Sears Auto Essay, Research Paper

Business Ethics

Sears Auto Centres Case Study

1) The ethical issues involved in the Sears case were as follows:

• Giving false and misleading statements

• Fraud

• Failure to clearly state parts and labour on invoice

• False advertising

• Failure to return parts

Some of these are often still used but Sears ethical issues involved all of these.

2) In this case the management played a strict role. They were in charge of the mechanics behaviour,

and I believe a training course or meetings was set up between management and workers teaching them what is expected from them. In the case study we learn that employees were given a sort of obligations to sell a certain amount, if not they risk their job. That shows us how much power they had teaching employees fraud and how to give misleading information to customers.

3) Sears response to the allegations were very good I think, they were not slow with the case, they knew exactly how to deal with the problem and accusations. For example towards the end of the case Sears admitted it was their fault in a certain way, saying they were honest mistakes. This means that it is there responsibility and they apologise to the nation. I think it has resolved problems but, obviously Sears will not go back operating like before, they?d loose a high percentage of customers. However, as a result sears did do a good job dealing with the allegation.

5) Sears long-term impact on the scandal is not very good. I would see it loosing its reputation for quality service, the nation would instead go somewhere else. However, the Sears Auto Group might be able to maintain annual sales by giving reasonable prices to its remaining customers and as a result I think it can still come out with some sort of profit, but certainly not like before.

6) I think Brennan?s comment is obvious and most company?s do have some ways of measuring performance, but in Sears case it was deliberate mistakes, they were taking advantage, so even if they had a way of knowing how much performance it wouldn?t be necessary. Anyway they expected a figure by telling employees they had to sell a certain amount in order to keep their job. If management was honest, organised and did their job properly, overselling would be minimised to nothing

7) Discipline is an issue Sears lacks of. But they did their job properly, on time and well; but there real problem is honesty. If they were honest to customers they?d be very good and successful. If discipline was the issue, other factors would have problems, for example just in time factor and organisation ect. However, I do believe discipline is important and should be especially in management since they are mainly in charge of controlling workers.