

# Car industry managers ethical concerns

[Profession](#), [Manager](#)



In the 21st century, business managers have lot of challenges for the business progress, while the main challenges that business managers have are, good use of human resources, about the marketing of the products, long range planning for better results, and better use of analysis towards the foundation for decision making, (Drucker, P. F., Classic Drucker collection). In the early days, a vehicle was prepared by few men, under a shed for the purpose of carriage trade, besides this now car manufacturers are employing specialists in different fields (engineering, economist, marketing experts etc) to overcome different challenges (Christ, The motor industry). In the car industry managers are also facing challenges costs of cars, government policies for the industry, working conditions of the staff, about the oil consumption and pollution.

In ethical concerns one of the main practical issues with respect to consumers is prices of cars. Aged people and people with low income prefer cars of low prices. In the words of Arndt Ellinghorst (head of automotive research at credit Suisse), smaller and less expensive cars are preferred by older people because these cars are easy to handle, which results in stronger vehicle downsizing (Daniel Schafe, Financial Times). In consumer concerns another practical issue for the managers is safety and appearance of the cars. Most of the car makers avoid building safety features in the cars which they knew are necessary for the safety of consumers (Ralph Nader, The motor industry). Now people prefer safety and beautiful appearance of cars in different designs (Dannenberg, J. and Burgard, J., Oliver Wyman Journal).

One of the most struggling challenges for the car industry managers is staff issues in ethical concerns of consumers. Health and safety is of main priority because employees are the assets of the business and if employees during the work become injured then the business may be suffered and a business can make good profits with efficient workers (Cuscio, W.). Another issue is employees benefits, employ benefits include different packages like pension, extra work reward and also include vacations, the other benefit is that the employees must be fairly compensated (Managing services quality journal). Also managers must take into account the working conditions of the employees, employees should be paid according to their work. In addition many companies are not paying their employees according to their work for example, in 2009 Toyota cut pay and working hours of the employees by 10%, there are 4500 employees working in Toyota with basic pay of £19000 per year and now losing £1900 in a year (Emily Garnham, express news).

In respect of consumer concern advertising is also a big challenge for managers. People want true and fair advertising of cars so that they chose their desired cars. Wisconsin law shows that the advertising of cars must be truthful (Wisconsin department of transportation). Another challenge for the managers with respect to consumers concerns is the government policies for the automobiles (restriction on the imports and exports and custom duties on cars). Consumers are also affected by these policies because in some countries government impose high custom duties on cars so people cannot afford such cars for example, In Ukraine, world trade organization has

eliminated the restrictions on eight year old cars and reduced the import rates on automobile from 25% to 10% (China law and practice).

In environmental concerns one of the main challenges for managers is pollution. One of the biggest concerns is the factory smoke and smoke from the bulk of automobiles. This smoke causes CO<sub>2</sub> emissions which in turn causes pollution in the atmosphere. The toxic materials of the huge car industries mixed with the water, results in various diseases. Consumers are worried about the waste materials because these chemicals are dangerous for their health. These toxic materials can be recycled with different processes, by building chemical waste system can be an effective way to prevent these materials from getting into water sources. (Oke, O. K., Research journal of applied resources). In addition noise pollution is also a main consumers concern towards the car industry. The whole world is crowded with the automobiles with lot of noise; results in noise pollution for example, in China bulk of automobiles are the barriers for the green economy (Gan, L., Energy policy journal).

In consumers concern oil consumption is also a main issue, this creates another challenge for the managers. Most of the car industry depends on oil and are responsible for half oil consumption (Industry week magazine). The resources of oil around the globe are near to be extinct and consumers are worried about the future and want changes with respect to energy consumption for their vehicles from the car industry for example, US department of energy claims that the oil will not be available after 2037. Now people are using 76m barrels and in 2020 they will use 112m barrels of

oil and the prices of oil will be more, future will depend on small new deposits of oil (Monbiot, G., The Guardian news paper).

Now consumers are focussing on the organic interiors of the cars that provide comforts to consumers and also consumers prefer vehicles with low CO2 emissions and vehicles with hybrid engines which help to reduce toxic emissions. These challenges convert managers' behaviour toward eco-friendly automobiles. Most of the car companies are trying to produce automobiles with organic interiors to satisfy the consumers demand. Lexus GS450 is an example of eco-friendly automobiles with organic interior and emits 179 grams of CO2 per kilometre (John Griffith, Financial Times).

Efficiency in the business can be achieved by perfect labour force; managers should provide benefits to the employees to get efficient work from them (Cascio, W., Managing human resources: productivity, Quality of work life, profits). Moreover car industry should focus on the cars with natural resources to minimize the pollution and Budd automotive silencers should be use by diesel engine vehicles because they can reduce the exhausted noise from the diesel engine vehicles. Environmental sustainability can be achieved through recycling of chemical waste materials. Government should implement some rules to advice the car industry for the waste material system (Oke, O. K., Research journal of applied resources). Government can play an important role in order to minimize pollution. Government should tighten the pollution rules (Chris Struve, Fitch rating analysis). Car industry should provide low cost vehicles for the aged and low income people. Car

industry should produce cars which use different type of fuels which can be alternatives of oil.

On the whole, consumers concerns for the environment and for the ethics have brought more challenges for the car industry managers. They have to overcome these challenges by providing services in order to satisfy their customers and they have to assure their customers that their business activities have least impacts on the environment and also assure that they have achieved good business ethics. Government policies will be effective in order to minimize pollution and also waste materials systems are favourable for the environment and recycle materials can be used in different areas. Benefits should be given to the employees because employees deserve it. Hybrid electric engines are also useful for the environment as they help in order to reduce harmful emissions. Some of the environmental and ethical challenges have been discussed and some recommendations and solutions have been given in this essay to help managers in order to run their business successfully and ethically.