

The ethical and legal issues of kfc commerce essay



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Business ethics is an important subject. Notions of the ethics have been debated for millennia, relating as they do to beliefs concerning the nature of human practice and action. Business ethics as a specific area of applied ethics, and as a subject of academic enquiry, is of more recent vintage, possibly dating from around the 1920 (Lovell, forthcoming). Business ethics are assigning the require of the society, need and its impact. It impacts the different norms and rules of the society such as religious, cultural and social belief. The CEOs of the organizations plays important role in these rules and norms of the society. The scandals of fraud also come from the aspect, when executive of the organisation plays negative role for their personal life. In last decades we can see so many cases and scandals about the executive of an organization involved in bad activity and taking accused money to spoils the rules of the society. These fraud cases brought CEOs into the courts and decrease their position. The organization is huge arenas in which people invest their money or capital; some of the organization gets the success and the organization become multinational. The act (good or bad) of the organization affects the peoples who work within the organization or outside of the organization. The negative corporate behavior creates issues for the organization. The label of right and wrong indicates the issues that the issues are complex or dynamic. The organization face problem frequently and the solution of those problems are positive and some time negative as well. This search shows the ethical and legal issues of the kfc. In the assignment the researcher tries to explain the ethical issues and the implication of the HR function in legal and ethical issues. KFC is a worldwide corporation and working in different countries and in different environment. It is a multinational company and it has to follow the laws of those countries and <https://assignbuster.com/the-ethical-and-legal-issues-of-kfc-commerce-essay/>

where this corporation is running its function. Other wise, it has to follow the different difficulties in the society in regard to do unethical issues and to breach the law of the society.

COMPANY BACK GROUND

The founder of the Kentucky Fried Chicken was Harland Sanders in Corbin, Kentucky. He was born in 1890 in Henryville, Indiana, America. He loves to try to cook new recipe every day. One day he was try to cook chicken with herbs and spices and they mix eleven types of herbs and spices. He opened a restraint with 142 seats at a gas station it was a motel. The progress of the KFC begin from 1930 it would getting famous. He develops the unique method of cooking chicken with spicing and pressure -deep frying chicken. The customers were decreased in 1950 because the new road was built. He decided to close his restaurant. In 1952 he invested the first franchise in USA with investing 105 USD and having secreted recipe. He sold per piece chicken in 5 cent. In United States and Canada more than 600 restaurants got the recipe. John Y. Brown, Jr. and Nashville financier John (Jack) Massey is the investor in 1964 and they decided that Colonel Sanders still was Kentucky Fried Chicken Goodwill Ambassador for helping and giving suggestion. In 1969 KFC corporation was renowned in the New York stock exchange and they open 3000 new chain all over the world.

SPECIALITY OF KFC

The KFC is known for Kentucky Fried Chicken and it famous for there chicken and burgers. The chicken of KFC is very tasty and people love to eat, the recipe of the chicken is very old and unique. They says that “ no body’s

cooking like KFC today and we are the chicken experts” “ there is no one made spicy chicken which is made by KFC”

PRODUCTS

STREETWISE

BURGERS & BOX MEALS

TOASTED TWISTER

CHICKEN BUCKETS

DELUXE BONELESS BOX

DRINKS & KRUSHEMS

DESSERTS

SNACKBOX

KFC VALUES

TO PROVIDE FRESH AND BEST QUALITY CHICKEN.

THE DEALING IN KFC IS OPEN, HONEST AND DIRECT.

INOVATION OF NEW IDEAS IS THE KEY OF COMPETITIVE ADVANTAGE.

WORK LIKE A TEAM.

DEFINE ETHICS

The word ethic is derived from Greek word ethos which means “ character of a person” and in Latin it means “ customs”. It is a concept of religious, moral

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and legal. In ethic the behavior is the only element which is for the betterment of the common good. Ethics are the inner feeling of the peoples so they can judge that what is moral (right) or immoral (wrong) and they try to live according to them. The people think on both of the aspect and they want the others would think on this aspect. It is the core value of the people so they can solve problems. Ethic means the inner feeling of the people that guide them. The performance of an individual decides that the act is morally good for them as well as for the society, people look after that what is ethically good for the society and for them. In ethics principles are based on cultural, religious beliefs so they can judge the behavior is good or bad. The source of the beliefs:

Family/relation

Religion

Colleges /schools

Ethnic background

BUSINESS ETHICS:

The ethics of the business demands that the company analysis their behavior when they are doing business in the outer world. It reflects morality, ethical reasoning and ethical application. Moral philosophy affect the ethical believes of the managers. It is important for the manager to understand the moral thinking, ethical reasoning. To resolve the moral problem ethical theories and concept are important. While taking decision employee and the managers should concern moral philosophy. The

organization doing business or dealing with in the world and the behavior of the company should be ethically good.

CORPORATE GOVERNANCE

Corporate governance means that the organization is affected by the set of process, customs, policies and laws. It includes the relation between the stakeholders and the corporation governed. It is about the organization how it is directed and controlled, for the success and sustainable economic growth in the organization good governance is needed.

CORPORATE CITIZENSHIP

The responsibility of the organization towards community and the environment in which the company exists. The organization shows their responsibility by doing the process for the reduction of pollution and their waste; they also organized educational and social programs for the society.

SUSTAINABILITY

It is the concept which deals with mankind through the process of development on the environment. The sustainability does not compromise with the future generation for fulfill their own need. It is all about the protection of the environment from air pollution, consumption of natural resources. The organization tries to improve the sustainable economic growth and social equity.

EMPLOYMENT AND HUMAN RIGHT

The rights are given to the employees of the company as well as the people of the society. The employment rights are made for the protection of the employees they have rights like:

Employment particular

Protection of wages

Guarantee payments

Health security

Fixed time of work

Get training

Removal from work

The rights of the people who lives in the society is totally different from the employment rights, the rights of the people can not be taken from them they have full right to do any without taking permission from any one. The members of the society also have social responsibility towards the society because they live in the society they should clean the society.

LEGAL, ILLEGALAND JUST

There are some actions which is good and legal but they may raise the ethical issues, because the people do not accept them and according to law that action are not to do. Some time the action raises moral and ethical issues because those actions are morally wrong and illegal, this type of

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action create lots of issues against the organization. The next category is the action is legal but bad, these issues affect the reputation of the company and also affect on the management.

The bottom line of the Aristotelian approach to business ethics is that we have to get away from the bottom line thinking and conceive of business as an essential part of the good life, living well, getting, along with others, having a sense of self respect, and being part of something that one can be proud of.

(Solomon, 1993: 104)

The final stage is that the action is illegal by nature but morally and legally good. The ethical issues are emerged when the person is disobedient.

SOCIAL DEVELOPMEN

The action taken by the organization for the development of the society and improve social, cultural and environment of the society. In the early time his action would have been termed as charity. The poor Scottish immigrant of in USA, Andrew Carnegie provides a classical example. He wants to sell his business and he also want to be the richest man in the world. He donates his wealth in charity and opens 2, 509 libraries throughout the English speaking world. They know the importance of the library and help poor children so they can learn through that books and get success in their lives.

LEGAL SCHEDULED

The law which is made by the government is mandatory to obey if the corporation or the members of the society if the doing work against then that

action count as a illegal because you breach the law. There are some laws for the organization that they should protect the environment from the pollution. The large scale industries who create pollution they have to do something to reduce that pollution because it against the law. Same like the members of the society they should obey the rules and regulation if they are not obeying then the government take action against them. The organization always knows their responsibility towards the society that's why organization organizes social events and start process to reduce pollution in the society in which they are running their business. There are some laws for the employees for the safety of their job, if an organization hire an employee on a fixed salary but in the end of the month hey refuse to give then the employee can sew the company because they have the right, government already made laws for them. Without nay notice or legal process the organization can not expel the employee, it should be done in procedure. First the organization give warning letter then they show that why they are going to expel them then notice after that they can expel that employee, without procedure they can not eject the employee from the company.

COMPANY PROPERTY

Property is an entity of the person or a joint of peoples. The property has nature like the owner of that property has the right because they owned that property so they sell, rent, transfer to their family members, and mortgage that property. It is a type of personal property there is only one or two to three people ownership. The company property is like the property of the organization this property is an entity of more then ten peoples and some time more then that. The single person can not do anything with that

property without asking the other members who have share in this property. If the employee buy computer for the company and they use that computer when that person is on job, only that person use computer no one use that computer but the employee can not say that it is my property (computer) because the computer bought by the money of the company so that computer is the property of the organization.

LEAGEL AND ETHICAL ON “ KFC”

Kentucky Fried Chicken’s (KFC) is a reputed corporation in all over the world. It is famous for their chicken because they use the secrete recipe with lots of herbs and spices.

The ethical issue involved on the Kentucky Fried Chicken in India was one of the biggest ethical issues in India. From 1995 when the KFC entered in the market of India the controversies started from them as well. According to Prevention of Food Adulteration, Act, 1954 (PETA) the chicken which is used by the KFC contain three time more monosodium glutamate (MSG), to increase the flavor of the chicken the regulatory authorities found. The protest against KFC started form later 1990 and the protest is started by the People for Ethical Treatment of Animals (PETA) it is an organization of animal right protection. The video tape was released by the PETA showing the ill-treatment of birds at their poultry farms of the KFC. The planning of the KFC was that they want to expand the numbers of franchise. Issues of KFC: the chicken used by the KFC to put in a box or a chicken bucket had a frightening death. The people who eat daily chicken from the KFC if they see the footage of a KFC, they never eat chicken from their. The employee who walks through the shelter where the birds lived and lighted the lamps

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carelessly, the letting flames fall on the frightened birds. The dirty barrens fill with ammonia; the birds can not breathe easily. The chicken which they serve to the customers is full of chemicals and some time they also serve the expiree chicken. At the farms of the KFC they give hormones to the bird to grow faster and become fatten quickly. On August 20, 2003 PETA protest against KFC, they bring tall chicken with broken pair of wings outside the Indian outlet in Bangalore. PETA bought chicken they play a role of protestant and holding the slogans “ Quit India” and “ Stop Playing Fowl”.

CORPORATE SOCIAL RESPONSIBILITY OF KFC

Corporate social responsibility is important for the organization. The organization who know about their responsibility they minimize their business risk. The organization have some social responsibility towards the society because they doing business within the society. The organization should come forward to help government. The organization do some charity work or run an NGO's and most of the organization organize the functions for the charity for the poor, with doing this the most of the organization do their advertisement. The corporate social responsibility is an important part for the organization because the community likes those companies who know social responsibility and those who are unaware about this they loose their hold from the society. The KFC also have some social corporative responsibilities. The commitment of the KFC is that they perform its business in an ethical, legal and socially responsible way. The working hours and the condition in the KFC is in legal manner, they ensure that the employee have safe and healthy while doing work. The schedule is reasonable at KFC; the employee should not require working more than working hours. While

recruiting the employees they never discriminate and they do not hire candidates who are under 14 years. The packing of the KFC is certified by SFI (Sustain forestry Initiative) which is reusable. The Yum! Brand is the owner of KFC's. They purchase the good quality chicken; they influence the other with how they treated with animals. They monitor that the suppliers are using the human procedure for carrying or not. Yum! Formed an animal welfare advisory council and the members are expert in their field. This animal welfare program shows that the KFC provide the best quality chicken to their customers and not doing work against the animal welfare. They also started world food programme to feed hunger people.

HR IMPLICATION

<http://www.kfc.com/about/animalwelfare.asp>

<http://www.kfc.com/about/animalwelfare.asp>

<http://www.kfc.com/about/animalwelfare.asp>

<http://www.kfc.co.uk/charity/>