Unit III Case Study

Natasha Barrett (First M. Last)

School or Institution Name (University at Place or Town, State)

Response to Question 1:

The case study reflects that the labor practices at Nike are completely against the Western and Catholic values of integrity, responsibility and the business ethics which must be taken into consideration. Being a Western company Nike must incorporate ethical business practices. As the case study explores, Nike sweatshops face several allegations due to the inhumane working conditions they are providing to the labor. For Instance, Child labor is very common and the wages being offered to labors are below average which makes them work more to earn their living. Workers are also punished if they refuse to work overtime and workers consider it a horrible job (TeamSweat, 2011).

Response to Question 2:

In the case, Nike was given multiple opportunities to comment but they refuse. Nike also claimed to have an open door policy because they have nothing to hide but the situation revealed a different scenario (TeamSweat, 2011). Numerous unethical practices and ethical issues were exposed in Nike sweatshops. Customers are kept unaware of all those unethical practices while the bosses at the sweatshops are abusive, and do not support fair treatment to employees. Foreign domestic labor is being used for the benefit of the company and the labor are paid wages the lowest rates. The CEO hides information regarding poor employment conditions and does not take full responsibility for the unethical issues, and poor employment practicesgoing on in the sweatshops. In addition, higher management is misinforming the public, and the unaware public is paying high rates for the label of Nike. It is the responsibility of higher management to look at the interested of people of an organization, which was not followed in the case of Nike.These unethical practices at Nike reveals that they do not care about labor and indulge in inhuman actions and practices for the sake of profits. It discloses the values and ethics it puts at its business operations. Nike’s actions are the fair treatment of their ethical standards.

Response to Question 3:

After the documentary was created and aired and it became viral, Nike admitted and agreed to the unfair treatment going on at the sweatshops. Nike also claimed that they are working hard to ensure the sweatshops and contract factories comply with Nike’s code of conduct. Nike’s current code of conduct consists of the minimum requirements that a Nike factory is expected to follow. This code of conduct is related to the hiring practices, minimum wage, and consideration to the health and safety of their employees (*Nike\_Code\_of\_Conduct\_2017\_English1 .pdf*, n.d.). This code of conduct also determines Nike choice of suppliers and Nike claims to engage and grow its business to create an equitable supply chain. In addition, Nike regularly reviews the factories of suppliers to assess that it meets the high standards developed by the company. The reviews consist of audits, both announced and unannounced by some internal and external parties.

Response to Question 4:

In the beginning, after watching the video, I decided to quit buying Nike products because of its unfair and inhumane labor and business practices. However, looking at the company’s new code of conduct discloses Nike’s commitment to the ethical standards and reveals that Nike is committed to respecting the rights of labor and its employees. This shows that Nike has started to take its global responsibilities seriously. Before changing my buying behavior towards the company, I will explore the context to which this code of conduct is followed at Nike's supplier's factories and if the labor conditions have been improved or not. However, I believe is a global brand, Nike must have started taking care of its employees to manage its global reputation.

**References**

TeamSweat. (2011). *Nike Sweatshops: Behind the Swoosh* [Video]. Retrieved from <https://www.youtube.com/watch?v=M5uYCWVfuPQ>

*Nike\_Code\_of\_Conduct\_2017\_English1.pdf*. (n.d.). Retrieved from https://sbi-prd-s3-media-bucket.s3.amazonaws.com/wp-content/uploads/2018/05/14214947/Nike\_Code\_of\_Conduct\_2017\_English1.pdf