

Ethical issues facing uber



**ASSIGN
BUSTER**

Introduction

This report deals with UBER's company profile, ethical dilemmas or issues facing the company and suggestions or recommendations from how to overcome these issues. This report also deals with how the company is becoming a safety hazard for the society, despite the increase in demand for their services as well as the accusations it is facing from all sides of society.

“UBER Technologies Inc. is an American multinational online transportation network company headquartered in San Francisco, California. It develops markets and operates the UBER mobile app, which allows consumers with Smartphone's to submit a trip request which is then routed to UBER drivers who use their own cars. As of May 28, 2015, the service was available in 58 countries and 300 cities worldwide. Since UBER's launch, several other companies have copied its business model, a trend that has come to be referred to as “UBERification”.”[1]

Despite its increase in demand for the services, UBER is facing many law suits and protests all over the world. UBER has been avoiding its responsibility towards society by neglecting its code of conduct and ethical code by participating in unethical practices. Its main goal is to expand and increase its market share and ignoring its corporate responsibility.

UBER has been subjected to many law suits and ethical issues. The following are few of the ethical issues which are highlighted:

Ethical issues

Passenger Safety:

According to New York Times, many UBER drivers have been convicted with sexual harassment and sexually assaulting of the passengers. One of the reasons for this is improper background checks of the UBER drivers. Also, there are no proper set criteria for the requirements to become a driver and for the vehicle to be used by drivers. Many cases have been filed against UBER drivers involving in unethical practices such as sexual harassment, rapes and sexual assaults and so on with the passengers. Other cases against drunk drivers driving UBER and misbehaving with passengers have also been registered in recent times. Some of the recent incidents are as following:

1. A passenger in Chicago accused an UBER driver of sexually assaulting her.
2. In Jan 2016, another case was filed in Chicago where an UBER driver was arrested for being suspect of kidnapping a drunken passenger and then taking her to a hotel for sexual assault.
3. In London, a case had been registered against a UBER driver who sexually harassed a woman and ask her to perform oral sex.

Security of Drivers:

Recently many cases have been filed against the security of UBER's drivers from passengers which include beating up of drivers, misbehaving with drivers and assaults of drivers etc. UBER is not taking proper actions for the security of its drivers. Many times, an UBER driver's vehicle has been damaged by passengers but no proper responsibility has been taken by

UBER for the protection of drivers. Some of the recent incidents relating to this are:

- On Nov 3, 2015, a drunken passenger in California assaults UBER driver over the weekend. Although the passenger lost his job as corporate manager at Taco Bell after the video was publicly released, UBER did not take any action to stop this kind of incident.
- Another recent incident happened on Jan 1, 2016 in Miami, when a Doctor in Florida aggressively attacked UBER driver. Some recorded the video of the incident and video got viral. Doctor was placed on administrative leave from hospital but nothing has been done from UBER's side.

Privacy

Recently, UBER has been accused of keeping track of their customers with the help of smart phone app. The tracking system which the company is using to keep a track on its customers is called as ' God View', with which they can access the customer's contacts and send an advertisement about their services. One can argue that the people are monitored by police departments too. But there is a moral difference. Police departments keep on track in order to maintain peace in the society whereas UBER is trying to expand its market range or business interests.

In June 2015, EPIC (Electronic Privacy Information Center), a non-profit organization headquartered at Washington D. C filed an official complaint on UBER about its misuse of customer's privacy terms.[2]

Recruitment and Unethical Conduct of Employees:

UBER is accused of following unethical recruitment and unethical behavior of its employees. UBER has hired some employees as brand ambassadors and provided them with credit cards in order to create a duplicate account with its competitors and to lure their drivers. This program is termed as SLOG (Supplying Long-term Operations Growth) by UBER.[3]

UBER has also been accused of unethical behavior of its employees. In UBER, employees are encouraged to book the competitor services and cancel the order once they get the confirmation for the ride. The main competitor Lyft which is identifiable with pink mustaches has released information that the UBER employees have booked and cancelled approximately 5000 rides in time range of few months. Here the competitor has to face double losses of less number of customers and unnecessary expenses on going to the pick-up, place only to turn back with no customer. Here the question of unethical behavior as well as violation of fair competition laws arises.[4]

Unethical leadership at UBER:

First, CEO of UBER, Travis Kalanick admits to trying to torpedo funding efforts of his biggest rival, Lyft. He was also quoted admitting that his company tried to talk investors out of raising money for Lyft. Second, CEO Kalanick has also referred to his company as “Boob-er” by which he meant that running UBER has helped him meet girls.

Bloomberg was quoted by talking about the CEO as “He can behave, gleefully, like a feral fratboy dreamed up by Ayn Rand; his mission statement runs to some variation of “you know, push a button and get around San Francisco like ballers.”[5] Finally I would like to conclude by saying that if <https://assignbuster.com/ethical-issues-facing-uber/>

ethics start at the top, then tone at the top certainly matters a great deal. Kalanick clearly needs some help with what it means to be an ethical leader, setting an example for his growing empire.

UBER Poaching Competitor's Drivers:

“ Independent contractors for UBER apparently use burner phones tied to dummy accounts, with instructions to vary the locations from which they order car rides from their main competitor, Lyft. Once in the car, the contractors apparently try to figure out whether drivers can be persuaded to switch loyalties to UBER, and in some markets can apparently offer them a sign-up kit on the spot. The latest documents shed new light on practices that Lyft has been complaining about for some time, including in a CNN Money report this month in which the company claimed that 177 UBER workers had ordered and canceled more than 5,000 rides. That and other reports have framed those canceled rides as a form of sabotage. If someone orders a ride and then cancels it, it costs the driver the time, money and aggravation of going to the pick-up location to meet a rider who isn't there.”[6]

Recommendations:

Passenger's Safety

As there are dozens of law suits filed over UBER's passenger safety regarding the number of sexual harassment attempts over the passengers higher authorities in UBER should think of installing a new app that once opened in the time of emergency during any assaults in the transit time that will send calls and messages directly to the police control room or the any five relatives or the friends of the passengers as a signal of some assaults taking place at that very time.

Security of Drivers

Lotsof incidents have been reported about assaults over drivers like beating up ofdrivers, abusing and misbehaving etc. However the company failed to take anymeasure to ensure the security of the drivers. UBER should take necessaryactions for the assaults happening over the drivers like they should ask thedriver to install security cameras and a disclaimer is sent via messages to thecustomers when they book rides saying “ we value our customers, Assaults arepublic offenses, Violators will be prosecuted” and in case something wronghappens with the drivers UBER should take strict actions.

Privacy Issues

Firstly, There should be certain laws over theUBER so that the company is limited to the type of data that it collects forexample payment information which is required by the company as a part oftravel information but beyond these categories the company should be able toshow or prove rights and reasonable comments over the collection of personaldata.

Secondly, UBER is required to delete all therecords of the customer that it requires at the time customers uses the UBERservices. For obvious reasons that once the ride is completed it should deletethe customer’s information.

UBER should really hire third party associates in order to verify the driver’s background check in order to ensure that further there are no more assaults from the drivers over the customers.

Unethical conduct of employees

For UBER to sustain for longer term and to be in the competition they should think of practicing and implementing new strategies to increase the business not by making fake accounts and to order fake rides from other competitors to decrease their business to make their own business more profitable. Such steps could be very harmful for long term business of a company as these cases will increase the business risk in terms of customer's royalty.

References

<http://wtnh.com/2016/01/22/florida-UBER-driver-attack-caught-on-camera/>

<http://www.cbsnews.com/news/after-attacking-UBER-driver-passenger-sues-him-for-5m/>

<http://www.cbsnews.com/news/the-rising-safety-issues-that-could-throttle-UBER/>

<http://www.msnbc.com/msnbc/the-complicated-politics-UBER>

<http://money.cnn.com/2014/11/21/technology/UBER-ethics-oped/>

<http://money.cnn.com/2014/11/18/technology/UBER-unethical-peter-thiel/>

http://www.icmrindia.org/casestudies/catalogue/Business%20Ethics/UBER_Rising_Valuations_Amidst_Ethical_Woes-Excerpts.htm

<http://www.consciouscompanymagazine.com/blogs/press/22766337-the-missing-link-at-UBER-ethics-innovation-conscious-capitalism>

<http://www.consciouscompanymagazine.com/blogs/press/22766337-the-missing-link-at-UBER-ethics-innovation-conscious-capitalism>

<https://assignbuster.com/ethical-issues-facing-uber/>

<https://www.tnwinc.com/9334/UBER-needs-business-ethics-training/>

<http://www.corpwatch.org/article.php?id=16035>

[1][https://en.wikipedia.org/wiki/UBER_\(company\)](https://en.wikipedia.org/wiki/UBER_(company))

[2]<http://www.corpwatch.org/article.php?id=16035>

[3]http://www.icmrindia.org/casestudies/catalogue/Business%20Ethics/UBER_Rising_Valuations_Amidst_Ethical_Woes-Excerpts.htm

[4]<https://www.tnwinc.com/9334/UBER-needs-business-ethics-training/>

[5]<http://www.ethical-leadership.co.uk/UBER/>

[6]http://www.nytimes.com/2014/08/28/upshot/UBERs-secret-agents-was-poaching-from-lyft-unethical.html?_r=0

<https://assignbuster.com/ethical-issues-facing-uber/>