

**Wal-Mart Case Study Analysis**

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**Summary:**

Wal-Mart opened its first store in 1962 in Rogers, Arkansas; the small American business was initially dedicated to making a difference in the lives of the people. The founding of the business was the result of Sam Walton's visionary leadership, along with generations of associates that are focused on helping customers and communities save money and live better. During this case study, I will be focusing on the aspect of Wal-Mart's ability to continue its sustainability globally and its effects on the employee stakeholders care in reference to the ethics business practices globally. Currently the company has more than 200 million customers and members who visit their 10,400 stores under 69 banners in 27 countries and e-commerce websites in 10 countries. (Walmart, 2013)

**Analysis:**

As a main issue of maintaining sustained profitability, Wal-Mart is at the point that they are in danger of losing its place as the number one shopping place for families. Why does the general public and employees have problems with the retail giant? Well to answer this question, let's look at the business as one of the world's largest and fastest growing retail businesses. Challenges to its profitability has been plagued by issues and lawsuits brought by many other small businesses and local merchants. The fact that the retail giant has been accused of putting many small rural town businesses out of business, it still this day is functioning under the premise of its everyday low cost aspect. Many would consider the practice of expansion as unethical and immoral.

What has Wal-Mart done to address ethical dilemmas within its organizational standards? According to the Wal-Mart executives, addressing ethical issues became a major issue in the

United States as well as other countries. They have been working on returning to its founding father Sam Walton's original vision and rebuilding its corporate stance by improving in areas such as low income practices and creating an environment that brings jobs back to the United States and not avoiding the tax burden dodging that was placed on its suppliers. I have to applaud Wal-Mart for addressing its ethical issues by creating various ethics and compliance programs thus for the 21<sup>st</sup> century has the ability to address its foreseeable ethical issues. Wal-Mart now has a written code of ethics and standards; ethics training to executives, managers, and employees; availability for advice on ethical situations; and systems for confidential reporting

Based on the company's ethics policies, I would work for the company after looking more deeply into how it treats the employees and management teams. During my researching of the company's website, I focused on their benefits plans to see how it provided benefits to cover the problems it faced in the past as ethical issues. The statement I reviewed that was provided by the website states "Guided by our philosophy of helping people live better, our Benefits team is committed to the design and administration of competitive health and financial benefits packages that improve our associates' quality of life. We work hard to provide you with access to world-class care and programs, comprehensive medical plans at a competitive price, and the tools, resources and programs you need to help manage your health and well-being." (Walmart, 2013) Before hearing or learning of the many different situations of the retail giant, I wondered why people or I would buy their products. The local Wal-Mart in Fayetteville, North Carolina is like most any other Wal-Mart in a growing city. We have three upgraded supercenters within a 15-20 mile radius and all carry just about anything you need to get by. I have tried to go other places to

buy what I can but sometimes it's just not worth it because I would have to travel further in some instances or price compare on many items that I need for my family.

As a personal financial area, I often wondered about investing in their stock after the crash in 2008 of the stock market. In the past I have invested in Wal-Mart and sold my stocks based on a bad judgment made by myself however, in the future based on the current trend and things that the Corporation is investing in, I will eventually invest in their stock again.

### **Current updates:**

According to an article in the PR Newswire of Little Rock, Ark, Jan 10, 2013, Arkansas Governor Mike Beebe announced that Wal-Mart Stores, Inc. is joining a groundbreaking effort to create a more patient-centered and cost-efficient health payment system through the Arkansas Payment Improvement Initiative (APII). Wal-Mart has committed \$670,000 to underwrite the ongoing work of the new program, the first of its kind in the United States. (Newswire, 2013)

### **Concept:**

After careful consideration and what I personally know about ethics and the process of profit sustainability, I have discovered that overall Wal-Mart is actually a company that has recognized the challenges of its past and have implemented programs to rectify or at least focus on being better as serving its customers and stakeholder employees. Becoming a world renowned organization as this company has accomplished, they can only continue to help make the world a better place. Not only for attempting to lead in bringing down useless waste but becoming a green supporting organization or environmental leader which in itself a monumental task to undertake, like it has in China. Investing in renewable energy and becoming an energy efficient corporation is a plus in changing the way the world will view its stance.

## **Application:**

Personally and professionally, I and many others can ensure the future generations will not fall victim to the ever changing world. Researching current information about the retail giant I have discovered can be found by visiting <http://corporate.walmart.com> ,on Facebook at <http://facebook.com/walmart> and on Twitter at <http://twitter.com/walmartnewsroom>.

**References:**

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