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IB 303

Ethical Topic Paper

In recent years, poor quality employment is the main issue for global markets (The benefits of International Labour Standards, n.d.). Working conditions have been a concrete issue for generations and are imperative to a business's productivity and success. Working Conditions can be defined as the conditions under which employees have to work, including "breaks, the state of heating, lighting, and ventilation of workplaces, the safety and comfort of machinery, vehicles and other equipment, normal manning levels, and disciplinary procedures" (Oxford Reference, n.d.). Poor working conditions have various effects on each employee depending on severity, but these issues can cause a domino effect that could have strong adverse effects on the business, with the potential to completely dismantle it without hopes of recovery. Thus, it is important that working conditions are proper and maintained. By discussing a standard for working conditions, the scope of which this issue impacts, and what businesses should be aware of regarding it, this paper will focus on the ethical, global, and business level issues that can arise from neglecting to provide proper working conditions.

Working conditions are the building blocks of the environment in which an employee is working, as well as how they are treated as an employee by managers and other leaders within the business. When employers are not following the correct laws and regulations, they risk the security of their business; but, more importantly, they risk the safety and security of their employees. Each country has different labor standards, making it easier for businesses in some countries to maintain poor working conditions and ignore the wellbeing of their employee force. Some aspects of working conditions include but are not limited to the following: child and forced labor, safety, and non-discrimination. When unmaintained, they all lead into the issue of a toxic work environment. This, in turn, can grow to have a significant effect on the wellbeing of employees, including both their physical and mental health, consequently reducing

productivity and increasing absenteeism (Working Conditions and Employee Wellbeing, n.d.). To extend the notion of working conditions, China's consumer electronics sector is seeing many different sides of the definition of "working conditions". Employees within the sector are subject to working long hours with low wages, workplace bullying and verbal abuse, as well as discrimination within the recruitment process that mainly is seen due to age and ethnicity (Labor conditions in China's consumer electronics sector, 2023). Allowing poor working conditions to continue and have such a prominent effect on employees and as such, also having a direct impact on business productivity, is a breach of the ethical obligation that all businesses have and to which they should adhere. By focusing on ensuring proper working conditions due to ethical practices, businesses should ensure safety, implement and uphold policies, such as anti-harassment and non-discrimination, and strive for fairness in the workplace.

Working conditions are a pivotal part of every operating business, whether they follow the correct laws or not. The issue of working conditions is not pinpointed to one country; it is a global concern. Whether investigating a sweatshop in China, or an unsafe construction site in Uganda, working condition issues are everywhere. However, each country has a different set of Labor Laws and various regulations, so the issues with working conditions are in different capacities depending on the country. When countries seek to expand their businesses outside of their borders, it introduces a new aspect to the concern of working conditions. It is argued that globalization is a factor involved in the quality of working conditions (Coker, 2023), but is globalization a part of the issue, or is it the growing solution to it? There is an argument for both sides. As a potential part of the issue, globalization introduces various unethical variables. As globalization advanced, the international labor market followed, and it became clear that there is class division that some countries face, hostile work environments, and child labor (Coker, 2023). On the other hand, globalization also has created some positives to help combat unethical situations in the workplace. For example, with growing technological advances, individuals are able to use social media platforms to help increase awareness regarding unethical concerns, reaching a global audience (Dadush & Shaw, 2012). Globalization is also contributing to increased involvement in labor

markets and helping with the unethical wage gaps displayed in different industries (Dadush & Shaw, 2012). Working conditions are not restrained by company, industry, or borders; it exists on a global scale, with the potential to impact many individuals.

One of the biggest scandals that illustrates the scope and impact of poor working conditions in businesses occurred in the 1990s fashion industry. Nike, an Oregon-based company, is a famous sportswear brand. The brand was being accused of reports of child labor in sweatshops located in Cambodia and Pakistan (Conway, 2019). Minors were forced to create products for long hours and long stretches of days. Along with the already demanding conditions these children were in, the adults were also subject to these long hours and stretches of days, in addition to having very dirty working conditions (Conway, 2019). The company had a lot of repercussions to face as these accusations began to surface. They were to deal with having a tarnished reputation, and lose a large amount of customer base, affecting their international business reputation. Supply chain issues also arose for Nike throughout this time (Conway, 2019). When working conditions are questioned on an international scale, and even in the host country, it becomes very difficult for a company to combat the allegations and grow from their unethical actions. In today's society, it is very important to have a good ethical balance in the workplace; when these ethical conditions are threatened within a company, it is difficult to uphold their corporate social responsibility.

As discussed, one of the primary issues for a company regarding poor working conditions is navigating their ethical obligations and maintaining the necessary standard. Businesses around the globe should know the implications of employing unethical actions in the workplace and what they can do to ensure that they are displaying humane and fair treatment to their employees. There are numerous forms of unethical working conditions as discussed previously, and many principals should be considered while operating internationally. Culture is a very big aspect of many individuals' lives. Implementation of respect for all cultures and races creates a sense of belonging within the company for which they are working, ensuring employees will perform well. Something for businesses also to be aware of is the

International Labour Organization. This United Nations organization has a focus on the development of people and human rights (The benefits of International Labour Standards, n.d.). The organization is a great resource to gain perspective on working conditions and human rights within the workplace, so alignment within this standard would enable a road to success for a business. Countries around the world also have their regulations comparable to the United States' OSHA regulations. Within the United States, if these regulations are not followed, the company could face serious fines and or legal problems (OSHA worker rights and protections, n.d.). A business is able to avoid these ethical issues if they ensure that they are respecting and adhering to cultures all around the world, as well as taking into account international standards for business operations. An area that a business can focus on to support proper working conditions is supply chain. A good practice for businesses is to ensure that they are confident within their supply chain utilizing regular supply chain audits. These audits are in place in order for companies to ensure that they are operating correctly within their supply chain, which in turn gives businesses a look into how employees conditions are within the workplace (Jenkins, 2023). Frequent and thorough auditing allows businesses to employ an introspective approach to their management of working conditions, and pinpoint areas with opportunity for improvement. The consistent checking of working conditions and improving where necessary, is an effective way to manage this aspect of the business.

The topic of working conditions has shown to be a very prominent ethical issue that businesses are still attempting to navigate. Ethical issues regarding working conditions have a strong impact on the way businesses operate and affect employees, which, in turn can have a long-lasting change in business processes. Practicing the correct procedures adhering to countries' specific labor law regulations is strongly encouraged in order to ensure proper treatment and safe working conditions for employees. Nike generated a large amount of upheaval due to their unethical uses of sweatshops and child labor. Companies should learn from this mistake and utilize the specific avenues that businesses can take in order to combat and prevent such scenarios happening to them. Working conditions affect all aspects of a business and have potential for great impact to the wellbeing of both the employees and the business

itself. Companies have an obligation to maintain ethical working conditions and, in the scenarios, where they do not, face the consequences of such actions.

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