

Z  
*by* Z Z

---

**Submission date:** 24-Jun-2021 06:44AM (UTC-0500)

**Submission ID:** 1611535552

**File name:** CloudBarn\_Case\_Study.edited.docx (15.1K)

**Word count:** 1031

**Character count:** 5807

## CloudBarn Case Study

Name

Institution

Course

Instructor

Date

## CloudBarn Case Study

### Question 1

Even though Zoe's argument is substantial to some extent and that it would be beneficial for CloudBarn to relocate and rebuild their plant overseas, from an ethical point of view, this move would be unethical because the company has a moral obligation of looking after its employees especially because some of them sacrificed time with their families during Christmas holiday and worked for the sake of CloudBarn's prosperity. Similarly, the connection between the employer and the employee should not be viewed solely in economic terms. It is a significant human relationship based on mutual reliance that significantly impacts the individuals involved. Like a person's business, a person's job is a highly prized possession that profoundly impacts the employees and their family's lives. The relationship is fraught with moral responsibilities because there are stakeholders everywhere. Despite the enormous and overwhelming temptations of self-interest, both workers and bosses should be guided by basic ethical concepts such as honesty, transparency, respect, and care.

In addition, CloudBarn has a moral responsibility to look out for their employees' wellbeing. It is not only about fair compensation and good working conditions; there should be genuine and long-term care for employees' wellbeing. While the company's and coworkers' wellbeing must always take precedence, an ethical employer is prepared to decide and implement procedures in ways that echo genuine apprehension, even if it comes at a price that affects profits. Therefore, the company should be loyal to their employees like they are to their shareholders, owners, and themselves (Engelbrecht et al., 2017). Similarly, when an employer decides to terminate an employee's engagement, it is usually assumed that the company should provide ample notice or severance money. In this case, Zoe's idea to terminate employees'

contracts suggesting that CloudBarn owes them nothing under the law, is harsh because the events that led to these considerations were unprecedented. Therefore, the company should not consider building their plants overseas for the sake of serving their best interests and that of their stakeholders at the expense of their current employees, which goes against their moral loyalty obligations.

While Zoe argues that relocating the plant overseas would lower labor costs, research has indicated that many factors involved with venturing into a new market frequently result in increased expenses for organizations. Furthermore, relocating overseas is an unethical business activity that can quickly destroy a company's reputation and future (Betts et al., 2015). According to economists, a company's potential to build its brand is jeopardized when it chooses to abandon its loyal consumers and staff searching for greater profits. Likewise, I believe that it is unethical for CloudBarn to jeopardize the wellbeing of people in their community in the pursuit of lower labor costs and a more cost-effective operations method. Therefore, CloudBarn's capacity to avoid problems like fraud and damage to society in terms of people's economic empowerment could be severely harmed by a lack of adequate control during the outsourcing process suggested by Zoe.

Additionally, CloudBarn has a corporate social responsibility of giving back to the community at Holcomb hence making them feel part of the organization. Therefore, it would be unethical for the company to offshore since the community at the town of Holcomb would suffer since they would miss out on some of the benefits that they had been receiving previously from CloudBarn. Such benefits include the employment opportunities offered by the company, and most importantly, the taxes they pay go towards the support of local hospitals, schools, and building and repairing roads.

**Question 2**

CloudBarn has an ethical duty of ensuring social responsibility to uphold their relationship with the consultants. Even though the company's economic responsibility to generate a profit appears to be its primary obligation to its shareholders, I would increasingly emphasize other aspects of social responsibility. The company has legal accountability towards each consultant, described as a rising and hardening moral obligation, thus exerting a more significant impact. This occurrence is one reason why the agenda of CloudBarn's corporate responsibility is becoming increasingly appealing. The legislative process lags what society thinks, values, and respects in this regard. If CloudBarn violated the consultants' expectations of ethical behavior to jeopardize corporate values, the company would be ethically liable. As companies are scrutinized both by law and frequently more directly and intentionally by public judgment, there is an increasing convergence amongst the two methods of accountability. Therefore, keeping a healthy relationship between CloudBarn and its consultants would be a significant step in getting the operations rolling again. The company will attempt to retain their consultants' trust by directly engaging them in a board meeting to bring them up to speed with the events that occurred and the contingency plans put in place to ensure that services are back on track.

Most importantly, CloudBarn has an ethical duty of ensuring that their consultant's stock values do not constantly reduce a threat posed by the natural disaster. However, relocating the company overseas would not solve this issue because of the financial risks of offshoring, especially within the first quarter (Chikeleze & Baehrend, 2017). Therefore, we would attempt to satisfy our consultants by giving them an ultimatum when we expect to build up a new plant in Holcomb with the ample insurance available to bring back the business to life. Similarly, we

have the ethical responsibility of upholding the integrity in our operations to create and sustain the trust between our consultants and us. The company will inform the consultants of any changes or other undertakings implemented to bring the company back on its feet. We are hopeful that our consultants will consider our efforts to tackle the issue and get back to business within the shortest time possible.

## References

- Betts, S., Healy, W., Mir, R., & Vicari, V. (2015). *The Impact Of Offshoring On Organizational Commitment: Recruiting, Training, Retention And Ethical Concerns*. *Journal of International Business Research*, 14(2), 15.
- Chikeleze, M. C., & Baehrend Jr, W. R. (2017). *Ethical Leadership Style and Its Impact on Decision-Making*. *Journal of Leadership Studies*, 11(2), 45-47.
- Engelbrecht, A. S., Heine, G., & Mahembe, B. (2017). *Integrity, Ethical Leadership, Trust and Work Engagement*. *Leadership & Organization Development Journal*.

Z

---

ORIGINALITY REPORT

---

1 %

SIMILARITY INDEX

1 %

INTERNET SOURCES

0 %

PUBLICATIONS

0 %

STUDENT PAPERS

---

PRIMARY SOURCES

---

1

centaur.reading.ac.uk

Internet Source

1 %

---

Exclude quotes On

Exclude matches Off

Exclude bibliography On