

BUSINESS ETHICS

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4.1. Current ethical issue affecting Primark

Primark is accounted as one of the largest budget retail chains in Europe in the apparel sector producing garments for men, women and children, lingerie accessories, home ware as well as footwear. More than 36,000 people are employed all across the several operating destinations. Even though the success stories of Primark are remarkable along with expansion of business across the emerging nations, issues regarding business ethics as well as ethical treatment towards its employees are in question which have more or less tainted the image of the brand (Al-Nagga, 2013). Some recent researches have revealed about the ethical issues of Primark which were responsible for the setback of the organization. One of the most prominent issues is the employment of child labour which has resulted into a widespread condemnation of the activity along with the filing of lawsuits by IGOs as well as NGOs. The most notorious instances of unethical business practices are the plight of workers from the Indian supply houses and employment of child labour for the company. These issues are the most embarrassing for the reputation of a company of such stature. Furthermore, the national agencies including the government as well as international agencies have had to interfere in the business operations in order to prevent child labour and improve the working conditions of the labors (Dale, 2016).

4.2. Report on how Primark could improve the ethics of their operations while meeting objectives and ensuring good employer/employee relationships

Due to the sad events mentioned above, the score of Primark in the ethical index was the lowest as compared to all other European companies which resulted for the managers in starting over again. The company has been maintaining clean records since then regarding every business

ethics and also adheres to the business codes of ethics. The management has started to follow the concept of “Wholesale Deception” where all the suppliers found to be conducting illegal activities have been blocked from further business transactions (St-Denis, 2015).

The management of the company has felt the need of redefining the commitment towards ethical as well as accountable practices for business operations along with being strictly adhered to the code of ethics. The values and principles of the organization should be aligned as well as infused within the supply unit to prevent any further illegal means of business conduction. Such instances can be avoided by realizing the importance of ethical business practices and adhering to those codes along with strictly monitoring the supply as well as the total business process (Riboldazzi, 2010).

The management team of Primark group can be hugely benefitted from the engagement of experts from other companies who can jointly practice the business operations and hence, detect and inculcate the codes of practices.

4.3 Design a suitable ethical code for your client

Along with profitability, ethics is also considered to be a decisive factor and no firm can eventually succeed without paying heed to business ethics. For this purpose, a set of ethical codes is required to be devised which will followed in the business operations and activities (Chang, 2011). Therefore, the following points must be kept into consideration while designing an ethical code for any organization:

- The company should be free from any type of corruption, embezzlement and extortion.
- No information regarding the business strategies should be disclosed.

- Improper advantages should not be initiated by managers and employees.
- There must be habituation with a fair business with advertising.
- Whistle blowers should not be in the preference list.
- There should be engagement of communities in the business along with a development process.
- Intellectual property should be protected.

Industrial or corporate ethics should be present in order to fulfill the partnership between the company and the environment with its people. The future tragedies like those at Bhopal, India in the 1984 (gas leak) and the oil spill In Nigeria in 2008 can be avoided. One of the correct steps that an organization can take towards accountability is the practicing of “soft laws” which is basically a multilateral instrument and is adopted as a guideline for MNCs (Pujiyanto, 2014). Nonetheless, an effective set of ethical conducts is necessary if the aim is to incorporate the guidelines into domestic framework of companies. This will also ensure that human rights are safe and ethical living is respected.

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