



Ethics

Exploring the real meaning of ethics

By Gina Wilson
Corporate Training Consultant

*“Two roads diverged in a wood, and I –
I took the one less traveled by,
And that has made all the difference.”*

~Robert Frost

What exactly is ethics? The Josephson Institute of Ethics, a nonpartisan, nonprofit organization that exists to improve the ethical quality of society, states it well, “Ethics is about how we meet the challenge of doing the right thing when it will cost more than we want to pay.” The Institute further explains the two aspects of ethics. “The first involves the ability to discern right from wrong, good from evil, and propriety from impropriety. The second involves the commitment to do what is right, good and proper. Ethics entails action; it is not just a topic to mull or debate.”⁵

Now that ethics have been defined, what is considered ethical? Is a questionable behavior ethical if no one is hurt? Is it ethical if *everyone* is doing it? Is it ethical if it is legal? Is it ethical if it is part of the job? Is there a difference between business ethics and personal ethics? John Maxwell states, “There’s no such thing as business ethics – there are only ethics.”⁶ Individuals try to define ethical behavior at home differently from ethical behavior at work or at school or within a religious belief system. But ethics is ethics. If a person desires authenticity

then there can be no distinguishing between various ethics platforms. “Separating personal ethics from work ethics can cause decent people to justify doing things at work that they would never do at home.”⁵

In order to understand why individuals choose to go the unethical route, we must understand what compels an individual to choose to do right. In [The Cheating Culture: Why More Americans are Doing Wrong to Get Ahead](#), David Callahan states, “There are roughly four reasons why people obey rules. First, we may toe the line because the risks of breaking the rules outweigh the benefits. Second, we might be sensitive to social norms, or peer pressure – we follow the rules because we don’t want to be treated as a pariah. Third, we may obey the rules because they agree with our personal morality. And fourth, we may obey the rules because they have legitimacy in our eyes – because we feel that the authority making and enforcing the laws is just and ultimately working in our long-term interests.”² As an organization, management is counting on these four points to come through loud and clear when an employee reads and signs off on the organization’s ethics policy.

It may seem like an awful lot of work to draft and enforce an ethics policy. It’s true, it is a lot of work, but we need to remember that all structure needs tending. Charles Watson tells a story about crossing the Golden Gate Bridge in San Francisco and observing the painters constantly painting. Why? Because their work never ends. As soon as the fresh coat of paint is applied to the bridge, the salt air begins attacking the metal. Just as the painters need to constantly attend to the maintenance of the bridge,

“corrosive forces can attack and destroy the integrity of any workplace and render it ineffective and the people in it weak and unreliable.” Maintaining integrity to the workplace, like the continual upkeep of a bridge, involves constant attention.”⁹

When we read about the missteps of well-known organizations such as Enron, Adelphia Communications, Tyco, or WorldCom, we may wonder how an organization can reduce their risk of an ethical meltdown. While corporate policies cannot guarantee the ethical behavior of the employees, the implementation of an ethics policy can definitely make the expectations more clear.

“Principle – particularly moral principle – can never be a weather vane, spinning around this way and that with the shifting winds of expediency. Moral principle is a compass forever fixed and forever true – and that is as important in business as it is in the classroom.”

*~ Edward Lyman*⁵

Measuring Success!

How to build transparency into your organization

“For centuries in Ireland, women hand knit sweaters for their seafaring husbands. The bulky, cable-stitched wool was constructed to ward off harsh elements. Each woman used a recognizable, family specific pattern of stitches, both to reflect the love and pride, but also to be used as a means of identification if her husband was lost at sea and his body washed ashore.”³

Imagine having a “recognizable, family-specific pattern of stitches”³ so that a sweater could be connected to the family of origin. With one look there would be a link to a proud heritage. What sort of heritage does your organization project? Can your employees look at the stitches threaded throughout your mission statement and ethics policy and know where you stand on issues of

integrity? Does your organization have a clear, succinct ethics policy that sets you apart from other organizations? If not, you may wonder if an ethics policy is even necessary. After all, the integrity of an organization’s employees isn’t the responsibility of management, right? Wrong. According to EPIC Online, “Leaders who consider ethics to be separate from law place themselves and their organizations at risk. To not have any effective ethics/compliance program is to place the organization at serious risk.” The three essential points that make an ethics policy effective include:

1. The policy must be inclusive – top down
2. The policy must be valid – content consistent with standard ethical principles
3. The policy must be authentic – policies enforced and values reinforced⁸

Before drafting an ethics policy, it is a good idea to form an Ethics Committee. This committee will discuss the essential points to be covered in the written policy. The Ethics Committee may consist of five to seven employees, settling on an odd number to avoid a tie when voting on issues. Avoid a committee of more than seven members as research has found that when the number grows bigger than seven, productivity per person is reduced.

When meeting with the committee, be aware of what an ethics policy should look like. According to Michael Wade of U.S. News and World Reports, an ethics policy is:

- **Specific** where the guidelines are explained clearly.
- **Thought provoking**, but understandable.
- **Clear**. “Accept no gifts” is vague.
- **Concise**. Rather than state, “Avoid improper use of computer,” explain precisely using examples.
- **Realistic**. “Absolutely no personal phone calls” may be unreasonable.
- **Enforceable**.
- **Flexible**. It may take some tweaking to get it right.⁸

Additionally, an organization will likely wish to include in their code of ethics a section which specifically addresses the acceptable use of the information systems within an organization. This section of the policy may include the following:

1. Privacy and Confidentiality
2. Exceptions to Privacy of Information
3. Password Security
4. User Security Practices
5. Security for IT Systems
6. Reporting Security Breaches
7. Unacceptable Use
8. Excessive Non-Priority Use of Computing Resources
9. Unauthorized Use of Intellectual Property
10. Misuse of Email
11. Suspension of Services
12. Disciplinary Action

The ethics policy is implemented to protect not only the organization but the employees as well. The process of drafting an ethics policy can be daunting and may best be delegated to a human resource professional. Should you need help creating an ethics policy for your organization, HR Consultants, Inc. is prepared to offer you direction.

“It doesn’t matter whether you’re talking about lying to your neighbor or defrauding a big corporation, any action ultimately impacts individual people – for better or worse.”

~John Maxwell

Did You Know?

- 82% of high ranking corporate executives admitted to cheating on the golf course to gain business and network opportunities ²
- 50% increase in employee fraud has been reported since 1996 costing commerce \$600 billion a year ⁷
- 80% of people surveyed said they decide to buy a firm’s goods or services partly based on their perception of the company’s ethics ⁷

Sources and Recommended Reading

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7. Singer, Blair. 2004. The ABC’s of building a business team that wins: the invisible code of honor that takes ordinary people and turns them into a championship team. Warner Business Books. New York.
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HR Consultants, Inc.
160 JARI Drive, Suite 180
Johnstown, PA 15904
814-266-3818 / 814-266-0189 (fax)
info@hrconsults.com
www.hrconsults.com

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