

Sociology essay sample



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Humane society

The Wells Fargo case constitutes a critical ethical issue given that the employees' actions violated fundamental issues in business ethics. Integrity and trust are arguably the most essential ethical issues every business should prioritize in their practice (Shaw & Barry, 2015). In this case, integrity demands that organisations conduct their activities with utmost honesty and commitment to their clients' interests. However, by secretly opening unauthorized accounts in the customers' names, Wells Fargo employees violated their integral responsibilities to both the customers and the company. The matter is extensively grave especially considering the fact that the employees used fake email addresses and PIN numbers to defraud their own customers; this is a display of extreme deceit.

Trust is the second ethical consideration in this case. The development of trust between businesses and clients is fundamental for the success of pertinent activities. However, Wells Fargo employees violated the trust bestowed upon them by the clients and used customers' personal information for fraudulent activities. The statement by Kennedy, a victim of the Wells Fargo scandal, indicates an extensive loss of trust on the customers' part; Kennedy states that the company has lost him as a banking customer. The ethical violations are evident in the fact that most customers are outraged by the unfortunate actions.

Impact on Individuals Working at Wells Fargo

Organisational Norms

Every organisation has a set of norms that constitute its fundamental culture. The Wells Fargo situation can be considered in the context of performance, reward allocation and commitment norms. In this case, it is imperative to consider the fact that these norms are key determinants of employees' actions. According to the media report, Wells Fargo employees acted unethically in an effort to boost sales figures and make more income. The employees opened unauthorized accounts to receive bonuses and achieve certain sales targets. In the context of performance norms, these employees may have wanted higher sales figures to boost their performance ratings. Increased sales and income are credible indicators of a competent workforce; this could have motivated the employees to use dubious means to achieve desirable performance standards.

Secondly, with regards to reward allocation, the media report delineates bonuses as one of the key motivations that led Wells Fargo employees to open unauthorized accounts. Therefore, their action could have been partially motivated by the accruable rewards associated with hitting sales targets. Lastly, regarding commitment norms, it is possible that the organisational requirements that prompt employees to commit to certain goals or targets may have motivated the unwarranted actions. As noted in the report, the employees wanted to meet certain sales objectives and opted to use fraudulent means to achieve the same.

Conformity and Groupthink

The fact that about 5300 Wells Fargo employees were fired indicates extensive collusion within the workforce. The scandal involved over 2 million

phony accounts; this further shows that a large number of employees worked together to defraud customers (Egan, 2016). Conformity and groupthink often leads to irrational decision-making followed by adverse outcomes. The collusion within the workforce constitutes an indicator of the desire to achieve certain organisational goals by working as a team. In this case, the employees may have subscribed to the idea that working together on the plot to defraud customers would result in desirable individual benefits for everyone. Basically, the desire to meet sales targets and earn more money is often a shared feeling among employees; this must have driven Wells Fargo workers to resort to unethical practices to fulfill their employment-related desires.