

Devon Pope

Professor Ignagni and Professor McLaughlin

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The Business of Amazon's Ethics

How much should be sacrificed in the pursuit of convenience? Is a company justified in working thousands of people to the bone if that means that millions of customers benefit? Amazon is the largest online storefront in the world. With this title comes the massive responsibility of fulfilling billions of orders, with each order being shipped to a certain place in a very limited time window. Amazingly enough, Amazon has been able to fulfill this promise, as it is what sets them apart from their competition. Unfortunately, that promise comes at the expense of their work force. The employees of Amazon face strict timeframes, harsh conditions, and no hope of unionization to deliver packages on time. Is it okay for Amazon to behave this way if there's no other option to deliver orders at such a quick rate? While to maintain their market dominance, Amazon has had to create an accessible global supply chain with outstanding levels of optimization to promise low prices and quick delivery times, Amazon is not justified with their abuse of their staff through anti-unionization practices, mistreatment of employees, and social media cover up to maintain this dominance.

Amazon has come a long way from its humble roots as an online book vendor in 1994. Today they distribute millions of packages across the globe in record speeds. It took quite a while for them to get to the position they are in now, however. Back when they first started to grow, they had to rely on other shipping companies to deliver their packages, as they did not

have the resources to do it themselves. “In the beginning, Amazon packages were typically picked up by UPS, FedEx, or the U.S. Postal Service at one of the fulfillment centers. However, in addition to the cost issue, these third-party delivery companies have not always been reliable... Amazon was forced to revamp and make strategic moves to gain more control over its delivery system...” (Hahn, Youn, and Kim). Nowadays, they oversee their entire distribution line and even outclass their old partners UPS, FedEx, and USPS in many areas. Today, their shipping fleet includes “...Thousands of semi-truck trailers “to transport packages between fulfillment and sort centers around the country...” (Hahn, Youn, and Kim). For the sky, “...Amazon have been developing air delivery services with drone to increase its logistics capabilities” (Ceil). They rely on drones and planes to deliver their packages all over the world. Their warehouse facilities are not only in America, as “Amazon have also tackled the competition from international delivery services by creating its fulfilment centers at diverse locations...” (Ceil). By creating fulfillment centers in dozens of countries, Amazon can more efficiently ship goods to different parts of the world, as they can handle it all in house. To deliver their packages, Amazon handles the sorting of “...The packages by the ZIP codes then trucking the sorted packages to a Postal Service facility near the destination. The Postal Service then takes care of the final delivery...” (Hahn, Youn, and Kim). Amazon’s infrastructure allows them to meet the demands of their customer base. They can ship packages around the world with speed and precision guaranteed.

Aside from their online storefront, Amazon has made attempts to expand into more brick-and-mortar locations. These real-world locations allow them to tackle new markets, offer new shipping options, and increase their accessibility. “Amazon acquired Whole Foods stores in 2017 for about \$13.5 billion. The company has now started offering grocery pick-up and one-hour

delivery from some Whole Foods stores and plans to expand these services to nearly all 477 stores” (Jindal et al.). The purchase of Whole Foods has allowed Amazon to enter the grocery market. This allows them to use their delivery infrastructure to now be able to offer grocery delivery to millions of people, increasing consumer convenience. Their food prospects don't end with Whole Foods, as “Amazon's brick-and-mortar initiatives also include Amazon Go convenience stores, which are just 1800 square feet in area but sell a range of drinks, prepared foods and groceries... It is also exploring purchase of smaller regional grocery chains to broaden its reach” (Jindal et al.). Amazon has been trying to expand the number of options a consumer has to access their service. Aside from pick up locations in their stores, Amazon has constructed kiosks and lockers in hundreds of locations which allow customers to order and pickup packages from those locations (Jindal et al.). These in-person options allow Amazon's services to be more accessible, increasing their customer base. These locations add convenience and options for the consumer.

To be the biggest online retailer the world has ever seen, all parts of Amazon must be extremely efficient to supply their demand. From the supply chains to the fulfillment centers, every gear is as well optimized as they can be. In terms of products, Amazon employs their Fulfillment by Amazon (FBA) service to make sure that all sellers send their products directly to them instead of a different delivery service like UPS or FedEx (Ceil). This allows Amazon to have full control over how the product is packaged, stored, and delivered, meaning they fully control the supply chain (Ceil). “Amazon's FBA program takes care of the entire supply chain network by optimizing every piece of the supply chain network. Amazon not only takes care of the warehousing and inventory management but also ensures that delivery time is shortened, and cost of delivery is reduced...” (Ceil). Utilizing their own delivery methods, Amazon can ensure

that a package is delivered quickly and cheaply. The warehouse in which all packages are managed is also extremely effective. "...The work process is divided into various steps, from the receipt and stowing of goods to the picking and dispatch of goods. However, Amazon has taken the division of labor at its 'distribution factories' to new extremes, not only in terms of how stages of work are broken down and standardized, but also in terms of the time allotted to each task" (Boewe). Amazon makes great use of technology to speed up the sorting process as well as reducing the number of mistakes made. "Every single product arriving at the warehouse is meticulously classified based on its physical properties (e.g. weight, size, material) to ensure that the subsequent sorting, picking and packing processes can be carried out quickly and with maximum accuracy..." (Boewe). To achieve this accuracy, the scanners that employees use give them specific and exact directions to follow. This allows them to take the most optimized route to do their job. "...The scanners tell pickers which route to follow to individual items... [linking] the scattered employees with a technical system that regulates their tasks right down to the smallest detail and thus saps all autonomy from the work process", just like assembly lines in industrial mass production..." (Boewe). Not all the faculty in a fulfillment center are human. Amazon has created hundreds of robots to further streamline the package gathering and sorting process. "Amazon has also introduced robots at its warehouses to help with the delivery of their goods. This has helped the company to significantly reduce the costs of warehousing products, reduce costs of delivery and increase the overall efficiency of their services..." (Hahn, Youn, and Kim). Amazon has fine tuned their workflow to allow them to operate at the speeds they guarantee. This efficiency sets them apart from their competition and lets them maintain their market lead.

How is a multibillionaire supposed to win the lottery? When you're Jeff Bezos, a jackpot of a few hundred million is pittance compared to your net worth. Instead, Jeff Bezos' jackpot is the Corona virus, and it is a best payout he could have ever hoped for. To try to put his newfound wealth into scale, "...Bezos could give US\$105,000 to every Amazon employee and would still be as wealthy as he was before the pandemic..." (Crowley). The lockdown caused the whole of Amazon to explode with profit. With it suddenly becoming dangerous to be out in public, people were herded into their homes, businesses were closed, and workers quit their jobs in droves. In this environment, how were people supposed to go shopping to get the things they needed? "With lockdown measures causing people to stay home, people worldwide turned to e-commerce platforms as a means of purchasing products and services. In April 2020, The Guardian reported that Amazon customers were spending almost US\$11,000 per second on the website" (Crowley). All this patronage has caused Amazon's profits to skyrocket. "In the third quarter of 2020, the company earned US\$6.3bn – the highest quarterly earnings in Amazon's 26 year history... It is therefore unsurprising that the retailer has been described as 'Wall Street's biggest winner from coronavirus...'" (Crowley). Now more than ever, Amazon has become the leading outlet for all online shopping needs, and in times of a global crisis, a necessity for millions. Amazon has big responsibilities to fill to get their orders shipped fast and efficiently lest a competitor come and steal their thunder.

The biggest threat to Amazon's efficiency lies in their workers themselves. For years Amazon employees have been trying to unionize so they can lobby for better working conditions and pay, but every step of the way Amazon has been there to try and crush these efforts. For workers, better conditions mean more breaks, less hours, better overtime pay, installation of new safety features, among many others. This would make working there much more bearable and

humane. To Amazon, this means lost productivity and lost money, so it is in their interest to stop unionization no matter the cost. In fact, a recent decision to give into one of the union's claims has already affected them financially. "Amazon's autumn 2018 announcement that it was raising its minimum hourly wage to US\$15 (approx. €13.30) was clearly a response to the hugely successful Fight for \$15 movement" (Boewe). While this decision does mean that Amazon loses money due to higher employee wages, it was no doubt a strategic move. Higher wages inspire more people to work and remain at the warehouses since the pay is better than minimum wage. Amazon also gets the good PR that comes with this move and can talk about how they support their employees. However, Amazon still wants to put a stop to unionization efforts to show that they will not always bow down to demands. They do this through a variety of methods to single out supporters. One of their deterrent techniques involves firing any employee that tries to stage a protest or start a movement. In March 2020, Amazon made a statement that confirmed that two faculty members in New York City had contracted covid (Crowley). However, many of the workers at that facility claimed that the number was wrong and closer to 10 people (Crowley). There has long been a lack of covid safety measures across all of Amazon's fulfillment centers, with them notably not having "...Adequate deep cleaning... failing to provide personal protective equipment, hand sanitizer and socially distanced workspaces... and a lack of paid sick leave" (Crowley). To try and combat the lacking safety features and to protect his fellow employees from getting sick, a worker by the name of Chris Smalls started a walkout to try and spread awareness of the issue. Amazon did not take kindly to this demonstration. Instead of listening to the concerns of their workers, they decided that Smalls was to be "...Subsequently laid off for what Amazon said was "violating social distancing guidelines... However Smalls, and other employees, believed he was fired instead for organizing the strike..." (Crowley).

Amazon immediately disassociated themselves with Smalls and tried to vilify his actions by claiming that he violated company guidelines. Ironically, it was safety guidelines like these that employees were fighting for so that they could be subjected to less risk in the workplace. Not only did Amazon claim that Smalls was breaking the rules, but they also tried to call his character into question to further discredit him. "A leaked memo illustrates that Amazon's general council wanted to portray the worker as "not smart or articulate..." (Crowley). Smalls was made into an example to serve as a cautionary tale for any other worker that got similar ideas. Ideally, Amazon doesn't want to get to the point where they must put down an active protest, but instead stop them before they even happen. The company has created job openings for people who could "...Monitor "labor organizing threats" and other sensitive topics on their website..." (Crowley). Their job is to survey the social media accounts of warehouse and delivery workers to try and find any plans of a gathering or strike so that it can be reported and stopped before it comes to fruition (Crowley). By crushing resistance, Amazon hopes that it can avoid giving employees the benefits they deserve, as those benefits would take away from their bottom line.

Amazon isn't content with only stopping employee protests. The company is structured in a way to actively discriminate against pro-union workers and make them feel like outcasts. It has been reported that management purposefully "spreads rumors" about faculty that are pro union to turn their colleagues against them (Boewe). Union supporters are not granted equal job opportunities or assignments, as they are "...kept away from certain tasks. They have no chance of getting better jobs because they will be turned down. They have no chance of carving out a career" (Boewe). Other union members have reported favoritism among the management staff. Workers who supported non-unionization are reportedly awarded higher wages, meanwhile work

council members are constantly warned of disciplinary action (Boewe). In addition to this, union supporters are "...Frequently "never informed, or only informed after the fact" of decisions that should have been subject to co-determination, such as changes to working processes" (Boewe). They are excluded from decisions and meetings where their voice would have gone a long way in procuring a healthier work environment. A lack of information is given not only to the individual worker, but to the entire council in general. "...Amazon failed to adequately fulfil its obligation to provide information under the Works Constitution Act... one works council member complained that management provided information "too late" and often "not at all"" (Boewe). Amazon was always extremely resistant to giving out any information to the union. They would only provide bits and pieces when "...forced to do so by a lawyer. It rarely provides any economic information.' Anyone who criticizes this failing is "told [that the] company structure" prevents such information from being passed on" (Boewe). Whenever an unpopular decision is made, managers use the union as a scapegoat. "Works councils are blamed for unpopular decisions made by the company, on the grounds that: "the works council rejected the classification, so thank them". One shop steward reported that "the works council is held responsible for anything bad that happens"" (Boewe). All these grievances are deliberately carried out by Amazon's upper management. By dirtying the name of the union and treating their members badly, Amazon ensures that the council will stay unpopular amongst their workers. The less popular it is, the less they must give into their demands, and the less compromises to efficiency and cost they must make.

Time is money is a common phrase in business, and one that Amazon has taken to heart. They expect 100% efficiency from all their employees if they are to meet their deadlines. While it is this efficiency that lets them ship millions of packages across the globe in record time, the

speed at which they must operate takes a monumental toll on their workers. Employees have strict deadlines and scanners that track their position and time spent between each task. They are given very few brakes, and even less leeway. "A 2013 investigation revealed that Amazon tracked the movements of their staff with GPS trackers, routinely gave staff one 30 minute break across a ten hour shift, and laid off temporary staff to avoid giving them the same benefits and rights as permanent workers..." (Crowley). The scanners in each warehouse record a lot more than an employee's work pace, it also keeps track of "...Visits to the toilet outside of break times, friendly chats with colleagues and quick breathers are all registered by the system and can lead to reprimands" (Boewe). Spending anytime off task will quickly lead to bosses being notified and a punishment being delivered. Amazon expects such efficiency and focus that in 2014 "...An employee who was "inactive from 07:13 to 07:14 [one minute]" was reprimanded for "non-compliance with her contractual work performance obligation" (Boewe). Not only are workers expected to race against the clock, but they are also expected to race against each other and keep quiet. "Sites, departments, shifts and, ultimately, individual employees are placed in direct competition and played off against each other... line managers often tried to prevent conversations between employees at the workplace and nip in the bud any signs of friendly relations and mutual support between colleagues" (Boewe). Workers are encouraged to have the fastest scanning times, with those falling below the average being reprimanded. Aside from the physical and mental stress that the scanners induce, Amazon also will not make any compromises if it threatens their products, efficiency, or delivery time. "In 2011, Amazon forced workers in their Allentown warehouse to work without ventilation when the heat index reached 102 degrees Fahrenheit inside the building. Management would not let them open the windows or doors, citing concerns of theft. 15 workers collapsed as a result of the situation..." (Crowley).

Amazon decided that it was more important to prevent a possible theft in a highly secured and monitored warehouse rather than prevent their employees from collapsing due to the high temperatures. In 2018, 31 delivery drives had experienced "...A number of alleged abuses from their employer, including a lack of overtime pay, missing wages, intimidation, and favoritism. The drivers felt they were under severe time constraints, causing them to drive at dangerously high speeds, ignore stop signs, and urinate in water bottles..." (Crowley). Amazon prefers to have their workers violate traffic safety laws and put their own lives at risk so long as their packages can be delivered on time. By working their staff to the bone, Amazon makes sure they get every penny's worth of productivity from each one.

Allegations of employee mistreatment is nothing new in the eyes of the public. Plenty have heard unique stories about bad work experiences or company controversies, yet still millions continue to shop at Amazon and come to the company's defense. Amazon works tirelessly to control its public image and convince users that they are the good guys. To convince the masses that their intentions were pure, Amazon "...Launched television advertisements and a docuseries which portrayed Amazon as being deeply concerned with the safety of its 'retail heroes'. Amazon's Twitter page shows a number of posts which represent the retailer's employees as happy and well-supported, as well as highlighting the Covid-safe practices enforced within the company's facilities" (Crowley). The cracks in this façade start to show when their statements are cross checked with employee experience. "When contrasting these social media posts to the allegations made by employees, it suggests that Amazon's internal behaviors may not align with the image it wishes to project" (Crowley). The company allegedly presents either fabricated messages about how their employees feel about the company or how they are trying to change for the good on their social media platforms. This is an empty attempt

at gaining good PR by spreading positive messages with no real change or substance behind it. Through analyzing Amazon's Twitter, we can find four tweets that are emblematic of this problem. "...We devote enormous time and resources to caring for our people" ... "See all of the ways we're working to protect our people" ... "Christine's an Amazon Seasonal Sortation Associate and mom with a passion for helping people. She's proud to look out for her team's health..." ... "@AmazonNews has daily updates about the actions we're taking to support our people" (Crowley). All four of these tweets carry heart warming messages, inspirational stories, and examples of change. These carefully play with the truth to paint Amazon in a positive light. With their other tweets, it was found that "...Amazon employees are family" ... was found in 47.5% of the 40 posts analyzed in this paper. Amazon exhibited a strong tendency to portray its employees as being more than workers, but rather members of their family unit" (Crowley). By claiming to be a family, Amazon manages to spread the message that they are a close-knit community that looks out for each other while at the same time minimizing the complaints and grievances of employees who disagree with this, as they are setting themselves apart from the family (Crowley). The family approach also serves as a useful tool for Amazon to deny "...Any allegations of employee mistreatment by suggesting that their workers a strong rapport with upper-level management. In doing so, this frame aims to discourage any negative beliefs audiences may have about Amazon and their treatment of staff" (Crowley). By changing the narrative through their media posts, Amazon can hide how they treat their employees and keep it as out of view as they can in the eyes of the public.

While to maintain their market dominance, Amazon has had to create an accessible global supply chain with outstanding levels of optimization to promise low prices and quick delivery times, Amazon is not justified with their abuse of their staff through anti-unionization

practices, mistreatment of employees, and social media cover up to maintain this dominance.

While on a technical level, their achievement in global delivery is to be praised, they are to be reprimanded for their treatment of employees. Workers should be allowed to unionize and lobby for better conditions without the fear of being silenced or discriminated against, be given reasonable working conditions with room for leniency and breaks, and be more honest about the state of their company and the changes they are striving for. This will inevitably lead to packages taking longer to ship, but this is a change that should be accepted. Workers should not be forced to suffer so a customer doesn't have to wait another 24 hours for their package of fancy pens.

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