

Ardnak Plastic Inc- Ethical Issues

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### Ardnak Plastic Inc

The purpose of this paper is to explain the ethical and legal issues regarding the situation at Ardnak Plastic Inc. The stakeholders in this case are the Ardnak Plastic Inc. and all its employees. Ardnak Plastic Inc. is a small factory that engages in production of plastic parts for small equipments. The main interests for the stakeholders are to continue running the business and maximize profits. It is also interested in providing employment to the Mexican workers in Hondo. The ethical issue surrounding the business is the emissions from the smokestack that were consistently above the EPA guidelines. This lack of compliance as per the EPA regulations meant that the company had to pay fines levied by the regulators (Cheeseman, 2015). This meant that the stakeholders had to look for means of financing the maintenance and replacement of new smokestack scrubbers. But the company headquarters could not invest in the process, claiming that company margins were at its limits and could not invest in new scrubbers.

Based on the effects on stakeholders, the company needs to come up with alternative strategies of reducing the emissions to avoid further loses of paying hefty fines. It can consider taking cost analysis about the effects of replacing the scrubbers, with the effects it can go through with the continued non-compliance (Hurka, 2015). Considering humanitarian grounds, and the health and safety of its employees working in the plants, it is necessary for the stakeholders to solve the problem rather than continuing with a blame game with EPA which is ready to continue charging the fines for the sake of getting more money rather than considering the deleterious effects of the emissions to the populations in the surrounding environment.

Some of the environmental laws that apply to this case include the Clean Air Act. This Act gives EPA the power to regulate emissions of air pollutants coming from various sources

like chemical plants and other manufacturing industries. It necessitates major sources of pollutants to put in place pollution control equipment and meet particular emission limitations and obtain permits of operations (Johnson, 2013). Other laws include the Toxic Substances Control Act that discourages the production, handling, supply and discarding of commercial and industrial chemicals. The Pollution Prevention Act that inaugurates pollution prevention as the national rule for monitoring industrial pollution at its source. Since it is evident that the company did not comply with any of this laws, it is liable to intense fines from the relevant regulatory bodies.

It is evident in this case that government regulations and fines are earning systems in which companies are ready to accept fines and proceed with environmental violations as long as the activities result in better profit margins for the company. Bill asserts this when he tells George that other companies were worse than Ardnak Plastics Inc. and yet they were passing EPA standards. The ethical responsibilities required from a potential source of pollutants don't change with the relocation of the company if the laws in the new environment are different and favors the business (Narv & Lapsley, 2013). Therefore, the relocation of Ardnak, to the South of Hondo would not solve the problem of air pollution but would only serve the company's selfish interest of obtaining better profit margins, and avoiding EPA problems. The responsibility of George providing for his family in Hondo should not outweigh the responsibility to the company stakeholders. However, the guiding principle in the decision making should be more moral and value based, considering the continuous effects of the air pollution in the new jurisdiction.

George is recommended to consider ethical decision making in order to make the right judgments. This should institute a four constituent model, which states that a moral manager recognizes the moral issue first, followed by making of moral judgments, then placing moral

worries ahead of other worries, and finally by acting according to the moral worries. George is also recommended to consider the benefits of moral developments (Narv & Lapsley, 2013). This is where an individual tries to define the difference between what is right and wrong in an individual position using logic. People always challenged with dilemma on making a decision should consider reasoning the morality of the act and weighing against its significances.

Some decisions are determined by economic choices or ethical choices. George is recommended to consider the economic and ethical issues that might arise should he opt for relocation option, or considering the idea of planning heavy emissions works at night, so that emissions will be within the required limits during the day (Johnson, 2013). What might be the deleterious effects of the continuous harmful emissions in the US air? What are the consequences of the many job loses that will occur with the people in Hondo? With such questions in mind, George has to make a right decision based on moral values.

In conclusion, it is evident that unethical or ethical conducts usually occur in circumstances that raise ethical contemplations (Hurka, 2015). This contemplations are situations in which a company or individual is mandated to choose among the decisions which must be assessed as ethical or unethical.

## References

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