

## Ethical And Management Perspective Of Hub And Spoke Distribution Model In Logistics Sector

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### ABSTRACT

Ethics can be stated as the organised rules which can be very well stated in a written format or in the state of people's mind. Both the way the ethics followed can be practised in a society through the behaviour of the people in the particular society. The ethical practice followed in a society is not necessarily same to be followed in any other society. There are various aspects in terms of following the ethical values effectively. In terms of Managerial Ethics, it can be portrayed as the dignity of scientific evaluation followed in Managerial institutions. The concern for ethics arises in Managerial perspective when people or animal violate the set of values which are meant to be followed by the People. It is very well expected the ethical standards are meant to be the guidelines with appropriate transparency in every Managerial. In the perspective of Managerial there are set of code of conduct guidelines for the Managerial to be strictly followed. These codes are binding by the force of law as well as advisory in nature with respect to unethical Managerial. Plagiarism is one of the key concerns in the arena of Managerial domain. This article shows some critical view points on the key phenomena of Managerial Ethics and the ways to ensure the limitations within the ethical boundaries in Managerial.

The customer demand is the key aspect which has to be filled by the supplier on the right time with right quality. There are various methods and technology incorporated in order to full fill the customers demand in order to obtain the competitive advantage. In the tradition time the delivery network were not organized enough since the principle followed were direct point to point delivery which is most of the time directly connected. The optimum logistics services act as the important aspect in improving the supply chain management. Though the logistics act as the key aspect, it has its own challenges with respect to the cost and infrastructure.

**Keywords::** Managerial Ethics, code of conduct, force of law, Plagiarism, conduct guidelines, logistics services, supply chain management, Hub and Spoke model, networking, etc...

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## **Introduction**

As per the World Trade Organization report, the Hub and Spoke Model with respect to Supply Chain Management industry is expected a growth reaching 1.6 billion by 2020. Hub and Spoke Model industry is the largest employer in the world, both organized and unorganized way creating about 200 million jobs (10% of global employment). The trade barriers becoming liberal in the globalised era and increasing per capita income of major people tend to improve the warehouse market share in the world. India is one of the highest growing warehouse destinations with the Foreign Warehouse arrival rate has improved substantially from 70 lakh to 1crore in the last half decade, earning revenue of about US\$27 billion.

A Nationwide standard operating procedure has to be framed in order to eliminate the overlapping of schemes or welfare measure. Coordination between the ministries involved has to be well established in order to execute sustainable competitive advantage. The analysis definitely put forth the demand of Warehouse industry being definitely a boon to service sector. Hence will act as an advantageous pillar to the Indian Economy. Added to the above discussed aspects the way forward is towards the virtual reality, where the distance and diagnosis does not matter in Logistics and supply chain management services.

## **Ethical Perspective**

Ethics is nothing but the values which are being accepted or followed by a particular society strive to have same ethics to be followed all over the world. Particular ethical values may be totally different from the ethical values which are followed from another place to place. This is also same with respect to management ethics which are being followed in various firms. For example the forming of union among employees is totally allowed in numerous government companies but this is not the same with the private companies even with respect to the government companies the Civil Servant of the government are not allowed to form a union. Hence the ethical values change even based upon the government or private institution. The management ethics can be said as a social responsiveness of a company or a firm. Usually the management ethics are the set of values which are being accepted or followed by the employees working in the particular form or an industry.

The set of values can even change from Industries to industries even among sectors. It is not essentially the values has to be same with respect to primary sector or the secondary sector or tertiary sector or so on. The management ethics has to be essential in every organisation since it acts as the guiding principles for the employees working in the organisation it not only works as the guiding

principle but also work as the rule book which could be either written or an unwritten rule book. Hence the employees working in the organisation has to abide with the rules and regulation of the firms which essentially are to be considered as ethics. Hence the managerial ethics or totally dependable on the employees of the shareholders of the firm employees can be classified into middle management top level management as well as lower-level management.

The top-level management are the decision makers are the goal setters. The middle level Management is the managers who plan certain actions to be taken in order to achieve the goal which are set by the top level management. The lower level management are the people who are usually the labourers who perform the action said by the middle level management people. Thanks there are three different kinds of ethics to be followed with respect to the layers for hierarchy of the employees. Thanks within the firm or a company that would be certainly three different ethics which are to be followed by three different categories of employees. It is not necessary to be the same ethics which is to be followed by the three different categories of employees. In this article we will see about the managerial ethics which are been followed with respect to various levels of Hierarchy.

### **Management ethics with respect to top level management**

The main agenda of the top level management is to set a vision as well as frame of the missions in order to achieve the vision of the company. A company may have extraordinary vision but it has to essentially incorporate the ability of employees in every mission statement in order to achieve the vision or goal of the company. The human or employee welfare has cannot be omitted framing the mission statement the top-level management has to consider both the mental health and the physical health of the employees hence the mission statement cannot be so drastic or mechanical in nature, the top-level management should consider the practical capabilities of the employees working in both middle level management as well as lower level management. The top level management has to consider two factors of Maslow's hierarchy theory where a person or an individual expect to fulfil each stages existing in the Maslow's hierarchy theory in order to achieve self-esteem it is also the responsible of the top level management to provide secure feeling in order to look for the best cap abilities of the employees

### **Management ethics in middle level management**

The middle level management is the crucial stage of any firm for a company the middle level management has to act as the perfect Bridge between the top level management and the lower level

management the middle level management has the key challenge for task in order to execute the goals set by the top level management hence they have the beauty of executing the Google's based upon the missions said by the top level management without exceeding the limits for ethics which are followed in any organisation the top level management can set any strategic goals but it is the middle level management who has to keenly look after the ethical policies where the lower level management or the employees could peacefully work in order to execute the job assign to each individual do profit maximization is the ultimate goal of any sector the company cannot over exploit the employees to achieve the goal as well as the company also cannot exploit the customer in order to gain much profit. This is one of the key or important set of ethics followed in any organisation.

### **Management ethics in lower-level management**

Lower-level management of the people who really execute the job in order to achieve the goal set by the top-level management. The number of people who worked in the lower level management is comparatively high with respect to the other two levels of Management. Hence at most care has to be provided with respect to the management ethics. Due to the number of people's working the lower level management is high but the educational qualification for the awareness level of such employees working in lower level management is very low. Hence there is an enormous chance of exploitations being carried out in lower-level management in the history during the era of World War II.

The industrial revolution had its peak, this is web and the employees who are in lower level has been really exploited to the atmosphere possible extent this is the time where the children were exploited as the labourers. Most of the children's during the era of industrial revolution had lost their education in working as per labour in order to feed their families, there is a huge lack of managerial ethics during the era of industrial revolution.

In the current situation the government has come up with a policy called right to education policy where every child has a right to get education this policy not only help to avoid child labour, but also helps children to get education do the government come up with numerous policies to prevent exploitation. Yet the companies also play a key role in order to execute the policy in a successful wave all the Welfare policies for based upon the managerial ethics. It is not only the children's who have been exploited at the lower level management but also the women's who are even now exploited with respect to the salary provided by the companies. It is found that the salaries of women employees are drastically different compared to the many employees are the same level of employment.

There are certain situations where the women are not provided with essential facilities with respect to the working environment hence it is the managerial ethics which plays a crucial role in order to provide or treat the women with dignity. The management ethics could be classified into three different prospects the first one is immoral management ethics moral management ethics and a moral management ethics

#### **The Positive impact of hub and spoke model:**

The hub and spoke model is an easy task which increases the employees of the organisation in order to dispatch the deliveries as well as enhance the efficiency of reverse Logistics. With respect to the inventory storage the hub and spoke model also helps in reduction of inventory cost. The construction is not most nursery measures in order to health the customers as well as the business to attend sustainable competitive advantage. In the current scenario the competition among the private players as well as the government players has raised up enormous level, hence it is unavoidable to compete in the market in order to sustain.

With respect to loading and unloading points, the hub location act as the perfect infrastructure to enhance the operation of loading and unloading, this ultimately helps in reduction of processing time as well as helps in reduction of errors. Since all shipments in a day are typically picked up from a designated hub, it is easy for logistics managers to plan daily dispatches effectively and assign delivery duties to agents in a more systematic manner based on their geographical knowledge and preferences. It is also easy to load and unload shipments from the centralized point and maintain the right levels of stock to ensure constant supplies within a particular area.

#### **Conclusion**

The Hub and spoke distribution model is a centralization concept of locating the hub and networking the spokes as the mini hubs in a diagrammatic model of wheel and its spokes. The centralized hub is connected with the distribution centers which were represented as spokes. In the traditional Logistics model products were delivered to the customers directly from the manufacturing centre to the customers. Such a concept has a lot of complications with respect to cost, time, etc and many products were misplaced since tracking was very difficult. The spokes location was very well analyzed and place accordingly to ensure optimum connectivity based upon the distance and time taken.

Particularly the Hub and Spoke model has revolutionized the air transportation industry. In this article a detailed review will be made with respect to the Hub and Spoke model and its impact on supply

chain management. Hence it becomes essential to ensure optimum in both cost perspective and infrastructure perspective. In the recent time the incorporation of technology has become inevitable in the due process of supply chain management. The hub and spoke model has emerged as the solution for the challenges in prevailing in the Supply Chain management.

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