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Each and every organization that exist have or should have a code of ethics in which they follow. The ethics of an organization governs how they will reply to both an internal and external stimulus. Walmart is one of the largest organizations in the world, that’s why it was chosen for this essay. Furthermore, they deal with lots of external social pressures that influence their ethics. They have had more than their fair share of lawsuits because they was sued 4, 851 times in the year 2000 alone Willing, R. (2001, August 13). Lawsuits a volume business at Wal-Mart. USA Today. Whenever an issue arises they always fall back on their code of ethics to figure out the best possible solution. These issues are relevant to organizational and personal decisions and it will be explained how later in this paper. The relationship between legal and ethical issues will also be covered. Walmart is the world’s largest retailer and private sector employer. They employ over 2. 2 million employees. With tons of money, locations, and power, they have been the target for thousands of law suits.

As we all know, Walmart has replaced thousands of mom and pop businesses by carrying the same items at much lower prices. They not only made businesses shut down due to undercutting competitor prices but they also made lots of people lose well-paying jobs in the process only to pay employees poverty wages and benefits and encouraged them seek government assistance in order to supplement their incomes (Logan, 2014). Walmart experienced many external social pressures but the one that’s being addressed in this paper focuses on the external social pressures they received due their effect on the economy. Since Walmart plays such an important role in our economy many people look to them for help and hope. However, Walmart not only failed the economy by not providing well-paying jobs they also provide unsafe and unfair working conditions. This caused Walmart employees to strike for the first time in 2012.

Management is faced with issues on a daily basis and they govern their decisions by referring to their code of ethics. Although the Large Retailer Accountability Act of 2013, which required retailers that grossed 1 billion dollars plus and seventy-five square foot stores in the D. C. area pay their employees at least $12. 50 an hour failed, it shed light on Walmart’s unfair treatment of its employees. The Large Retailer Accountability Act initiated policy debates and influenced widespread media coverage. Walmart employees still have issues with their pay to this day but the external social pressures such as, the strikes, debates, LRAA, and media coverage has played a huge role in influencing Walmart’s organizational ethics. According to Logan (2014), it will take a huge effort in order to completely change the ethics of the world’s largest employer but 2012-2013 was a big year for Walmart’s employees and collaborates. External social pressures are relevant to both organizational and personal decisions because they help us to determine if our ethics are in line with reality.

Sometimes people adjust their personal ethics in order to not be scrutinized in the media and/or to not be the topic of a debate. Organizations usually reconsider their ethics when they’re questioned by key personal like stakeholders and the government. External pressures can be both good and bad depending on the individual/organization or issue that’s being addressed. However, external pressures has changed a lot of people and organizations for the better by posing their views and beliefs on people/organizations for consideration. The relationship between legal and ethical issues are that many laws were started based on ethical beliefs but ethics come from morals. Meaning that ethical issues are not based on laws they are usually based on morals alone. Many legal issues may stem from ethics that are perceived as being wrong. In the end, it seems like legal issues have more of a relationship with ethical issues than vice versa.

Ethics can become more complicated to figure out than legal issues because it’s based on ones beliefs and morals. Legal issues are more cut and dry because all we have to do is refer to the laws that are already in place. This describes how ethical principles can address organizational issues. External social pressures can play a big part in influencing organizational ethics. For example, Walmart has been under external social pressures for years. Although they haven’t made any drastic changes, they have taken several things into consideration. These issues are relevant to organizational and personal decisions based on the individual and the issue. Furthermore, legal issues are usually in line with ethics that are based on the morals of the majority.

References

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