

Dell's business ethics assignment

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Dell Inc's Business Ethics Gwynedd-Mercy College Abstract Business Ethics is a very important part of having and running a successful business. Your business ethics consist of the behavior that a business adheres to in daily dealings within the world. There are a few key components that are covered under the business ethical umbrella within the Dell Computer Corporation they are as follows: Corporate Social Responsibility, Corporate Governance, Environmental Responsibility and Corporate Accountability. These key components are what make Dell Inc. successful company within the computer industry. Dell Inc's Business Ethics. Dell Inc. is one of the largest computer manufactures in the world and they have grown tremendously over the years. Their evolving business strategy combines their revolutionary direct customer model with new distribution channels to reach commercial customers and individual consumers around the world. Dell's Direct Model business approach is largely responsible for the success of the company, it provides a fast cost-efficient and customer friendly means of production and distribution (Dell, 2009).

Since this market is ever changing, competitors are challenging Dell with new and unique products in effort to overcome the superiority of the Direct Model. The growth and development of the laptop computers is a primary area in which Dell Inc. can work for continued success, despite the threat posed by its competitors. Dell initiates the latest and appropriate technology much more promptly and efficiently than any other computer company (Dell, 2010). Also, Dell's refined strategy to building an adequate infrastructure establishes market creditability against its better-known rivals.

Their approach to the computer industry had two advantages: First they wanted to bypass distributors and retail dealers which will eliminate markups of resellers, and second building to order greatly reduced to the cost and risks associated with carrying large stocks of parts, components and finished goods (Dell, 2009). Business Ethics Business ethics is a personal moral manner where people try to decipher right and wrong within their daily and organizational lives.

With the terms "business" and "ethics" put together can create a more powerful influential understanding of cultural beliefs of what is important to you on the judgments that are made of good or bad behavior. Dell Inc's business ethics consist of its Global Ethics and Compliance Team (Dell, 2010). This team initiates education and awareness to all of Dell's employees on highlighted issues such as privacy and data protection, workplace conduct, and gifts and entertainment.

This team also delivers consistent training to prepare all the employees for effectively, legally and safely performing their jobs on a daily bases. Dell has two mandatory training courses for all employees: Winning with Integrity which is the Code of Conduct overview of the company and Information Security Policies and Standards. Employees are also encouraged to complete three additional global ethics courses: Dell Corporate Governance, Records Management, and the newly developed Privacy and Data Protection Awareness. Dell's code of conduct adheres to the values and beliefs of the Soul of Dell.

The Soul of Dell is accompanied by five core elements Customers, The Dell Team, Direct Relationship, Global Citizenship and Winning. These core elements/values define what kind of company they are and have become. Ethically Dell is indeed committed to understanding and respecting the laws, values and cultures wherever they do business. Profitability growing in all markets while promoting a healthy business climate globally contributes positively in every community that they call home both personally and organizationally.

Ethical Umbrella Corporate Social Responsibility Corporate Social Responsibility also known as CSR is the actions of an organization that are targeted toward achieving a social benefit over and above maximizing profits for its shareholders and meeting all its legal obligations (Ghillyer, 2010, p. 78). It can also be referred to operating a business in a manner that accounts for social and environmental impact created by the business. Corporate Social Responsibility at Dell Inc. is about demonstrating through action their values of corporate citizenship. In the itinerary of the integration of economic, social and environmental responsibility into everything they do and ensuring diversity remains a Dell cornerstone. Dell has a full-time commitment to being a responsible corporate citizen. It's a commitment driven by the types of goals, strategies and accountabilities that characterize every part our business. And it's one that persists through all business cycles (Dell, 2010).

Dell focuses on the ideals of environmental responsibility, corporate responsibility and the social responsibility to further strengthen the beliefs of addressing issues will support the realization of financial goals and can be <https://assignbuster.com/dells-business-ethics-assignment/>

critical to their long-term corporate achievement. Dell must continue to grow responsibly protecting their natural resources and practicing sustainability in all its forms and improve the communities where they live and work through their financial and volunteer efforts.

Their commitment to social responsibility is about making a meaningful difference and seeking innovative ways to help others through their technology resources and employees by partnering with non-governmental organizations to address some of the key issues facing our world today. Corporate Accountability Integrity to inspire trust is Dell's corporate accountability. They succeed when they earn the utmost trust and respect from their customers through the actions and innovations of the company.

Ethics and integrity is built into their key corporate growth, which encourages people to accept the responsibility and enables them to take actions. The undisclosed key to Dell's corporate accountability is the pride that the employees take in the company. Within that it is more than just simple meeting all the compliance requirements and following the rules it is about creating a culture that people can simply act with integrity. Corporate Governance The Board of Directors and management team have jointly responsibility, thics and integrity at Dell Inc. In that regard, the Board expects each director, as well as each member of the senior management, to lead by example in a culture that emphasizes trust, integrity, honesty, judgment, respect managerial courage and responsibility. Moreover, the Board also expects each director and each member of senior management to ac ethically at all times and adheres to polices as well as the spirit,

expressed in Dell's Code of Conduct. The Board will not permit any waiver of any ethics for any director or executive officer.

Corporate governance is also the commitment to the achievement of business success and the enhancement of long-term stockholder value with the highest standards of integrity and ethics. Primarily the success is an approach to corporate governance that will extend beyond simple compliance with the authorized necessities. Environmental Responsibility Dell Inc. aspires to be the greenest technology company on the planet. They dare to motivate by engaging with others and sharing what they have learned. They strive to innovate by improving the efficiency and design of their products.

Dell's greatest innovation is their leadership. They realized that a top-notch management strategy would not fulfill Michael Dell's goal. In addition, it would propel Dell's vision into everyday workings of their business. S. W. O. T. Analysis One of Dell's greatest strengths in targeting the business executive category is that roughly 75% of all sales revenue comes from large businesses and government organizations. Dell has already established relationships with large companies, and this provides most of their business. These companies pass the relationship on through their employees, providing them with Dell products.

Dell has a considerable weakness in targeting the college student segment of the market. This is due to the fact that only 5% of Dell's total sales revenue currently comes from educational institutions such as colleges. Unlike Dell's business customers, Dell lacks a large amount of relationships

with educational institutions. Many students purchase their PC's through their schools, Dell is clearly not in a position to take advantage of the college at this time. Their greatest weakness is that buyers can not physically touch or see the product that they want to purchase.

The Direct Model provides many great opportunities, however the disadvantage is that customer cannot go to retailers and try a few different products and go home with a computer all in one visit. The thing that differentiates Dell from its competitors is customization. Many computer buyers are suspicious of a product that they can't personally examine before purchasing. Moreover, an anxious buyer would have to wait a number of days before their computer was delivered. Personal computers are being purchases and used more than ever before. The market for laptops, in particular, is growing much faster than that of the desktop computers.

This general trend lends itself as a great opportunity for Dell's laptop business to grow in all segments. Another opportunity for a; the targeted segments relates to the first trend that was mentioned. Customers are becoming more educated about personal computers, as an increasing number of them are second-time buyers. Consumers who have purchased computers in the past know what they want, and Dell can cater to them. The Direct Model can provide the framework for customers to make truly personalized computers in a qualified hassle-free environment.

Increased communication and technological integration also create great opportunities for Dell. Customers can now go on the Internet to personalize their computer, place an order, or just simply get information. This is more

efficient and effective for both Dell and the customer, and its benefits are many. In such a volatile market as personal computers, threats are great and many. Because of the ever changing nature of the computer industry, companies are constantly being challenged to produce higher quality, lower priced products, and do it faster and more efficiently than the competition.

One to Dell primary external threats is that the prices between brands are getting smaller all the time. Dell's Direct Model benefits the consumer in many ways, one of which is cost savings. Now that other companies are finding ways to combat the low costs of Dell, they can to pass along savings to their customers. As a result, price differential is becoming less of an issue, if not nonexistent, for buyers. Many of Dell's competitors are therefore becoming closer substitutes. Another serious threat is simply that the growth rate of the computer industry is slowing.

At this current time, Dell owns a greater market share than any of its competitors throughout the world. However, as the market slows down, competition for market shares will intensify. Companies will have to work harder than ever before to distinguish their brand from substitutes. If a company has trouble differentiating its brand from its competitors, they will find it hard to hold a significant market share. Finally, the face pace of technological advancement, while being a tremendous opportunity, is also a great threat.

The newest, fastest, most efficient technology and most durable, user-friendly products are going to sell. If the company fails to keep up-to-date with innovations in technology, they will quickly see decline in performance.

Conclusion With the competitive advantage that Dell Inc. has they have a product that every consumer and organization wants. Besides the fact that Dell is the preferred desktop and laptop of enterprises in the United States and Europe and winning more than 400 product awards in 2007, Dell is a company that believes in what they are doing and will stop at nothing to become the best in the computer industry.

The current market trends in the personal computer industry, for laptops in particular, are being driven by ever changing consumer needs, wants, and demands. As a result, companies like Dell Computer Corporation are forced into constant state of adaption in order to satisfy their customers. By taking full advantage of their strengths, paying close attention to their weaknesses, and identifying both opportunities and threats from the macro-environment, this company can position themselves as significant shareholders in an intensely competitive market.

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