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Apple Ethical Case

Apple Inc. is a technological organization based in the United States. It is involved in designing, developing and selling electronic devices such as mobile phones, computers and software applications and other online services. Although Apple is a global company and has reputable recognition because of the quality and top-notch products, the company is faced with significant supplies and labor practices. Similarly, the company utilizes materials from different parts of the countries. For instance, tin is a major element in Apple production obtained from Indonesia. Nevertheless, although the demand for Apple products has intensified, the company is faced with critical allegations of exposing their employees and supplies to unsafe working conditions. This paper will analyze the ethical dilemma and answer several questions from the Apple case study's supplies and labor practices.

The Ethical Dilemma

Apple Inc. has experienced more demand for its products, and this necessitates more production. For example, according to the case, in the 2014 holiday season, the company made iPhone sales of up to 74.5 million phones. This meant that the company was making more than fifty-two billion dollars in 2015, which is the largest profits ever generated by the organization (Bhattacharya, 2015). Nevertheless, despite the company facing improvements in their sales, they also had challenges in the suppliers and labor practices. Apple has used children as low as twelve years to work in the mines. Children are not required to work because it is against labor laws (Chan, 2020).

Similarly, to make matters worse, the work environment the children are subjected to is not safe because landslides can easily occur and bury them alive. Although Apple has defended itself,

arguing that the sourcing practice is intricate, it is impossible to control it because many people are involved in tin selling and brokers. However, the only option available is to stop purchasing tin from Indonesia mines, which is impossible because no practices will be improved. Apple also needs the tin as seventy per cent of the tin utilized in the production process is obtained from the risky small-scale mines. Furthermore, as demand increases, Apple has to increase its production, requiring more tin to be supplied.

Stakeholders

Customers are the top stakeholders in Apple company. Customers involve all people and companies that purchases and uses Apple products. Also, customers are interested in having innovative and operative products that are judiciously priced and matches with quality.

Gualandris et al. (2015) note that employees are also stakeholders of the company and are suitably compensated and helped in career progression. Apple gains from human resource abilities to innovate and create profitable products. Investors are also focused on increasing the financial returns achieved by the company providing excellent profit margins. Finally, are the indirect stakeholders comprising of suppliers and distributors. These stakeholders are interested in appropriate reimbursement and job security.

Case Study Questions

Apple Inc. should be accountable for the ethical challenges taking place in its supply chain. The company needs to create firm procedures for obtaining suppliers; this will ensure the existing suppliers transform their practices to get the deal. Furthermore, Apple needs to be thoughtful about the social effect of its suppliers' unethical practices.

Apple should stop associating with every supplier because it stated that despite their effort to change the practices, there are restrictions on controlling and monitoring its suppliers. Therefore, this indicates that Apple does not have full authority to change the suppliers' unethical practices; hence, the only option is to disassociate themselves.

Consumers play an essential role in the company's progress; therefore, they should consider its ethical record. Apple has many loyal customers, and when they condemn the unethical practices in manufacturing and suppliers, the company will take appropriate action to stop the practices to save the company.

Louis Vuitton is involved in the manufacturing of fashion products such as bags, shoes and sneakers. The company was involved in unethical practices in the making of bags. Many customers and activists disparaged the company for using real animal fur and skin in making bags. Their record turns consumers off because Mintel (2015) stated that fifty-six per cent of Americans declined to purchase products made from unethical procedures.

My purchase decision is influenced by many factors, including the procedures used to make the products. Therefore, unethical behaviors of using real animal skin to make bags will push me away from purchasing Louis Vuitton bags.

As a regulatory body member, I would severely punish the multinational corporations involved in unethical practices because they focus more on making revenues than following the set standards. I would feel responsible for correcting the issues because multinational corporations are always aware of the malpractices but do not take action until reported in media or under investigation.

Conclusion

Apple Inc. has developed a good customer base, and despite having a surge in its sales, the company is involved in unethical labor and suppliers' practices. The company cannot change the supplier's practices, but it continues to source tin from the same suppliers. Apple needs to focus on maintaining its customer flow by evading source products from suppliers who do not follow ethical practices. This will help them maintain their manufacturing reputation. The company is also responsible for the malpractices in their supply chain as they have the authority to change the procedures.

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