military that would prevent Injuries; and the formulated plan to send out notices under the Worker Adjustment and Retraining Notification (WARN) Act, and severing ties to the collective bargaining agreement which resulted in 100+ employees out of work.

Despite the several issues that have been identified, we are optimistic that we can implement solutions that can correct these incidents and prevent future issues from happening. Due to the magnitude of the issues that were found it is essential to get a basic understanding of business in ethics. Ethics can be perceived differently among people because it has several nuances. According to Frederica, Farrell and Farrell, The American Heritage Dictionary defines ethics as, " The study of the general nature of morals and of specific moral choices, moral philosophy, and the rules or standards governing the conduct of the members of a profession. (p. 7). This is a good starting point to help us further understand the importance of ethical compliance. For the purpose of this memorandum, the definition that will be used is the principles, values, and standards that businesses should adhere to, to ensure it is acting within ethical standards. Furthermore, studying ethics in business is very important because ethical misconduct is a considerable concern in business throughout the world. My ethics committee and I have referenced this definition and statement through the duration of our audit, and is the foundation of our findings.

Now that we have discussed the definition and importance of ethics in business, we will discuss ACH ethical Issue that was discovered in Gumdrop Northerner operations. After each ethical Issue has been addressed, we will discuss potential solutions and our reasoning for the betterment In your short and long-termgoals. Ethical Issue #1 : Ignorance to International Law and Treaties by exporting manufactured landmines to Afghanistan and Iran. This is a very dynamic issue because there is conflict of interest.

This conflicts with your parent company, the Department of Defense because you are a long-term military contractor that manufactures munitions, body armor and armored vehicles for the United States military. The U. S. Litany is currently fighting in a decade-long war in the Middle East, and landmines have been common amongst the fatalities since the beginning of the war. Improvised explosive devices (Deeds) have continued to be the number one killer of United States armed forces in Afghanistan, and 60 percent of all combat- related deaths in 2011 alone were caused by Deeds (Moral, 2011).

Deeds are the most common method used by insurgent groups and rebels who wage non-traditional warfare, and are designed to kill or cause serious bodily harm. The conflict of interest that my committee and I are most concerned with is the simple fact that you are opposed to supply effective body armor to thecoalitionforces to protect them from explosive blasts, but you are also supplying the enemy with the essential tools that cause these aforementioned explosive blasts.

This conflict of interest not only violates international law and treaty, but you are potentially responsible for deaths of uniformed personnel serving in the

armed forces. It is your responsibility to behave ethically, and this has not happened by your ignorance to the law, and the endangerment you have caused to uniformed personnel. In addition, the landmines that you sell to the Taliban and Iranian government are defective, and many of who attempted to plant the mines was killed in the process due to the faulty switches.

It should also be noted that many of these deaths were children and soldiers of each respective country. This ignorance on every angle is unethical by all counts. The basis of this ethical issue can have a wide range of effects legally, and can have severe repercussions on corporate stakeholders. The legal effects are very straightforward. The company can potentially be taken to court to file the violation of international law, and the consequences can be severe.

For example, Department of Justice lawyers are rumored to be involved where families of injured or killed service members can consult attorneys to investigate Gumdrop Northerner contributions. Furthermore, the stakeholders are also potentially at risk. Anyone who has a stake or claim in your business can be directly affected because of your negligence to law, and this can damage your reputation, which is important in keeping your contract with the Department of Defense. In addition, it can jeopardize the future of your company.

Ethical Issue #2: The Use of Substandard Materials Used in the Company's Manufacturing and Failure to Disclose to Stakeholders It has also been brought to our attention that Gumdrop Northern has utilized substandard materials in their manufacturing. Given the nature of your business, the

United States military needs state of the art body armor that has the sophistication to stop penetrating shrapnel aimed for the body. The use of substandard materials is unacceptable because the safety of our soldiers is paramount in today's war.

The body armor is the primary mode of protection that protects America's sons and daughters, and the armor you are providing the U. S. Litany does not protect them to Afghanistan and Iran. The substandard material is not only limited to the personnel body armor, but it also is connected to the armored vehicles used to transport military personnel throughout the theater. It has been revealed that there is a thin sheet of steel on the underside of the vehicle that makes them extremely vulnerable to improvised explosive device explosions.

This is alarming because, as previously mentioned, Deeds are among the chief causes of death of soldiers. You have structured a vehicle that is protective on the sides and top, but have ignored arguably the most important part of up-armored vehicles used in the Middle East. This also leads to the negligence of the company to disclose this information to its primary and secondary stakeholders, and failure to understand the stakeholder orientation. The failure to disclose information can cause the rescission of an agreement.

In your case, the Department of Defense can void the agreement with your company and also pursue a money settlement. Also, the purpose of the stakeholder orientation is for you to understand and address the demands of a stakeholder. The U. S. Litany is your primary stakeholder and you have

failed to meet their demands and standards by using substandard materials and failing to disclose this information to them. It is your responsibility along with other top managers in Gumdrop to act in a responsible manner by providing truthful information to all stakeholders.

We have found in our audit that you have failed in this field, and you have not complied with ethical standards. Ethical Issue #3: The formulated plan to send out notices under the Worker Adjustment and Retraining Notification (WARN) Act, and severing ties to the collective bargaining agreement, which resulted in 100+ employees out of work. We have found that your actions under the WARN Act are completely legal because you have acted within all the guidelines underlined in the act. Also, your plan to file for bankruptcy to reject the collective bargaining agreement is another area of concern.

However, we believe it is unethical to do so because of the circumstances that you have found yourself in the aforementioned ethical issues. This issue is controversial because you are muddling between the lines of ethical and legal issues. We believe that this is an unnecessary approach, and there are other venues to pursue to resolve the issues at hand. I believe you should place significant value on your shareholders because they are primarily responsible for the day-to-day operations and ensuring your company is bringing in profit.

Therefore, you should treat your people right and you can accomplish this by giving them a fair shot. If you trade seats at the table, it would seem unfair to dump them so quickly because they have families to feed, bills to pay and priorities to maintain; so we think you should do the right thing and help

them in any way possible. The ethical issues that we have identified are substantial and they can have serious potential effects on the reputation of your company and its future. With that said, we have outlined a detailed plan that we have formulated as the best for the business.

Resolving the Ethical Issues: All of the issues have been put on the table and addressing possible solutions is a statement of Gumdrop because this is where we believe you have failed. We suggest that a meeting is held by the Board of Directors to re-tool the mission statement of Gumdrop Northern. When all of the issues are put on the table it helps to have all eye players there to innovatively think of the direction the company wants to move in. For the first ethical issue, the resolution is quite simple.

We believe that Gumdrop Northern should adhere to international law and treaty by severing your ties with Afghanistan and Iran. It doesn't make sense to supply the enemy with antipersonnel ammunition, and protect the individuals fighting the enemy. Although more than half of your profits derive from these clandestine operations, it is conflicting with your interest by protecting the United States military with your manufactured products. This relationship should be terminated, and it should tie into your company's mission statement.

Furthermore, it is your moral and ethical responsibility to report your shortcomings. I believe that showing integrity defines a company, and this can be the first step to repairing and strengthening your relationship with your stakeholders. It is also a great first step into repairing your corporate image. Moving on, the second ethical issue that we discovered is definitely a

priority in addressing. The United States Military deserves the best protection because of their illnesses to volunteer their lives to fight for our freedom.

Gumdrop Northern is using substandard materials when superior equipment should be used in preparing the body armor and armored vehicles. I think that the best solution to this problem is using the best equipment available to help protect the soldiers. I believe you should immediately recall all the body armor that has been issued, and rebuild the body armor that the soldiers use. This move is good for your image because it shows you have identified faults in your products, and will work relentlessly to alter it to meet military standards.

You are also doing yourself a favor by telling your primary stakeholder that there are issues with your product, which is something that you have failed to do so. In addition, you should also revamp the armored vehicles that you supply to the troops. This is the primary mode of the transportation for uniformed personnel, and ensuring the safest vehicle possible should be a priority. Gumdrop Northern should provide additional sheets of metal to the bottom of the vehicle to strengthen the most vulnerable part of the vehicle. Finally, the third ethical issue can be resolved by not doing any of it.

It is our belief that you should take responsibility for your actions, and slowly repair your image. I believe that taking care of your shareholders is important in business because they make sure your company is working. Therefore, the essential portion of this resolution is to own up to your mistakes and build on what you have. This solution shows ethical

responsibility, and this is the focal point of this memorandum. I previously mentioned that an essential part of this meeting is also to identify fiduciary duties of the Chief Executive Officer and the Chief Operation Officer.

It is the ethical responsibilities of each of these managers to gain back the trust and confidence of the stakeholders (I. E. - United States Military). This is the best alternative that is the best for the business considering the ethical issues that were identified and the potential circumstances that were discussed. It is the right thing to fixing your problems. By owning up to your mistakes it may damage your company's problems in the short-term, but you are strengthening your company in the long run.

I believe the first couple of months will be difficult because of the backlash you'll chive by showing your integrity, but with strength and perseverance, Gumdrop Northern can return to prominence. I also believe that part of repairing the company is implementing an ethics committee and appointing an individual to act as the ethics officer. I believe this is essential because it would help prevent issues like the previously mentioned from happening in the future. It also will keep Gumdrop Northern in ethical compliance. Your company has fallen short in this area, and it should be a priority in your company's mission statement.