

Something's rotten in hondo essay



**ASSIGN
BUSTER**

There are a few ethical issues in this case. The first one involves whether or not George and his Ardnak plant should schedule the heavier emissions work at night so they can mislead the EPA into knowing the true levels of emissions that their plant actually puts off like the other Ardnak plants do (Fraedrich, 1992). The second ethical issue involves whether or not the plant should capitalize on the neighboring country of Mexico which is only 15 miles south of Hondo.

This way Ardnak would not have to worry about the EPA standards because they would be in Mexican territory where the emissions standards are higher (Fraedrich, 1992). The last ethical issue involves destroying an entire community if Ardnak decides to move their plant to Mexico. This particular plant employs several hundred workers which makes up a significant portion of the population of Hondo (Fraedrich, 1992). The only real decision-maker here is George Mackee.

He has quite a few different things he needs to decide upon. First of all he has to decide whether to make the decision to shut down the plant and move it to Mexico in order to not have to worry about the levels of emissions that the plant is putting off, or to do it all the other plants of Ardnak are doing and that is to put off their higher-level emissions at night when the EPA isn't checking. George does have some other decisions to make. He can decide that he doesn't want to have to make these decisions because either way it will affect many different people. He could decide to look for another job, but Bill, George's boss, did remind him that there were very few jobs out there in this industry (Fraedrich, 1992).

Built it have a very hard time finding the same type of work. Another thing that George could do it that he could discuss the problem with someone in upper management. He could tell them that Bill refuses to cooperate with getting a new smokestack scrubber to cut down on the emissions. He could ask for their advice on what decision he should make. The stakeholders in this case are George, the people that work for the plant in Hondo, the EPA, George's family, the Mexican town that could be the new home of the plant, and also the people that may be affected by all of the pollution that the plant puts off because of not cutting down on their emissions. Another stakeholder is the environment from all of the extra emissions being put off by the plant (Fraedrich, 1992).

Apply Ethical Theories Under Kant's Categorical Imperative Theory, " if the motive is pure, then the means can justify the end. For the first ethical issue involving the possible deceptiveness to the EPA the Categorical Imperative Theory would not support this (Kaplan eGuide). The plant's motives are not pure. They are acting only upon selfish reasons.

They don't want to have to put up the money for a new smokestack scrubber; they would rather fire many hard-working people that depend on them, or keep lying to the EPA and risk hurting people from the high emissions. Because the motives are not pure this theory would also reject the idea of destroying an entire community just to save money on a onetime purchase of a smokestack scrubber. This theory also wouldn't support this plant moving 15 miles south just to get away with higher emissions. Under this theory the act is only ethical if it remains ethical if it were to become a universal norm.

It is becoming more and more of a norm for industrial companies to cut down on their emissions because of global warming. Under the theory of utilitarianism these acts would be ethical if it produced the greatest good for the greatest number of people. If the end justify the means then it is ethical. Misleading the EPA into thinking that their emissions are lower than they actually are may actually be ethical under utilitarianism (Kaplan eGuide).

If the plant misleads the EPA then that means that several hundred workers will get to keep their jobs, but if the emissions that the plant puts off hurts more people than several hundred then it would not be ethical. This theory also supports the plant moving to Mexico if it employs more than several hundred people. The only problem here is if the emissions are allowed to even be higher in Mexico this could hurt many more people in both America and Mexico. The means don't justify the end if this is what happens. People also have to worry about global warming, and these emissions could devastate a lot more than several hundred people.

The only alternative that would provide the greatest benefit to the greatest number of people would be for George to go to upper management to see if there is another way of getting money for the smokestack scrubber. This way people would have cleaner air, and several hundred employees would get to keep their jobs. Under the rights-based theory one must look at each individual's rights. The people's rights of Hondo are to be able to keep their jobs.

The EPA has the right, along with the people that have to deal with the extra emissions, to have lower emissions so that the air is cleaner and people

don't have to worry about health problems (Kaplan eGuide). Moving to Mexico would not respect the rights of the plant workers, citizens of Hondo, stockholders, and George. The workers have the right to keep their jobs, citizens of Hondo, including the families of the worker's, have the right to be able to not worry about what their future may look like if the plant moves to Mexico. George has the right not to shut down the Hondo plant, and also he has the right to keep his family happy in Hondo without having to move to Mexico. Under this theory this plant should not move to Mexico because it disrespects all the stakeholders' rights.

In the justice theory the decision that distributes the benefits and burdens most sparingly among all of the stakeholders is the ethical choice. Because the extra emissions put off by the Hondo plant is the most devastating to everyone neither of these decisions is ethical. Lying to the EPA allows the plant to put off more emissions than they should, but by moving to Mexico this would even allow a more emissions to be put off then in America (Kaplan eGuide). It seems as though in the justice theory it may be more ethical to move to Mexico. Many more people in Mexico will be able to get jobs that they couldn't have before, and the stockholders of Ardnak would not be as affected if they moved because there wouldn't be constant fines from the EPA.

Because labor is cheaper in Mexico stockholders would also be able to receive more benefits because of this. Whether the plant decided to move or not their emissions would probably stay the same. They would just get more fines from the EPA in America than they would in Mexico. The justice for the many people of Hondo could be overlooked because there would be many

more to benefit by the move to Mexico. When looking at Kohlberg's Levels of Moral Development the ethical issues aren't resolved in extremely different ways, but the reasons for doing them are very diverse (Kaplan eGuide).

Under stage one and two George would decide that the plant at Hondo should try to avoid punishment and still seek rewards.

They would do this by putting out the most emissions during the night so that the EPA would not notice the levels being put out. They would try their best to get away with what they weren't supposed to buy getting around the EPA and their fines. They would get rewarded by the EPA thinking that the emissions were low; therefore, they would get no fines, and at the same time they would avoid punishment of fines (Kaplan eGuide). Under stages three through six George would go to upper management and they would end up buying the smokestack scrubber, but they would do it for different reasons. Under stage three they would buy it because they know that people and society expect them to. Under stage four they would not mislead the EPA about their emissions, and they would buy the smokestack scrubber because they know that the extra emissions are illegal.

Their motives are law driven (Kaplan eGuide). Under stage five the company would value the social norms of clean air. They would buy the smokestacks scrubber because they know that it is the right thing to do for society. Under stage six they would buy the smokestacks scrubber and not mislead the EPA or move to Mexico because they know that there are human principles that transcend society. They know that lowering emissions for clean air, and letting the several hundred workers keep their jobs is the most ethical thing to do (Kaplan eGuide). Corporate Social Responsibility Legally this plant is

breaking the laws of the EPA by putting out smokestack emissions that are consistently above the guidelines.

Under corporate social responsibility society expects that this plant along with other ones will abide by the laws. This expectation is a reasonable and necessary part of CSR. This plant, along with the other Ardnak plants, need to realize that they are not above the law, and that they have the same responsibility as any other citizen (Kaplan eGuide). This plant has economic responsibility abide by the EPA laws in order to be profitable for the citizens of Hondo. They rely on this plant to contribute to the common welfare and the economy.

If George decides to make the decision to move this plant to Mexico and economically the whole town of Hondo may fall apart. Jobs will be lost, there will be no possibility, no new industries will be formed by Ardnak, and there will be no capitalist system benefits. Ardnak must also think about their stockholders, and what is best for them economically (Kaplan eGuide). Just because the plant can move to Mexico does not mean it is the ethical decision.

They must think about all of their stakeholders. The stakeholders are all of the ones that have an interest in the plant's decisions, and they are the ones that will be affected by the decisions that the make. Just because being ethical to the community isn't a legal requirement doesn't mean that this plant shouldn't have good CSR, and this means having good ethics. No matter if George makes the decision to move to Mexico, or to have the plant stay in Hondo but mislead the EPA on the true emissions, the environment

and the people that are affected by the emissions are at real risk. If they move to Mexico they may end up putting out more emissions there than if they stayed in America and put most of their emissions out at night. This contributes to global warming along with people having to suffer from health problems from the emissions.

Because Ardnak will put out emissions no matter what they should contribute philanthropically to organizations that help people with severe lung problems like asthma caused by air pollution, or any organization that helps people that may have any kind of health problems caused by these emissions (Kaplan eGuide). Another philanthropic act that they could do is to donate to organizations that plant more trees to clean air, or any type of cause that helps counteract the effects that the plants emissions have on the environment. They need to recognize that as part of a society they have a responsibility to give something back to the community. Out of all four areas of corporate social responsibility the law only provides the basis for the plant keeping their emissions under a certain level. It is illegal for them to keep having their emissions above what the EPA standard is (Kaplan eGuide).

Stakeholder Management - The Employee The employee's interest including George is for them not to have to lose their jobs. They should have the right to keep their jobs. It is in all of their interest not to mislead the EPA, not to capitalize on Mexico, and absolutely it is their interest for the plant not to destroy their community of Hondo (Kaplan eGuide). George as an employee, and any other employee that may know of the ethical issues concerning this plant, have the responsibility to do what is right for everyone.

They have the responsibility to not let the plant put out their most emissions during the night so that they can lie to the EPA. They have the responsibility to do whatever is in their power to keep the community safe. George has the responsibility to his family, and his community to keep the plant in Hondo without breaking any of the EPA's rules. George holds the most responsibility because he is the person that is going to make the ultimate decision for all of the other employees.

He can either make the decision to move the plant to Mexico, put out more emissions during the night, or ultimately he can go to upper management to see if they can go about doing this without devastating Hondo or doing things illegally. The only decision that would be best for the employees is if the upper management of Ardnak tells Bill that he must put up extra money for the smokestack scrubbers, so that they don't have to move to Mexico and so that all of the employees can still keep their jobs. Stakeholder Management - The Environment The environmental stakeholder's interest is to be able to have the cleanest air possible. These stakeholders include the air and atmosphere, and also all of the people that are harmed by the polluted air. Because of global warming these types of emissions is more of a threat now than ever before.

Also people are having more and more health problems because pollution put off from plants like Ardnak. It is in their best interests for the plant to cut back on emissions as much as they can. Environmentalists have a responsibility to look into these types of plants to make sure that they aren't doing anything illegally. It is their responsibility to help keep the environment at its cleanest for everything on this planet. It is also the

responsibility to keep the pollution levels so that global warming doesn't get any worse. This is also the responsibility of the EPA.

The EPA is required to keep the air as clean as possible by investigating different plants like Ardnak. Because environmentalists aren't only Americans there needs to be more emphasis by environmentalists from countries such as Mexico that are allowed to put out more emissions than us. It is not only their responsibility to keep America clean, but it is also their responsibility to keep the world clean and people safe from pollutions. The only real decision that George can make on behalf of the environment is to go to upper management to make sure that smokestack scrubbers are bought so that they put out fewer emissions; therefore, there is less pollution in the air to affect global warming and people's health. The other decisions that George could make is to take a chance and quit his job altogether.

He could then tell the EPA what the plant in Hondo is planning to do, and that is to put their largest amount of emissions out at night. This way Ardnak can possibly be forced into buying the smokestack scrubbers instead of moving to Mexico. Stakeholder Management - The Community The relationship between this plant and the community is one of mutual need and fulfillment. This plant provides the jobs and an increased tax base for the community (Kaplan eGuide). This community provides the workforce for this plant along with the infrastructure, the market, and the economy. A substantial portion of the population of Hondo works for this plant, and these workers families depend on this plant and the money it provides their family for food, housing, and any other needs that they have.

This plant is an essential part of the community. This plant has responsibilities to this community because of the community's expectations of it (Kaplan eGuide). The whole community is one giant stakeholder, and they hold giant amounts of interest in whether George decides to either move the plant to Mexico, or mislead the EPA about the true emissions that the plant puts off. If George decides that the best way to resolve this problem is to mislead the EPA as to the true level of emissions from the plant this affects the community because of the toxic levels of emissions that are being put out.

The employees may get to keep their jobs because of not moving to Mexico, but damn and their families both main end up eventually getting sick because of the toxic emissions that are put out during the night. If George decides to move the whole plant down to Mexico, this still would not let the whole community of Hondo get away from the toxic emissions since the move is only 15 miles south. If the plant is moved to Mexico this will devastate the entire infrastructure of Hondo. Hondo may not even exist as a full functioning community anymore.

With several hundred workers out of a job they will most likely have to move to another city or even another state trying to look for the same type of work. The community as a whole is counting on this plant being in Hondo for years to come so they don't have to worry about leaving their friends and family behind, and possibly the only life that they have known. If people move away that means the tax base is gone, and there'll probably be a cut in vital things like the police department, the fire department, and any other programs that depends on the community's tax dollars. The community's

responsibility is to do everything possible in order to keep the plant in the city of Hondo. This may mean rallying, going to high up officials to see what their rights are and what they can possibly do to keep their livelihood in Hondo.

George is part of the community along with his wife. His wife Mary did not want him to be responsible for the loss of jobs for their friends and extended family. George has the responsibility of keeping this community together. He needs to take every action possible in order to keep the plant in Hondo so that the community isn't ripped apart. The best possible decision that George and Ardnak can make is to buy the smokestack scrubbers so that the community can stay alive. George has to find a way in order for the EPA to be satisfied, and also find a way where the community does not have to worry about their main way of supporting their families leaving the Mexico.

George could end up making the decision of letting the highest amount of emissions be put out at night, so that the community doesn't have to be devastated. George will also end up hurting the community this way because people could be getting sicker and sicker because of the high amounts of emissions. George will have to find a better way, and I think this is by going to upper management. Stakeholder Management - The Shareholder Shareholders are exceptional stakeholders because they actually on the part of the business of Ardnak. Through their purchases of stock and their investments they own Ardnak, but they are not involved in the management or direction.

Ardnak must honor their relationship with the stockholders along with also reassuring the public, the government agencies, and keeping the EPA happy with low emissions (Kaplan eGuide). If George decides to keep the plant in Hondo, but mislead the EPA about the true emissions than the stockholders could be affected by a possible shutdown of the plant by the EPA if they find out that the emissions are being put out at night. If George thinks that moving the plant to Mexico is the best idea in the shareholders have to think about things like loss of accountability and oversight. Another thing that they would have to worry about is the different governance in Mexico compared to America. They would also have to worry about the different business laws in Mexico and how this would affect their shares in the company.

Another thing that shareholders have to think about if the plant moves to Mexico is how stable the government is. If the Mexican government suddenly collapses than the shareholders will financially suffer if this particular plant has to be shutdown. The stockholder's responsibility is really to their own interest. If George decides to move the plant to Mexico the stockholders will have to make a decision whether the companies move is going to alter anything that is going to end up affecting the performance of the company. The stockholders that really have any kind of say in this situation are the preferred shareholders. They can influence the board's decision on making this move to Mexico or staying in Hondo.

They can also elect board members that they think are going to make the right decisions for all of the shareholders. Common shareholders don't have any say in what the company does, but they can sell their stocks if they disapprove of what the company is doing. If the plant moves to Mexico than

the effects to the shareholders could be that stock prices fall and dividends have to be cut. This could also happen if they stay in Hondo and the EPA catches them for their high emissions during the night.

The best decision for the shareholders is for George to go to upper management and tell them that they absolutely need smokestack scrubbers. The move to Mexico could end up being very costly to the shareholders, and if they decide to pull their money out of the company then this in turn will end up hurting Ardnak. Stakeholder Management - The Customer The customers keep this plant going. They have ethical responsibilities to the customers by providing the best and safest plastic parts possible.

This plant must recognize the customer stakeholders as a necessary asset to their company. It must ensure that all of their actions will affect the customer illegally or unethically (Kaplan eGuide). The customer's interest in this plant is for the plant to stay open so that they can keep getting the product that they count on. They may like their product because the prices are right, good quality, or may have a special relationship with this company.

George has to make the best decision concerning what the customers would think for them to move to Mexico. He must think about the price and quality of the product that Ardnak sells and whether moving to Mexico would affect the quality or the price in either a good or bad way. Because wages are lower in Mexico this may actually be good for customers price wise, but they must also think about whether they are getting get the best workers compared to what they already have in America. If they decide to stay in America, and mislead the EPA about their true emissions, they must think

how this would affect the customers if the EPA happens to find out about what they are doing.

If the EPA did find out there is a possibility that Ardnak would get shutdown, or have very large fines given to them. Having large fines will probably affect the price of their plastics, and if they get shutdown then the customers would have to find another plastics dealer. The customer's responsibilities are to research into what kind of company they are dealing with. They must ask themselves if they want to be linked with the company that is unethical. Since this plant manufactures plastic parts for small equipment that means they are working with other companies that need their plastic in order to make other things.

If other companies find out that the companies buying plastics from Ardnak is working with an unethical company then they may not want to do business with them anymore. George needs to make sure that whatever decision he makes does not directly affect the customers. Again, as with all the other stakeholders, and it would be best for George to go to upper management to see if they can get the smokestack scrubbers. This is the safest way for the customers to stay secure, and Ardnak not to have to worry about customers leaving them for them making bad decisions. Conclusion and Recommendations George really doesn't have any way around these ethical problems except to go around his boss Bill to upper management to see what they can do about this without ruining so many people's lives. If Bill decides to make the decision to move to Mexico and he is going to be devastating several hundred people's lives including all of their families.

On top of that his wife did not want to go to Mexico, and she doesn't want him damaging the town of Hondo. I think that George should go by Kant's Categorical Imperative Theory. The motives of his boss are not pure. The company would be acting selfishly, and not caring about any of their stakeholders if they decide to move to Mexico. The Categorical Imperative Theory also applies to misleading the EPA about the emissions.

Again these motives are not pure. The company is not thinking about the people that they could be hurting with all of those extra emissions. Even if they did move to Mexico they still would be putting out the emissions enough to be hurting those same people because it's only 15 miles away. George absolutely needs to go to upper management. The options of moving to Mexico or putting out the extra emissions at night are absolutely unethical.

Both of these options hurt the community, the employees, the shareholders, the customers, and the environment. It's not like one of these options only hurts one section of the stakeholders it hurts all of them. The positive implications of George going to upper management is that all of the employees get to keep their jobs, the air gets to be cleaner, the community doesn't have to fall apart, and the shareholders will be more protected. There are no negative implications to any of the stakeholders if they just decide to buy the smokestack scrubbers. I don't know how critics could argue with this except George may end up losing his job. It does seem though that if he did get fired he could end up suing the company and outing to the public that many of their plants put out extra emissions during the night.

I would think that Ardnak would be too scared to end up firing him. The options that Bill gave to George are intolerable. If George decided to take Bill's advice and carry out one of his ideas Ardnak will take a lot of heat from the town of Hondo and even the press if they decide to devastate so many people's lives. It is in the stakeholder's best interest and Ardnak's best interest to keep the plant and Hondo, cut back on the emissions, and in by the smokestack scrubbers.