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What are the ethical Issues associated with Wall-Mart’s extensive sourcing of low- cost products from China? Wall-Mart pricing Is too low. As the world’s largest retailer. Wall-Mart leverages its huge orders to convince factories to sell goods at low prices that are not sustainable. This puts pressure on other brands to pay less, thereby setting a dangerous industry precedent.

According to Correspondent Hydride Smith: “ We heard that story again and again from American manufacturers In sectors as averse as electronics, apparel, bicycles, furniture, and textiles. They expressed private dismay at the relentless pressure from the likes of Wall-Mart and Target to cut costs to the bone in America and then, when that did not satisfy the mass retailers, more pressure to move production to China or elsewhere offshore. But most did not dare to go on camera and tell their story publicly for fear of jeopardizing their remaining sales to Wall-Mart. (Smith) Another ethical issue is safety of the products we receive and the working conditions of the outsourced employees. From the Wall- Mart routinely turns a blind eye to poor conditions in supplier factories unless Investigations are made public. “ Retailer admits fire safety aspects are not adequately covered in ethical sourcing audits”. (Hardly) Wall-Mart needs more transparent ethical sourcing efforts. “ Wall-Mart buys more than $1 billion in garments from Bangladesh each year, attracted by the country $37-a-month minimum wage, the lowest In the world. “(Hardly) 2.

Based on your experience, does Wall-Mart sacrifice product quality in order to offer customers low prices % always? Yes. I don’t really shop at Wall-Mart anymore. I don’t believe the price you pay is for a quality product. I would rather save up my money and buy it from another retailer with a good reputation. I believe in the saying “ You get what you pay for”. I have a problem with how they treat employees and when you go In the stores these days there are definite operation issues: Customers and analysts have noticed the operational problems in the stores, Wall- Mart associates have felt the Impact most acutely.

In the first national Independent poll of Wall-Mart associates, conducted by Lake Research Partners In May and June of 011 , concerns about staffing levels were broadly cited by associates among top 1 OFF on the Job. Among the other findings: \* Nearly % say understanding has created problems such as stock-outs, messy stores and poor customer service; \* In contrast to company statements regarding high levels of employee satisfaction, 84% say they would take a better Job if they could find one \* h say they are living paycheck to paycheck; only 14% describe their household as living comfortably.

Across the country the reductions in staffing have translated into significantly increased workloads. A few examples convey the scale of the changes: An associate in the electronics department in Southern California: “ There used to be four or five people in consumer electronics at any given time, now it’s one or two;” \* An associate in overnight stocking in Southern California: “ l used to do five pallets a night, now they say I have dodo 12;” \* A former assistant manager in Seattle: “ Our store used to have about 600 employees, now it’s about 350. (Marshall) What advice would you give to critics of Wall-Mart in order to enhance their impact on the company? To enhance their impact on governmental and regulatory agencies? To enhance their impact on society in general? I can’t seem to think of anything or in my research, it has all been negative. I would love to hear what others in our class had to say on this subject and the problem lies that I am not a fan either.