

Cmg401 mod 5 slp



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CMG401 MOD 5 SLP Contracts are legally binding documents that allow individuals to perform their tasks within the stipulations of the agreement. Failure to accept the terms and circumstances of the contract may lead to social and economic repercussions. Contracts are usually agreed upon so as to create balance between parties that want to work together. Financial hitches may arise if there is failure to honour the terms of the deal.

Government contracts, especially, should not be joked with as they wish to have the products and services delivered to them as stipulated in the contract. It is vital to read and comprehend the terms of the contract before signing it. This often looks like an overwhelming task, but it is beneficial to everyone, in the long run (Watson 125). This paper will examine the social economic responsibilities that apply to a government contract.

An agreement by the government on goods and services that demands a formal, signed document will have to be honoured by the parties involved. There are economic implications that this failure can have on the business involved. The government may stop the funding of the project altogether, and demand some of it. This means that, the party involved will have spent capital that they need to refund because they failed to honour the contract. Another economic responsibility the contract may have on the procuring party is that; they need to execute the plans as per the terms of the contract (Nativel 153). This is lest they fail to give the government what they need. If the government wants a product and is written in the agreement, it is not the contractor's responsibility to try and make it better or bigger than stipulated.

Any failure to do as required may cause the government to not want the product offered because the specifications were not met. Social

responsibility in a contract demands that there are fair stipulations that allow individuals to compete in the labour market. When agreeing on the terms of a contract, it is fundamental that the principals involved agree to the incentives provided. This is solely based on their ability to perform the task. Government contracts have incentives which push contractors to want to engage the government in their project (Nativel 157). However, the incentives may be too much to pass on such a contract. This forces contractors to agree to the agreement in question. This is even if they do not agree with the specifications.

Contracts should have a social responsibility to the public and the contractors. There is the ability to change the terms of a contract. However, the changes should not be different from the earlier stipulated terms. This, otherwise, violates the social responsibility terms of the contract (Mullerat 113). The government cannot back down from the contract unless the agreements and terms of the contract were not met entirely. This is among the social responsibilities of a contract that every government institution needs to realise. In so doing, they are liable for lawsuits.

In conclusion, it is imperative that contractors find time to read the stipulations and terms of a contract before entering into one. This may prevent the government or contractor from failing to address the terms of the agreement. They may also reduce the likeliness of a lawsuit against either party. Social economic responsibility in government contracts should be the basis on which truth can be attained, and the building of the public or private sector. All parties involved should, therefore, honour their agreement for the greater good (Mullerat 116).

Works Cited

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