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هذه الوثيقة متوفرة لمساندة مقرارات الجامعة.

ويمنع منعاً باتاً نسخها في نسخ متعددة أو إرسالها بالبريد الإلكتروني إلى قائمة تعميم بدون الحصول على إذن مسبق من صاحب الحق القانوني للملكية الفكرية لكن يمكن للمستفيد أن يطبع أو يحفظ نسخة منها لاستخدام الشخصي لأغراض التعلم والبحث العلمي فقط.



GLOBAL
EDITION

Human Relations

Interpersonal Job-Oriented Skills

TWELFTH EDITION

Andrew J. DuBrin

ALWAYS LEARNING

PEARSON

15

CHAPTER

Enhancing Ethical Behavior

Touring the grounds of Electronic Recyclers International in Fresno, California, is unnerving. It's an unarmed walk through a prison yard. Tattooed, muscular men tear apart computer monitors with hammers and electric grills. A guy with a gang insignia etched on his neck hoists a monitor over his head. Another rips the face off an old television with his bare hands. Machines chortle and grind gadgets and cell phones, spitting out shards of metal, plastic, and glass. Sharp edges and the faces of ex-cons are everywhere you look.

But ERI Chief Executive John S. Shegerian strolls comfortably through the place, dressed in a three-piece suit, green tie, cufflinks, and Rolex. Like a lot of like-minded businessmen these days, he espouses the importance of doing good while making a profit. "I believe you can run a business and do everything," he says, "including lives."



LEARNING Objectives

After reading and studying this chapter and doing the exercises, you should be able to

Shegerian aims to be the biggest among the 700 or so electronic recyclers in the United States. He's already a leader in California, which in 2006 banned all electronics from its landfills. Electronics can contain toxins such as cadmium, mercury, and chromium. "..."

"Electronics are the fastest-growing solid waste stream in the world," he says. "..."

At a big enough scale, Shegerian hopes to stanch the flow of electronic waste exported to poor countries overseas. Over the next three years, Americans will throw out maybe 110 million computers, 80 million television sets, and 350 million cell phones. The majority of electronics recyclers don't even bother recycling this waste. They just ship it to India, Southeast Asia, China, and Africa. Organizations such as Basel Action Network and Greenpeace say the workers in those countries are often children making pennies a day. They troll mounds of garbage in search of computers and TVs. Lacking proper tools to tear open computer shells, they burn the plastic to get to the valuable stuff inside, breathing toxic fumes. They dip circuit boards in acid and melt lead in the same pans they use to cook their meager meals. They toss any remains back on the pile, where toxins seep into water supplies. "..."

Shegerian wants to open his next few recycling centers in rusty, neglected neighborhoods. It's all very much in keeping with his drive to rehabilitate whatever he comes in contact with: people, places, things. One-third of ERI's 200 full- and part-time employees are in its "second chance" program, which includes ex-cons and former addicts. It so happens these workers have a 17% turnover rate, half that of other employees.^[1] "..."

The scenario just described illustrates that some business people make it their mission in life to engage in activities that will help the environment as well as downtrodden people. Such people are being highly ethical on the job, as well as being socially responsible. (We are making the value judgment here, that preserving the environment and helping to rehabilitate ex-cons are ethical acts. Some people might disagree.)

People performing all types of work need a good sense of ethics (and etiquette) to be successful. Also, you often need to have an ethical reputation to get the job you want. Ethics refers to moral choices, or what is good and bad, right and wrong, just and unjust, and what people should do. Ethics is the vehicle for turning values into action. If you play fair, you will do such things as giving honest performance evaluations to members of your group.

We study ethics here because a person's ethical code has a significant impact on her interpersonal relationships. This chapter's approach will emphasize the importance of ethics, common ethical problems, and guidelines for behaving ethically. Assessment Quiz 15-1 gives you the opportunity to examine your ethical beliefs and attitudes.

Character trait

An enduring characteristic of a person that is related to moral and ethical behavior.

SELF-ASSESSMENT QUIZ 15-1

The Ethical Reasoning Inventory

Directions: Describe how well you agree with each of the following statements, using the following scale: disagree strongly (DS), disagree (D), neutral (N), agree (A), agree strongly (AS). Circle the number in the appropriate column.

	DS	D	N	A
1. When applying for a job, I would cover up the fact that I had been fired from my most recent job.	5	4	3	2
2. Cheating just a few dollars in one's favor on an expense account is okay if a person needs the money.	5	4	3	2
3. Employees should report on each other for wrongdoing.	1	2	3	4
4. It is acceptable to give approximate figures for expense account items when one does not have all the receipts.	5	4	3	2
5. I see no problem with conducting a little personal business on company time.	5	4	3	2
6. Just to make a sale, I would stretch the truth about a delivery date.	5	4	3	2
7. I would fix up a purchasing agent with a date just to close a sale.	5	4	3	2
8. I would flirt with my boss just to get a bigger salary increase.	5	4	3	2
9. If I received \$400 for doing some odd jobs, I would report it on my income tax return.	1	2	3	4
10. I see no harm in taking home a few office supplies.	5	4	3	2
11. It is acceptable to read the e-mail messages and faxes of coworkers, even when not invited to do so.	5	4	3	2
12. It is unacceptable to call in sick to take a day off, even if only done once or twice a year.	1	2	3	4
13. I would accept a permanent, full-time job even if I knew I wanted the job for only six months.	5	4	3	2
14. I would first check company policy before accepting an expensive gift from a supplier.	1	2	3	4
15. To be successful in business, a person usually has to ignore ethics.	5	4	3	2
16. If I felt physically attracted toward a job candidate, I would hire that person over a more qualified candidate.	5	4	3	2
17. On the job, I tell the truth all the time.	1	2	3	4
18. If a student were very pressed for time, it would be acceptable to either have a friend write the paper or purchase one.	5	4	3	2
19. I would be willing to put a hazardous chemical in a consumer product if the product makes a good profit for the company.	5	4	3	2
20. I would never accept credit for a coworker's ideas.	1	2	3	4

Total Score _____

Scoring and Interpretation: Add the numbers you have circled to obtain your total score.

90-100 You are a strongly ethical person who may take a little ribbing from coworkers for too straitlaced.

60-89 You show an average degree of ethical awareness, and therefore should become sensitive to ethical issues.

41-59 Your ethics are underdeveloped, but you at least have some awareness of ethical issues. You need to raise your level of awareness of ethical issues.

20-40 Your ethical values are far below contemporary standards in business. Begin a study of business ethics.

WHY BE CONCERNED ABOUT BUSINESS ETHICS?

LEARNING OBJECTIVE 1

When asked why ethics is important, most people would respond something to the effect that "Ethics is important because it's the right thing to do. You behave decently in the workplace because your family and religious values have taught you what is right."

wrong." All this is true, but the justification for behaving ethically is more complex, as described next.^[2]

A major justification for behaving ethically on the job is to recognize that people are motivated by both self-interest and moral commitments. Most people want to maximize gain for themselves (remember the expectancy theory of motivation?). At the same time, most people are motivated to do something morally right. As one of many examples, vast numbers of people donate money to charity, although keeping that amount of money for themselves would provide more personal gain.

Many business executives want employees to behave ethically because a good reputation can enhance business. A favorable corporate reputation may enable firms to charge premium prices and attract better job applicants. A favorable reputation also helps attract investors, such as mutual fund managers who purchase stock in companies. Certain mutual funds, for example, invest only in companies that are environmentally friendly. Managers want employees to behave ethically because unethical behavior—for example, employee theft, wasting time on the job, and lawsuits—is costly.

Behaving ethically is also important because many unethical acts are illegal as well, which can lead to financial loss and imprisonment. According to one estimate, the cost of unethical and fraudulent acts committed by U.S. employees totals \$400 billion per year. A company that knowingly allows workers to engage in unsafe practices might be fined, and the executives may be held personally liable. Furthermore, unsafe practices can kill people. In recent years many people have perished in night club fires because there was only one door in operation, or unsafe pyrotechnics were on the premises. The financial scandals in recent years that resulted in major losses for millions of investors stemmed in part from financial managers making such risky investments that they were unethical. Securities were sold to the public that were based on loans to consumers with very poor credit ratings.

A subtle reason for behaving ethically is that high ethics increases the quality of work life. Ethics provides a set of guidelines that specify what makes for acceptable behavior. Being ethical will point you toward actions that make life more satisfying for work associates. A company code of ethics specifies what constitutes ethical versus unethical behavior. When employees follow this code, the quality of work life improves. Several sample clauses from ethical codes are as follows:

- Demonstrate courtesy, respect, honesty, and fairness.
- Do not use abusive language.
- Do not bring firearms or knives to work.
- Do not offer bribes.
- Maintain confidentiality of records.
- Do not harass (sexually, racially, ethnically, or physically) subordinates, superiors, coworkers, customers, or suppliers.

To the extent that all members of the organization abide by this ethical code, the quality of work life will improve. At the same time, interpersonal relations in organizations will be strengthened.

WHY WE HAVE SO MANY ETHICAL PROBLEMS

To become more skilled at behaving ethically, it is important to familiarize yourself with common ethical problems in organizations. Whether or not a given situation presents an ethical problem for a person depends to some extent on its moral intensity, or how deeply others might be affected.^[3] A worker might face a strong ethical conflict about dumping mercury into a water supply but would be less concerned about dumping cleaning fluid. Both acts would be considered unethical and illegal. Here we first look at why being ethical is not as easy as it sounds. We then look at some data about the frequency of ethical problems and an analysis of predictable ethical temptations, and also examine the ethical dilemma of choosing between rights.

LEARNING OBJECTIVE 2

moral intensity

In ethical decision making, how deeply others might be affected by the decision.



Why Being Ethical Isn't Easy

As analyzed by Linda Klebe Treviño and Michael E. Brown, behaving ethically in business is more complex than it seems on the surface a variety of reasons.^[4] To begin with, ethical decisions are complex. For example, someone might argue that hiring children for factory jobs in overseas countries is unethical. Yet if these children lose their jobs, many would starve or turn to crime to survive. Second, people do not always recognize the moral issues involved in a decision. For example, a home-maintenance worker who finds a butcher knife under the sink might not think that he has a role to play in perhaps preventing murder. Sometimes language hides the moral issue involved, such as when the term “file sharing” music replaces “stealing” music.

Another complexity in making ethical decisions is that people have different levels of moral development. At one end of the scale, some people behave morally just to escape punishment. At the other end of the scale, some people are morally developed to the point that they are guided by principles of justice and want to help as many people as possible. The environment in which we work also influences whether we behave ethically. Suppose a restaurant owner encourages such practices as serving customers food that was accidentally dropped on the kitchen floor. An individual server is more likely

engage in such behavior to obey the demands of the owner—even though the server knows that dangerous bacteria may have attached to the food.

A fundamental reason that being unethical is not always easy is that some people have a predisposition to be unethical. The predisposition works almost like a personality trait compelling certain people to be devious. A person with a utilitarian predisposition believes that the value of an act's outcomes should determine whether it is moral.^[5] A server with a utilitarian predisposition might be willing to serve food that dropped on the floor so long as no customer became sick or sued the restaurant. A small business owner with a utilitarian predisposition might be willing to sell fake luxury goods on the Internet so long as nobody complained that he or she was not caught. When asked about why he sold imitation watches, one vendor says, “What's the difference? My watches look like the real thing, and they tell time.”

Another major contributor to ethical problems is the same factor that motivates people to do many things—acting out of self-interest. John Bogle, the founder and former chief executive of the Vanguard Groups of Mutual Funds, believes that self-interest contributed to the financial scandals of recent years. “But self-interest got out of hand. It created a bottom-line society in which success is measured in monetary terms. Dollars became the coin of the new realm. Unchecked market forces overwhelmed traditional standards of professional conduct, developed over centuries.”^[6] Another take on self-interest is that employee fraud intensifies during difficult financial times where workers are experiencing financial pressures in their personal lives. Among these frauds are check forgery schemes, petty-cash thefts, and taking money from fabricated customer returns. All of these schemes are illegal as well as unethical.

A Survey of the Extent of Ethical Problems

The ethical misdeeds of executives have received substantial publicity in recent years. However, ethical violations by rank-and-file employees are widespread, with stealing and sexual harassment making the list. Figure 15-1 presents data about unethical behavior noticed by employees. As found in other surveys, lying is another widespread ethical problem in the workplace. Lying to either employees or outsiders was observed by 31 percent of employees. These findings might suggest that workers are observant of ethical problems, and willing to note them on a survey.

Frequent Ethical Dilemmas

Certain ethical mistakes, including illegal actions, recur in the workplace. Familiarizing oneself can be helpful in monitoring one's own behavior. The next subsections describe

FIGURE 15-1 Questionable Workplace Behavior as Reported by Employees

Despite a heightened emphasis on business ethics following scandals earlier this decade, a significant number of employees say they still witness questionable workplace behavior. Here is the percentage of employees who say they observed certain behaviors in the previous year, according to a survey of 2,852 workers by the Ethics Resource Center.

Lying to employees	19%
Engaging in conflicts of interest	16%
Lying to outside stakeholders	12%
Engaging in health and safety violations	11%
Producing poor product quality	9%
Stealing	9%
Sexual harassment	7%

Source: National Business Ethics Survey, Ethics Resource Center, Arlington, VA, 2009 survey. (www.ethics.org).

number of common ethical problems faced by business executives as well as by workers at lower job levels.^[8] Figure 15-2 outlines these problems.

Illegally Copying Software. A rampant ethical problem is whether or not to illegally copy computer software. According to the Business Software Alliance, approximately 35 percent of applications used in business are illegal.^[9] Figure 15-3 offers details about and insight into this widespread ethical dilemma.

Treating People Unfairly. Being fair to people means equity, reciprocity, and impartiality. Fairness revolves around the issue of giving people equal rewards for accomplishing equal amounts of work. The goal of human resource legislation is to make decisions about people based on their qualifications and performance—not on the basis

FIGURE 15-2 Frequent Ethical Dilemmas

Many ethical temptations face the individual on the job, forcing him or her to think through ethical issues practically every workday.

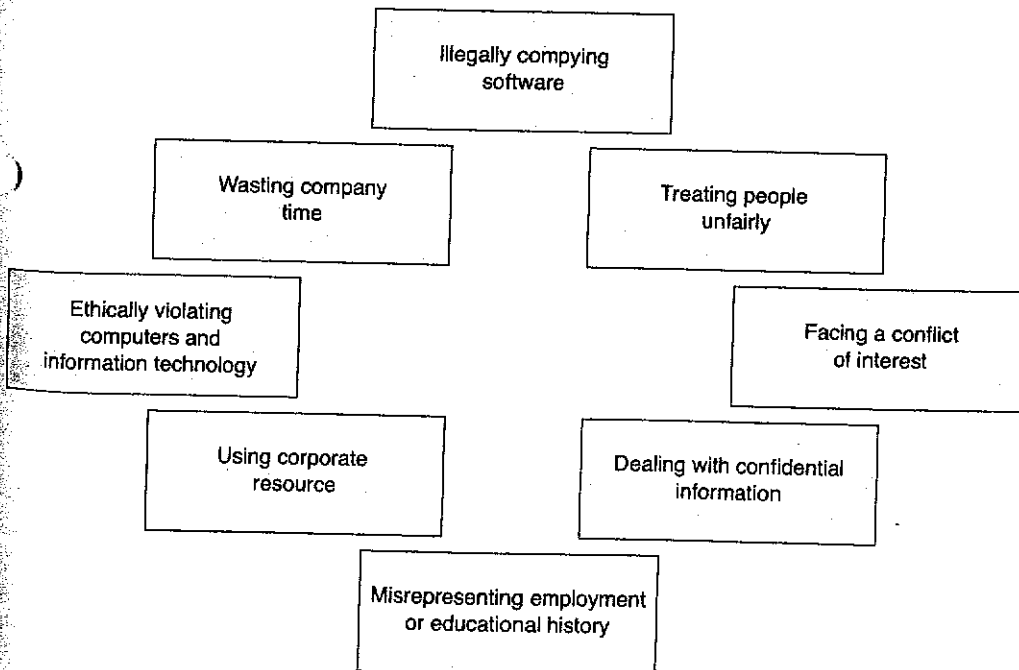


FIGURE 15-3 The Top Ten Reasons for Illegally Copying Software (and Why None of Them Are Good Enough)

A flagrant unethical and illegal job behavior is unauthorized copying of software. When confronted with software pirating, people are quick to rationalize their actions. Here are the top ten defenses of software pirates. (None of them are likely to hold up if you are caught.)

1. **I'm allowed to make a backup disk in case something happens to the original, so it must be okay to use it on another machine.** A backup is strictly a backup to be used on the same computer. The original should be safely locked away, and the copy should be stored away only as a backup.
2. **I didn't copy it—a friend gave it to me.** Technically you are right. You would not be guilty of illegally copying software in this case, although your friend would. However, since illegally copied software is regarded as stolen property, you are just as guilty as you would be for stealing it in the first place.
3. **My boss (or department head, or instructor) told me to. It's that person's problem.** The defense "I was just following orders" is a weak one. Complying with your boss's demands to commit an illegal act does not get you off the hook. You could be fired for obeying an order to commit a crime.
4. **I bought the software; shouldn't I be able to do what I want with it?** Software is seldom ever sold to individuals. What is sold is a license to use the software, not full rights to do what you want. When you break open the package, the law assumes that you have agreed to abide by those terms.
5. **It's not like I'm robbing somebody.** Software is intellectual property just like a song, a book, an article, or a trademark. You are taking bread from the table of software engineers when you copy their work.
6. **It's OK if you're using the software for educational purposes.** If education were a justification for theft, driving instructors would be able to steal cars with impunity. There is a doctrine of fair use that allows some limited use of written materials in classrooms without permission from the copyright holder.
7. **I needed it, but the price was unreasonably high. If I had to actually pay for it, there is no way I could ever afford it.** Software prices are high for the same reason the price of houses is high: both require a lot of highly skilled labor to create. You cannot steal a DVD player just because you cannot afford one.
8. **I didn't know it was illegal.** Unauthorized duplication of software is a felony in many states and provinces. State and federal laws provide for civil and criminal penalties if you are convicted. It would be difficult to convince a judge or jury that you had no idea that unauthorized copying was illegal.
9. **It's only illegal if you get caught.** Criminal behavior is illegal whether or not you are caught. If you do get caught illegally copying software, you could face fines, imprisonment, and/or civil penalties. Some educational institutions take disciplinary action against software pirates, including suspension.
10. **Oh, come on, everyone is doing it.** This excuse has been used to justify everything from speeding to lynching. The popularity of a criminal act does not make it legal.

Source: *The Top Ten Reasons for Illegally Copying Software (and Why None of Them Are Good Enough)*. Rochester Institute of Technology. Reprinted with permission.

of demographic factors such as gender, race, or age. A fair working environment is where performance is the only factor that counts (equity). Employer–employee expectations must be understood and met (reciprocity). Prejudice and bias must be eliminated (impartiality).

Treating people fairly—and therefore ethically—requires a de-emphasis on political factors, or favoritism. Yet this ethical doctrine is not always easy to implement. It is human nature to want to give bigger rewards (such as fatter raises or bigger orders) to people we like.

A major contributor to treating people unfairly is cronyism, or giving jobs to people who have done personal favors for you. Often the unqualified friend is given a position when competent, and qualified candidates are available. Cronyism is often practiced in government, where heads of government agencies are sometimes appointed mostly because they are a supporter and friend of the person in power. Earl E. Devaney, the Interior Department's inspector general said at a hearing, "Simply stated short of a crime, anything goes at the highest levels of the Department of the Interior." Among the ethical charges were cronyism and cover-ups of incompetence.^[10] Cronyism is also sometimes

found in business, with buddies, relatives, and lovers often being chosen over more qualified workers for a variety of positions.

Sexually Harassing Coworkers. In Chapter 9, we looked at sexual harassment as a source of conflict and an illegal act. Sexual harassment is also an ethical issue because it is morally wrong and unfair. All acts of sexual harassment flunk an ethics test. Before sexually harassing another person, the potential harasser should ask, "Would I want a loved one to be treated this way?"

Facing a Conflict of Interest. Part of being ethical is making business judgments only on the basis of the merits or facts in a situation. Imagine that you are a supervisor who is romantically involved with a worker within the group. When it comes time to assign raises, it will be difficult for you to be objective. A conflict of interest occurs when your judgment or objectivity is compromised. Conflicts of interest often take place in the sales end of business. If a company representative accepts a large gift from a sales representative, it may be difficult to make objective judgments about buying from the rep. Yet being taken to dinner by a vendor would not ordinarily cloud one's judgment. Another common example of a conflict of interest is making a hiring decision about a friend who badly needs a job, but is not well qualified for the position.

Blogging has created a new type of conflict of interest because many bloggers are paid for those kind, supposedly objective, comments they insert on the Internet about products and services. The Federal Trade Commission now requires bloggers to clearly disclose any payments or freebies they receive from companies for publishing reviews about their products or services. Penalties include a maximum fine of up to \$11,000 per violation.^[11]

Dealing with Confidential Information. An ethical person can be trusted by others not to divulge confidential information unless the welfare of others is at stake. Suppose a coworker tells you in confidence that she is upset with the company and is therefore looking for another job. Behaving ethically, you do not pass along this information to your supervisor even though it would help your supervisor plan for a replacement. Now suppose the scenario changes slightly. Your coworker tells you she is looking for another job because she is upset. She tells you she is so upset that she plans to destroy company computer files on her last day. If your friend does find another job, you might warn the company about her contemplated activities.

The challenge of dealing with confidential information arises in many areas of business, many of which affect interpersonal relations. If you learned that a coworker was indicted for a crime, charged with sexual harassment, or facing bankruptcy, there would be a temptation to gossip about the person. A highly ethical person would not pass along information about the personal difficulties of another person.

Misrepresenting Employment or Education History. Many people are tempted to distort in a positive direction information about their employment or education history on their job résumé, job application form, and during the interview. Distortion, or lying, of this type is considered to be unethical and can lead to immediate dismissal if discovered.

Misrepresentation of credentials takes place at all job levels. Inflated credentials in the executive suite have been an embarrassment to many companies. A survey of 358 senior executives at 53 publicly traded companies has uncovered seven instances of inaccurate claims that an individual had received an academic degree. In recent years, misrepresentation of academic credentials has cost top corporate officials their positions at companies, including RadioShack Corp., vitamin maker Herbalife Ltd., and Usana Health Sciences, Inc.^[12]

Using Corporate Resources. A corporate resource is anything the company owns, including its name and reputation. If Jake Petro worked for Ford Motor Company, for example, it would be unethical for him to establish a body shop and put on his letterhead and Web site, "Jake Petro, Manufacturing Technician, Ford Motor Company." (The card and Web site would imply that the Ford Motor Co. supports this venture.) Other uses of corporate resources fall more into the gray area. It might be quite ethical to borrow a

“Follow the Platinum Rule
Treat people the way they
wish to be treated.”
—Eric Harvey and Scott
Arlittam, authors of *Ethics
4 Everyone*

conflict of interest

A situation that occurs when a person's judgment or objectivity is compromised.

FIGURE 15-4 Eleven Commandments for Computer Ethics

1. Do not use a computer to harm other people. Avoid all obscene, defamatory, threatening, or otherwise harassing messages. Take precautions against others developing repetitive motion disorders.
2. Do not interfere with other people's computer work. (This includes intentionally spreading computer viruses.)
3. Do not snoop around in other people's files.
4. Do not use a computer to steal.
5. Do not use a computer to bear false witness.
6. Do not use or copy software for which you have not paid (see Figure 15-1).
7. Do not use other people's resources without authorization.
8. Do not appropriate other people's intellectual output.
9. Do not use the employer's computer for the personal promotion of commercial goods or services, unless granted permission by the employer.
10. Do think about the social consequences of the program you write.
11. Do use a computer in ways that show consideration and respect.

Source: Adapted and updated from Arlene H. Rinaldi and Florida Atlantic University, rinaldi@acc.fau.edu; "Code of Conduct for Computer and Network Use," <http://www.rit.edu/computerconduct>.

laptop computer for the weekend from your employer to conduct work at home. But would be less ethical to borrow the laptop computer to prepare income taxes. In the latter case, you might be accused of using corporate resources for personal purposes. Loading personal software on company computers so that you can access your bank account and so forth also can be considered an ethical violation.

Ethically Violating Computers and Information Technology. As computers dominate the workplace, many ethical issues have arisen in addition to pirating software. One ethical dilemma that surfaces frequently is the fairness of tracking the Web sites a person visits and those he or she buys from. Should this information be sold, like a mailing list? The scams that appear on e-mail every day are another prime example of the unethical use of information technology. Another issue is the fairness of having an employee work at a keyboard for 60 hours in one week when such behavior frequently leads to repetitive motion disorder, vision problems, and back pain. Figure 15-4 lists some major ethical issues involved in computer use.

Wasting Company Time. Many workers waste company time in the pursuit of personal interests. Among these time wasters are making personal phone calls, shopping by phone or the Internet, visiting sports and pornography sites, talking about personal matters with coworkers, daydreaming, and spending long periods of time smoking outside the building. The problem has become so severe with cell phone calls and text messaging that many employers forbid the use of cell phones while working. The section in Chapter 16 about personal productivity presents data about time wasting on the job.

You may have observed that these common ethical problems are not always clear-cut. Aside from obvious matters such as prohibitions against stealing, lying, cheating, and intimidating, subjectivity enters into ethical decision making. Skill-Building Exercise 15-1 provides an opportunity to try out your ethical reasoning.

Choosing between Two Rights: Dealing with Defining Moments

Ethical decision making usually involves choosing between two options: one we perceive to be right and one we perceive to be wrong. A challenging twist to ethical decision making is to sort through your values when you have to choose between two rights, or two morally sound choices. Joseph L. Badaracco, Jr., uses the term **defining moment** to describe choosing between two or more ideals in which we deeply believe.^[13] If you can

defining moment

Choosing between two or more ideals in which one deeply believes.

The Ethics Game

Many companies teach ethics by asking small teams of employees to confront difficult scenarios such as those that follow. Discuss these ethical problems in teams. As you discuss the scenarios, identify the ethical issues involved.

Scenario 1: One of your assignments is to find a contractor to conduct building maintenance for your company headquarters. You invite bids for the job. High-Performance Cleaners, a firm staffed largely by teenagers from troubled families who have criminal records, bids on the job.

Many of these teenagers also have severe learning disabilities and cannot readily find employment. High-Performance Cleaners proves to be the second highest bidder. You:

- A. advise High-Performance Cleaners that its bid is too high for consideration and that your company is not a social agency.
- B. award the bid to High-Performance Cleaners and justify your actions with a letter to top management talking about social responsibility.
- C. falsify the other bids in your report to management, making High-Performance Cleaners the low bidder—and thus the contract winner.
- D. explain to High-Performance Cleaners that it lost the bid, but you will award the company a piece of the contract because of its sterling work with teenagers in need.

Scenario 2: You live in Texas, and your company sends you on a three-day trip to New York City. Your business dealings in the Big Apple will keep you there Wednesday, Thursday, and Friday morning. You have several friends and relatives in New York, so you decide to stay there until Sunday afternoon. Besides, you want to engage in tourist activities such as taking a boat tour around Manhattan and visiting Radio City Music Hall. When preparing your expense report for your trip, you request payment for all your business-related costs up through Friday afternoon, plus

- A. your return trip on Sunday.
- B. the return trip and the room cost for Friday and Saturday nights.
- C. the return trip, one-half of your weekend food expenses, and two extra nights in the hotel.
- D. the return trip and your food costs for the weekend (which you justify because you ate at fast-food restaurants on Wednesday, Thursday, and Friday).

Scenario 3: You are the leader of a self-managing work team in a financial services company. The work of your team has expanded to the point where you are authorized to hire another team member. The team busily interviews a number of candidates from inside and outside the company. The other team members agree that one of the candidates (Pat) has truly outstanding credentials. You agree that Pat is a strong candidate, yet you don't want Pat on the team because the two of you were emotionally involved for about a year. You think that working with Pat would disrupt your concentration and bring back hurtful memories. You decide to

- A. tell the group that you have some negative information about Pat's past that would disqualify Pat for the job.
- B. telephone Pat and beg that Pat find employment elsewhere.
- C. tell the group that you agree Pat is qualified, but explain your concerns about the disruption in concentration and emotional hurt.
- D. tell the group that you agree Pat is right for the position, and mention nothing about the past relationship.

Scoring and Observation: Scenario 1, about High-Performance Cleaners, raises dozens of ethical questions, including whether humanitarian considerations can outweigh profit concerns. Teams that chose "a" receive 0 points; "b", 20 points; "c", -10 points; "d", 10 points. (Answer "d" is best here because it would not be fair to give the bid to the second-highest bidder. However, you are still finding a way to reward the High-Performance Cleaners for its meritorious work in the community. Answer "c" is the worst because you would be outright lying.)

Scenario 2 raises ethical issues about using company resources. Teams that chose "a" receive 20 points; "b", -10 points; "c", -15 points; "d", 0 points. (Answer "a" is fairest because the company would expect to reimburse you for your roundtrip plus the expenses up through Friday afternoon. Answer "c" is the worst because it would be unjustified for you to be reimbursed for your vacation in New York.)

Scenario 3 raises issues about fairness in making selection decisions. Teams that chose "a" receive -20 points; "b", -10 points; "c", 15 points; "d", 0 points. (Answer "c" is the most ethical because you are being honest with the group about the reason you do not wish to hire Pat. Answer "a" is the most unethical because you are telling lies about Pat. Furthermore, you might be committing the illegal act of libel.)

learn to work through defining moments, your ethical skills will be enhanced. Let's first take a nonwork example to illustrate a defining moment.

Imagine yourself as a basketball referee in a league for boys 10 years old and younger. Luis, the smallest boy on the team, has a self-confidence problem in general, and he has not scored a basket yet this season. This is the final game of the season. The other team is ahead by 10 points with one minute to go. Luis lets fly with a shot that goes into the basket, but his right heel is on the line. If the goal is allowed, Luis will experience one of the happiest moments in his life, and his self-confidence might increase. You strongly believe in helping people grow and develop. Yet you also strongly believe in following the rules of sports. What should you do?

You may have recognized that a defining moment is a role conflict in which you have to choose between competing values. A CEO might deeply believe that she has an obligation

Dealing with Defining Moments

The toughest ethical choices for many people occur when they have to choose between two rights. The result is a defining moment, because we are challenged to think in a deeper way by choosing between two or more ideals. Working individually or in teams, deal with the two following defining moments. Explain why these scenarios could require choosing between two rights, and explain the reasoning behind your decisions.

Scenario 1: You are the manager of a department in a business firm that assigns each department a fixed amount of money for salary increases each year. An average-performing member of the department asks you in advance for an above-average increase. He explains that his mother has developed multiple sclerosis and requires the services of a paid helper from time to time. You are concerned that if you give this man an above-average increase,

somebody else in the department will have to receive a below-average increase.

Scenario 2: You are the team leader of an e-tailing (retail selling over the Internet) group. In recent months each team member has been working about 60 hours per week, with little prospect of the workload decreasing in the future. Since the e-tailing project is still losing money, higher management insists that one person be dropped from the team. One member of the team, Mildred, is willing to work only 45 hours per week because she spends considerable time volunteering with autistic children. Mildred's work is satisfactory, but her output is the lowest in the group because of her shorter number of working hours. You must make a decision about whether to recommend that Mildred be dismissed.

to the stockholders to make a profit, and also believe in being generous and fair toward employees. However, to make a profit this year she will be forced to lay off several good employees with long seniority. The CEO now faces a moment of truth. Badaracco suggests that the individual can work through a defining moment by discovering "Who am I?" You discover who you are by soul searching answers to three questions:

1. What feelings and intuitions are coming into conflict in this situation?
2. Which of the values that are in conflict are the most deeply rooted in my life?
3. What combinations of expediency and shrewdness, coupled with imagination and boldness, will help me implement my personal understanding of what is right?

Skill-Building Exercise 15-2 gives you an opportunity to deal with defining moments. The three questions just asked could help you find answers, but do not be constrained by these questions.

GUIDELINES FOR BEHAVING ETHICALLY

LEARNING OBJECTIVE 3

Following guidelines for ethical behavior is the heart of being ethical. Although many people behave ethically without studying ethical guidelines, they are usually following guidelines programmed into their minds early in life. The Golden Rule exemplifies a guideline taught by parents, grandparents, and kindergarten teachers. In this section, we approach ethical guidelines from five perspectives: (1) developing virtuousness, (2) following a guide to ethical decision making, (3) developing strong relationships with work associates, (4) using corporate ethics programs, and (5) following an applicable professional code of conduct.

Developing Virtuousness

A deep-rooted approach to behaving ethically is to have strong moral and ethical principles, or to be virtuous. A person of high virtue has good character, and genuine motivation and intentions. A major problem in becoming virtuous is to agree on what values constitute virtuousness. Management professor Edwin A. Locke has prepared a modern analysis of what values constitute virtue in a business environment.^[14] Here we highlight his findings because they are representative of what constitutes virtuousness. Other observers might have a different list of virtuous values.

1. Rationality is a principle that leads to being virtuousness. Being rational includes taking reality (facts) seriously, thinking hard, thinking long range, and thinking of the consequences of one's actions. A rational parachute technician would not ship a defective

parachute just because it was close to quitting time, and he did not want to work late. And we hope that the manager is rational (and therefore ethical) when writing performance evaluations.

2. **Honesty**, the refusal to fake reality, is a value that contributes directly to ethical behavior. Being dishonest can also be illegal, such as when a company lies to the Internal Revenue Service about expenses it incurred or hides revenue when preparing a tax report. Dishonesty in terms of making false statements about the financial health of an enterprise has been one of the most frequent business frauds. Being caught lying can lead to dismissal at many employers. An example of such a lie would be blaming someone else for a mistake of your own. *Integrity* means loyalty to one's rational convictions, or sticking with one's principles. If you believe that favoritism is immoral, then you would not recommend that the company hire a friend of yours who you know to be unqualified.

3. **Independence** refers to the responsibility of using your own rational judgment rather than relying too heavily on the thinking of others. In personal life, being independent means not relying too heavily on others for permanent support. A worker with a strong value of independence would not readily go along with the thinking of the group if he or she had a better idea.

4. **Productivity** means creating, or obtaining through trade, the materials values your life requires. You are therefore virtuous if are productive on the job and contribute enough to be worth of your compensation. *Justice* refers to looking at the facts of the character and achievements of others and judging them objectively. To be just is to be fair, such as willing to pay somebody what they are worth, or pay a fair price for merchandise. When a big company executive "squeezes" a supplier to the point that the supplier can barely make a profit, the executive is not practicing justice.

5. **Forgiveness** is a virtue providing the breach of morality was not too severe, such as forging an employee who at a sandwich without paying when eating food without paying was not authorized. *Pride* in the context of virtues refers to working to perfect one's moral character. You would thus be proud because you are virtuous.

The above values that contribute to being virtuousness are useful in the study of human relations because they all translate into interpersonal skills, such as knowing how to be productive and treat people justly.

Following a Guide to Ethical Decision Making

A powerful strategy for behaving ethically is to follow a guide for ethical decision making. Such a guide for making contemplated decisions includes testing ethics. **Ethical screening** refers to running a contemplated decision or action through an ethics test. Such screening makes the most sense when the contemplated action or decision is not clearly ethical or unethical. If a sales representative were to take a favorite customer to Pizza Hut for lunch, an ethical screen would not be necessary. Nobody would interpret a pizza, salad, and a beer or soft drink to be a serious bribe. Assume, instead, that the sales rep offered to give the customer an under-the-table gift of \$1000 for placing a large order with the rep's firm. The sales representative's behavior would be so blatantly unethical that conducting an ethical screen would be unnecessary.

Several useful ethical screens, or guides to ethical decision making, have been developed. A guide developed by Treviño and Nelson is presented here because it incorporates the basic ideas in other ethical tests.^[15] After studying this guide, you will be asked to ethically screen three different scenarios. The eight steps to sound ethical decision making follow.

1. **Gather the facts.** When making an important decision in business, it is necessary to gather relevant facts. Ask yourself the following questions: "Are there any legal issues involved here?" "Is there precedent in our firm with respect to this type of decision?" "Do I have the authority to make this decision?" "Are there company rules and regulations governing such a decision?"

The manager of a child care center needed to hire an additional child care specialist. One of the applicants was a 55-year-old male with experience as a father and grandfather. The manager judged him to be qualified, yet she knew that many parents would

LEARNING OBJECTIVE 4

ethical screening

Running a contemplated decision or action through an ethics test.

not want their preschool children to be cared for by a middle-aged male. Many people perceive that a younger woman is better qualified for child care than an older man. The manager therefore had to gather considerable facts about the situation, including facts about job discrimination and precedents in hiring males as child care specialists.

Gathering facts is influenced by emotion, with the result that ethical decision making is not an entirely rational process.¹¹⁶¹ We tend to interpret facts based upon our biases and preconceived notions. For example, if the child care center manager has heard negative information about middle-aged men who want to engage in child care, the manager might look hard for indicators that this candidate should be disqualified.

2. Define the ethical issues. The ethical issues in a given decision are often more complicated than a first glance suggests. When faced with a complex decision, it may be helpful to talk over the ethical issues with another person. The ethical issues might involve character traits such as being kind and caring and treating others with respect. Or the ethical issues might relate to some of the common ethical problems described earlier in the chapter. Among them are facing conflict of interest, dealing with confidential information, and using corporate resources.

The manager of the child care center is facing such ethical issues as fairness, job discrimination, and meeting the demands of customers at the expense of job applicants. The manager is also facing a diversity issue: Should the workforce in a child care center be culturally diverse, or do we hire only young women?

3. Identify the affected parties. When faced with a complex ethical decision, it is important to identify all the affected parties. Major corporate decisions can affect thousands of people. If a company decides to shut down a plant and outsource the manufacturing to a low-wage country, thousands of individuals and many different parties are affected. Workers lose their jobs, suppliers lose their customers, the local government loses out on tax revenues, and local merchants lose many of their customers. You may need to brainstorm with a few others to think of all the parties affected by a given decision.

The parties affected by the decision about hiring or not hiring the 55-year-old male include the applicant himself, the children, the parents, and the board of directors of the child care center. The government might also be involved if the man were rejected and filed charges of age and sex discrimination.

4. Identify the consequences. After you have identified the parties affected by a decision, the next step is to predict the consequences for each party. It may not be necessary to identify every consequence, yet it is important to identify the consequences with the highest probability of occurring and those with the most negative outcomes. The problem is that many people can be harmed by an unethical decision, such as not fully describing the possible side effects of a diet program.

Both short-term and long-term consequences should be specified. A company closing a plant might create considerable short-term turmoil, but in the long term the company might be healthier. People participating in a diet program might achieve their short-term objective of losing weight. Yet in the long term, their health might be adversely affected because the diet is not nutritionally balanced.

The *symbolic* consequences of an action are important. Every action and decision sends a message (the decision is a symbol of something). If a company moves manufacturing out of a community to save on labor costs, it means that the short-term welfare of domestic employees is less important than profit or perhaps the company surviving.

We return to the child care manager and the job applicant. If the applicant does not get the job, his welfare will be adversely affected. He has been laid off by a large employer and cannot find work in his regular field. His family will also suffer because he will not be able to make a financial contribution to the family. Yet if the man is hired, the child care center may suffer. Many traditionally minded parents will say, "Absolutely not. I do not want my child cared for by a middle-aged man. He could be a child molester." (It may be unethical for people to have vicious stereotypes, yet they still exist.) If the child care center does hire the man, the act will symbolize the fact that the owners of the center value diversity.

5. Identify the obligations. Identify the obligations and the reasons for each obligation when making a complex decision. The manufacturer of automotive brakes has an

obligation to produce and sell only brakes that meet high safety standards. The obligation is to the auto manufacturer who purchases the brakes and, more important, to the ultimate consumer whose safety depends on effective brakes. The reason for the obligation to make safe brakes is that lives are at stake. The child care center owner has an obligation to provide for the safety and health of the children at the center. She must also provide for the peace of mind of the parents and be a good citizen of the community in which the center is located. The decision about hiring the candidate in question must be balanced against all these obligations.

6. Consider your character and integrity. A core consideration when faced with an ethical dilemma is how relevant people would judge your character and integrity. What would your family, friends, significant others, teachers, and coworkers think of your actions? To refine this thinking even further, how would you feel if your actions were publicly disclosed in the local newspaper or over e-mail? Would you want the world to know that you gave an under-the-table kickback or that you sexually harassed a frightened teenager working for you? If you would be proud for others to know what decision you made when you faced an ethical dilemma, you are probably making the right decision.

The child care center manager might ponder how she would feel if the following information were released in the local newspaper or on the Internet:

The manager of Good Times Child Care recently rejected the application of a 55-year-old man for a child care specialist position. She said that although Mr. _____ was well qualified from an experience and personality standpoint, she couldn't hire him. She said that Good Times would lose too much business because many parents would fear that Mr. _____ was a child molester or pedophile.

7. Think creatively about potential actions. When faced with an ethical dilemma, put yourself in a creative-thinking mode. Stretch your imagination to invent several options rather than thinking you have only two choices—to do or not do something. Creative thinking may point toward a third, and even fourth, alternative. Imagine this ethical dilemma: A purchasing agent is told that if her firm awards a contract to the sales representative's firm, she will find a leather jacket of her choice delivered to her door. The purchasing agent says to herself, "I think we should award the contract to the firm, but I cannot accept the gift. Yet if I turn down the gift, I will be forfeiting a valuable possession that the company simply regards as a cost of doing business."

The purchasing agent can search for another alternative. She may say to the sales rep, "We will give the contract to your firm because your products fit our requirements. I thank you for the offer of the leather jacket, but instead I would like you to give the jacket to the Salvation Army."

A creative alternative for the child care manager might be to offer the applicant the next position that opened for an office manager or maintenance person in the center. In this way, she would be offering a qualified applicant a job, but placing him in a position more acceptable to parents. Or, do you feel this is a cop-out?

8. Check your intuition. So far we have emphasized the rational side of ethical decision making. Another effective way of conducting an ethical screen is to rely on your intuition. How does the contemplated decision feel? Would you be proud of yourself, or would you hate yourself if you made the decision? Imagine how you would feel if you took money from the handbag of a woman sleeping in the park. Would you feel the same way if you took a kickback, sold somebody a defective product, or sold an 80-year-old man an insurance policy he didn't need? How will the manager of the child care center feel if she turns down the man for the child care specialist position? In general, experienced workers rely more heavily on intuition when making ethical choices. The reason is that intuition is based largely on experience.^[17] Rules for ethical behavior are important, yet often we have to follow our hunches. Experience and rules are not wasted because intuition includes both experienced and having studied rules in the past.

You are encouraged to use the guide for ethical decision making when you next face an ethical dilemma of consequence. Skill-Building Exercise 15-3 gives you an opportunity to practice using the eight steps for ethical decision making.

Ethical Decision Making

Working in small groups, take one or more of the following ethical dilemmas through the eight steps for screening contemplated decisions. If more than one group chooses the same scenario, compare your answers for the various steps.

Scenario 1: To Recycle or Not. Your group is the top management team at a large insurance company. Despite the movement toward digitizing all records, your firm still generates tons of paper each month. Customer payments alone account for truckloads of envelopes each year. The paper recyclers in your area claim that they can hardly find a market any longer for used paper, so they will be charging you just to accept your paper for recycling. Your group is wondering whether to recycle.

Scenario 2: The Hole in the Résumé. Emily has been working for the family business as an office manager for five years. Because the family business is being sold, Emily has started a job hunt. She also welcomes the opportunity to work in a larger company so that she could learn more about how a big company operates. As she begins preparing her job résumé, she ponders how to classify the year of unemployment prior to working at the family business. During that year, she worked a total of 10 weeks in entry-level jobs at three fast-food restaurants. Otherwise she filled her time

with such activities as walking in the park, watching daytime television shows, surfing the Internet, playing video games, and pursuing her hobby of visiting graveyards. Emily finally decides to tack that year onto the five years in the family business. She indicates on her résumé that she has been working six years at the family business. As Emily says, "It's a tight job market for office managers, and I don't want to raise any red flags." Evaluate the ethics of Emily's decision to fill in the year off from work, and perhaps offer her some advice.

Scenario 3: The High-Profit Toys. You are a toy company executive starting to plan your holiday season line. You anticipate that the season's hottest item will be Robo-Woman, a battery-operated crime fighter and superheroine. Robo-Woman should wholesale for \$25 and retail for \$45. Your company figures to earn \$15 per unit. You receive a sales call from a manufacturing broker who says he can produce any toy you want for one-third of your present manufacturing cost. He admits that the manufacturer he represents uses prison labor in China, but insists that his business arrangement violates no law. You estimate you can earn \$20 per unit if you do business with the manufacturing broker. Your decision is whether to do business with him.

Developing Strong Relationships with Work Associates

A provocative explanation of the causes of unethical behavior emphasizes the strength of relationships among people.^[18] Assume that two people have close professional ties to each other, such as having worked together for a long time or knowing each other both on and off the job. As a consequence, they are likely to behave ethically toward one another on the job. In contrast, if a weak professional relationship exists between two individuals, either party is more likely to engage in an unethical relationship. The owner of an auto service center is more likely to behave unethically toward a stranger passing through town than toward a long-time customer. (The section in Chapter 13 about building relationships with coworkers and work associates provides suggestions for developing strong relationships.) The opportunity for unethical behavior between strangers is often minimized because individuals typically do not trust strangers with sensitive information or valuables.

The ethical skill-building consequence of information about personal relationships is that building stronger relationships with people is likely to enhance ethical behavior. If you build strong relationships with work associates, you are likely to behave more ethically toward them. Similarly, your work associates are likely to behave more ethically toward you. The work associates I refer to are all your contacts, both internal and external customers.

Self-Assessment Quiz 15-2 provides an opportunity to think of the ethical aspects of your relationships with coworkers.

Using Corporate Ethics Programs

Many organizations have various programs and procedures for promoting ethical behavior. Among them are committees that monitor ethical behavior, training programs in ethics, and vehicles for reporting ethical violations. The presence of these programs is designed to create an atmosphere in which unethical behavior is discouraged and reporting on unethical behavior is encouraged.

Ethics hotlines are one of the best established programs to help individuals avoid unethical behavior. Should a person be faced with an ethical dilemma, the person calls a toll-free line to speak to a counselor about the dilemma. Sometimes employees ask questions to help interpret a policy, such as "Is it okay to ask my boss for a date?" or "Are

SELF-ASSESSMENT QUIZ 15-2

The Ethical Workplace Relationships Inventory

Directions: Describe how well you agree with each of the following statements, using the following scale: disagree strongly (DS), disagree (D), neutral (N), agree (A), agree strongly (AS). Circle the number in the appropriate column.

	DS	D	N	A	AS
1. I would give a sexually suggestive hug to a team member who I thought was physically attractive.	5	4	3	2	1
2. If I were asked to purchase pizza and soft drinks for the group, I would be willing to ask for more in reimbursement than I actually paid.	5	4	3	2	1
3. If I were the manager of my group, I would be willing to put pressure on group members to purchase direct sales items from me, such as beauty and health products.	5	4	3	2	1
4. I would be willing to recommend for promotion to supervisor a worker from a different racial group than my own.	1	2	3	4	5
5. If I didn't get along with my manager or team leader, I would be willing to start a rumor that he or she was undergoing bankruptcy.	5	4	3	2	1
6. To damage the reputation of a coworker I didn't like, I would be willing to write a negative blog about the company and sign his or her name.	5	4	3	2	1
7. I like the idea of encouraging a coworker to complain about a mutual boss, and then report those negative comments back to the boss.	5	4	3	2	1
8. If I were the team member who made a serious error on a project, I would quickly inform our team leader before the blame was placed on another team member.	1	2	3	4	5
9. If I heard that a company executive was arrested in a domestic violence incident, I would immediately inform other employees.	5	4	3	2	1
10. Stealing an idea from a coworker, and then taking credit for that idea is totally unacceptable under any circumstance.	1	2	3	4	5

Total Score _____

Scoring and Interpretation: Add the numbers you have circled to obtain your total score.

45-50 You are strongly ethical in your relationships with coworkers.

30-44 You show an average degree of ethical behavior in your workplace relationships and should therefore become more sensitive to ethical issues.

10-29 Your ethical values could lead you to develop a negative relationship with work associates, assuming that your unethical behavior is caught. Begin a serious study of business ethics.

we supposed to give senior citizen discounts to customers who qualify but do not ask for one?" At other times, a more pressing ethical issue might be addressed, such as "Is it ethical to lay off a worker just five months short of his qualifying for a full pension?"

Human resource professionals contend that no amount of training will ensure that employees will act ethically in every situation, particularly because ethics deals with subtle matters rather than strictly right or wrong. Deborah Haliczner, director of employee relations at Northern Illinois University, explains, however, that training is valuable in starting a useful dialogue about right and wrong behavior that employees could remember in murky situations.^[19]

Wells Fargo & Co., a mammoth bank, emphasizes both a code of conduct and ethics training. Its Code of Ethics and Business Conduct specifies policies and standards for employees, covering a variety of topics from maintaining accurate records to participating in civic activities. Each year, employees also participate in ethics training. Any Wells Fargo employee may ask questions or report ethical breaches anonymously using an ethics hotline or dedicated e-mail address. The company will fire violators, dismissing

1. Conserve energy by adjusting thermostats to keep working areas cooler during cold months, and warmer during warm months.
2. Do what you can to encourage your company and coworkers to send to recycling centers no-longer-in-use electronic devices, such as desktop computers, laptop computers, cell phones, and personal digital assistants.
3. Spread the word about the environmental good that be accomplished from making new products from recycled goods, such as paving stones and park benches made from recycled bottles and tires. The entire re-manufacturing industry relies on the re-use of manufactured materials.
4. Do what you can to create a buzz about the possibilities of photovoltaic technology that is used to convert sunlight into clean energy. Alert influential people to energy-saving and money-saving solar heating systems, such as solar buildings that provide solar hot water and solar heating.
5. Place a lawn on the roof that can reduce its surface temperature by 70° F and internal temperatures by 15° F.
6. Carpool to work with at least three coworkers, and provide preferred parking spaces for carpoolers and hybrid or electric cars.
7. Campaign for a 4-day, 40-hour work week, which can save enormous amounts of energy by less commuting along with less heating and cooling of the workplace. (However, if the employees drive considerably on their day off and use more heating and cooling at home, much of the energy savings will be lost.)
8. Encourage employee use of mass transportation, and provide company shuttle busses from locations convenient to where employees live.
9. Offer employees at least \$2,000 toward the purchase of a hybrid vehicle or electric car.
10. Turn off electronic machines when not in use unless starting and stopping them frequently uses more energy than leaving the machines turned on during working hours. Encourage the replacement of incandescent bulbs with fluorescent ones (providing the replacement bulb provides enough light for the purpose).
11. Recycle as many packages as possible and purchase products, such as office furniture and driveways, made from recycled products including vehicle tires. When possible, use old newspapers for packing material instead of new paper and plastic.
12. Use mugs instead of Styrofoam and set up bins to recycle aluminum cans and plastic bottles.
13. When constructing a new building, seek Leadership in Energy and Environmental Design (LEED) certification from the U.S. Green Building Council.
14. Provide bicycle racks and shows that enable employees to bike to work. Biking to work will save considerable energy as well as decrease carbon dioxide emissions.
15. Construct a system that captures rainwater to be reused for irrigation.
16. Grow as much vegetation on company premises as feasible, including celebrating special events by planting another tree. Use plants that are native to the region because native vegetation does not require as much maintenance, fertilizer, chemical sprays, or water.
17. Drink as much tap water as possible to minimize the use of bottled water, or filter tap water to one's specifications.
18. Combat litter and clutter in your work area and on company premises to help attain a pleasant, environmentally friendly atmosphere. Take such actions as alerting the company to exposed, rusted pipes, broken concrete in the parking lot, peeling paint, and broken fences.
19. Encourage people in your network not to drive at high speeds or sit in an idling vehicle while making phone calls or sending text messages. Encourage safe driving in general because vehicular accidents consume enormous amounts of energy, including tow trucks, salvage operations, and life-sustaining hospital stays. Also encourage them to walk to errands instead of driving, whenever feasible.
20. A general guideline is to use less stuff and less energy.
21. My suggestions. _____

Sources: Several of the ideas are from Ben Elgin and Brian Grow, "The Dirty Secret of Recycling Electronics," *Business Week*, October 27, 2008, pp. 040-044; Letita M. Aaron, "The Big Payback," *Black Enterprise*, May 2009, pp. 64-66; Michael Barbaro, "At Wal-Mart, Lessons in Self-Help," *The New York Times* (*nytimes.com*), April 5, 2007; Bryan Walsh, "Thank God It's Thursday," *Time*, September 7, 2009, p. 58; Melanie Warner, "Plastic Potion No. 9," *Fast Company*, September 2008, p. 88; Charles Lockwood, "Building the Green Way," *Harvard Business Review*, June 2006, pp. 129-137; David Roberts, "Another Inconvenient Truth," *Fast Company*, March 2008, p. 70; Tom Szaky, *Revolution in a Bottle* (New York: Portfolio, 2009).

Conducting an Environmental Audit

To create an environmentally friendly workplace, somebody has to take the initiative to spot opportunities for change. Organize the class into groups of about five, with one person being appointed the team leader. You might have to do the work outside of class because your assignment is to do an environmental audit of a workplace, including a nonprofit setting such as a place of worship, a school, or an athletic facility. If the audit is done during class time, evaluate a portion of the school, such as a classroom, an athletic facility, or the cafeteria. Your task is to conduct an environmental audit with respect to the energy efficiency and healthfulness of the workplace. Make judgments perhaps on a 1-to-10 scale plus comments about the following factors:

1. How energy efficient is the workplace in terms of such factors as building insulation, use of fluorescent lighting, heating and cooling, and use of solar panels?
2. How safe is the environment in terms of pollutants, and steps to prevent physical accidents?
3. How esthetic is the environment in terms of protecting against sight and sound pollution?

Summarize your findings and suggestions in a bulleted list of less than one page. Present your findings to classmates, and perhaps to a manager of the workplace. Classmates might comment on whether your findings will really improve the planet from an ecology standpoint.

about 100 people a year for misconduct ranging from conflicts of interest to cheating on incentive plans. Patricia Callahan, executive vice president and director of human resources at the bank, says, "I'm the biggest soft touch in the world. But when someone lies or cheats, you can't have people like that representing us to our customers, whose trust is all we have."^[20]

) The link between the programs just described and individual ethical skills is that these programs assist a worker's skill development. For example, if you become comfortable in asking about ethical issues, or turning in ethical violators, you have become more ethically skilled.

Being Environmentally Conscious

Another ethical skill is to be *green* or to do your job in helping sustain the physical environment. (*Green* derives from the idea that green vegetations such as trees and forests are a plus for the environment.) The reasoning behind this statement is that it is morally responsible to protect the environment. Do not be concerned with taking sides on the issue of global warming. Whether or not humans and the carbon dioxide emissions they create have contributed to global warming, the physical environment needs your help.

The skill of being environmentally conscious has two major components. First is to take as many steps as you can individually to help preserve the environment even in such small steps as carrying a reusable cloth bag to the grocery store, and not throwing a plastic bottle on a lawn. Second is to be an advocate for the environment by mentioning its importance at work. You might, for example, present data to management about how solar heating can save the company money in the long run, and how benches and walkways made from recycled tires and plastics are attractive and economical. Figure 15-5 gives you a starting point for contributing to a sustainable environment. You might want to add to this list with suggestions of your own, or those you find in the media and scientific articles.

You may need to use your communication persuasion skills to make an impact on the environment. And you will also need to use your positive political skills so that you will not be perceived as an environmental, tree-hugging, pest.

You are invited to do Skill-Building Exercise 15-4 to get started right away in improving the physical environment.

BACK TO THE OPENING CASE

John S. Sherigan, the CEO of Electronic Recyclers International, has chosen a path that most people would consider to be highly ethical. His company removes toxic waste from the environment, and he assists in the rehabilitation of former convicts. At the

same time, the company, ERI, continues to prosper and grow. Sherigan is another example of "doing well by doing good."



Following an Applicable Professional Code of Conduct

Professional codes of conduct are prescribed for many occupational groups, including physicians, nurses, lawyers, paralegals, purchasing managers and agents, and real estate salespeople. A useful ethical guide for members of these groups is to follow a code of conduct for their profession. If the profession or trade is licensed by the state or province, a worker can be punished for deviating from the code of conduct specified by the state. The code of conduct developed by the profession or trade is separate from the legal code, but usually supports the same principles and practices. Some of these codes of conduct developed by the professional associations are 50 and 60 pages long; yet, all are guided by the kind of ethical principles implied in the ethical decision-making guide described earlier. Figure 15-6 presents a sampling of provisions from these codes of conduct.

Be Ready to Exert Upward Ethical Leadership

A politically delicate situation can arise when a worker wants to behave ethically, yet he or she works for an unethical manager. He or she might worry that being ethical will lead to being reprimanded or job loss. The ethical person working for an unethical boss might feel that his or her values are being compromised, such as a virtuous credit card specialist being told to approve credit cards for people who will probably wind up paying many late fees. Upward ethical leadership is leadership displayed by individuals who take action to maintain ethical standards, although higher-ups engage in questionable moral behaviors.^[21]

upward ethical leadership

The leadership displayed by individuals who take action to maintain ethical standards, although higher-ups engage in questionable moral behaviors.

FIGURE 15-6 Excerpts from Professional Codes of Conduct

Professional Organization	Sample of Ethical Guidelines and Regulations
<i>Institute of Management Accountants</i>	<ol style="list-style-type: none"> 1. Maintain an appropriate level of professional competence by ongoing development of their knowledge and skills. 2. Refrain from disclosing confidential information acquired in the course of their work and monitor their activities to assure the maintenance of that confidentiality. 3. Actual or apparent conflicts of interest and advise all appropriate parties of any potential conflict.
<i>National Association of Legal Assistants</i>	<ol style="list-style-type: none"> 1. A legal assistant (paralegal) must not perform any of the duties that attorneys only may perform nor take any actions that attorneys may not take. 2. A legal assistant may perform any task which is properly delegated and supervised by an attorney, as long as the attorney is ultimately responsible to the client, maintains a direct relationship with the client, and assumes professional responsibility for the work product. 3. A legal assistant must protect the confidences of a client and must not violate any rule or statute now in effect or hereafter enacted controlling the doctrine of privileged communications between a client and an attorney.
<i>National Association of Purchasing Management</i>	<ol style="list-style-type: none"> 1. Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications. 2. Refrain from any private business or professional activity that would create a conflict between personal interests and the interest of the employer. 3. Refrain from soliciting or accepting money, loans, credits, or prejudicial discounts, and the acceptance of gifts, entertainment, favors, or services from present or potential suppliers which might influence, or appear to influence purchasing decisions.

Sources: Institute of Management Accountants Code of Ethics; National Association of Legal Assistants Professional Standards; National Association of Purchasing Management Principles and Standards of Purchasing Practice.

confronting the Unethical Boss

One student plays the role of Fred, a manager who makes frequent business trips by airplanes. Fred also likes to fly frequently on vacation, and appreciates accumulating frequent-flyer miles. Company policy allows employees to keep the frequent-flyer miles they accumulate for work. So Fred will often take indirect trips to a destination to accumulate more air miles. For example, to fly to San Francisco, he will fly from Boston to Atlanta, and then to San Francisco. In this instance, he could have made a shorter trip by flying directly from Boston to San Francisco, or from Boston to Chicago to San Francisco. In general, the longer, indirect flights are more expensive.

Another person plays the role of Kelly, the office administrative assistant who sometimes helps Fred prepare his travel vouchers. Kelly, who has good knowledge of geography, notices this strange pattern of Fred taking indirect flights. She is also aware of company policy that permits employees to accumulate frequent

flyer miles that are earned on business trips. Kelly is disturbed about what she perceives to be an inappropriate use of company resources—and therefore an ethical violation.

Kelly decides to discuss with Fred this most likely ethical violation. The role-play takes place in Fred's cubicle, and you can imagine how defensive Fred is going to be.

Run the role-play for about five minutes. For both scenarios, observers rate the role players on two dimensions, using a 1-to-5 scale from very poor to very good. One dimension is "effective use of human relations techniques." Observers look to see if Kelly can preserve her sense of ethics while not doing too much damage to her relationship with her boss, Fred. The second dimension is "acting ability." A few observers might voluntarily provide feedback to the role players in terms of sharing their ratings and observations. The course instructor might also provide feedback.

At the extreme, an employee might blow the whistle on the boss, and report the unethical behavior to top management or a government agency. An example would be telling the Consumer Protection Agency that your company was selling cribs that could trap a baby's head after your boss refused to accept your complaint.

The upward leadership approach would be to attempt to resolve the problem before going to the extreme of whistle blowing. The employee who spots the immoral or unethical behavior would use problem-solving and communication skills, along with conflict resolution skills. For example, the employee who spotted the potential head-trap problem might say to the boss, "I have a problem and I would like to discuss it with you." The employee would therefore be engaging the boss in helping solve the problem. Recognizing that you have less power than your boss, you would have to be diplomatic and nonaccusatory. It would be important to point to the problem (the possibility of an infant getting his or her head stuck) rather than accusing the boss of being unethical or immoral.

Skill-Building Exercise 15-5 gives you an opportunity to practice upward leadership skills for correcting unethical behavior.

SELF-ASSESSMENT QUIZZES IN OVERVIEW

Self-Assessment Quiz 15-1, The Ethical Reasoning Inventory, can be used as an alert to keep your ethical values in mind whenever faced with an ethical dilemma. Although you may study ethics and learn to use a guide to ethical decision making, your values will continue to exert a strong influence on your behavior. For example, if a person values the environment, he or she will not empty a car ashtray of cigarette butts on a parking lot pavement. If you know that your ethical values are in the low range, you will have to work extra hard to be ethical in work and personal life. Self-Assessment Quiz 15-2, The Ethical Workplace Relationships Inventory, is also about ethical reasoning but focuses on interpersonal relationships in the workplace. How ethically you relate to others is a major factor in building your ethical reputation.

Concept Review and Reinforcement

Key Terms

character trait 333
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defining moment 340

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Summary

Ethics refers to moral choices, or what is good and bad, right and wrong, just and unjust, and what people should do. Ethics turn values into action. A person's ethical code has a significant impact on his or her interpersonal relationships.

Understanding ethics is important for a variety of reasons. First, people are motivated by self-interest and a desire to be morally right. Second, good ethics can enhance business and avoid illegal acts. Third, having high ethics improves the quality of work life.

Being ethical isn't always easy for several reasons, including the complexity of ethical decisions, lack of recognition of the moral issues, poor moral development, and pressures from the work environment. Ethical violations in the form of lying are widespread in the workplace. Another problem is that some people have a utilitarian predisposition that tends toward unethical behavior. Self-interest drives many people toward unethical behavior.

Commonly faced ethical dilemmas include illegally copying software, treating people unfairly including cronyism, sexually harassing coworkers, facing a conflict of interest, dealing with confidential information, misrepresenting employment and educational history, using corporate resources, ethically violating computers and information technology, and wasting company time.

A challenging twist to ethical decision making is to sort through your values when you have to choose between two morally sound choices. A defining moment is when you have to choose between two or more ideals in which you deeply believe.

One strategy for behaving ethically is to develop virtuousness that includes rationality, honesty, independence, productivity, and forgiveness. A key strategy for behaving ethically is to follow the eight steps in making a contemplated decision:

1. Gather the facts.
2. Define the ethical issues.
3. Identify the affected parties.
4. Identify the consequences.
5. Identify the obligations (such as to customers and society).
6. Consider your character and integrity.
7. Think creatively about potential actions.
8. Check your intuition.

Another way to raise the level of ethical behavior is to form strong professional relationships with work associates. This is true because people tend to behave more ethically toward people who are close to them. At times using a corporate program such as an ethics hotline can help a person resolve ethical dilemmas. Being environmentally conscious contributes to ethical behavior. Following an applicable code of professional conduct, such as that of accountants, paralegals, and purchasing specialists, is another guide to behaving ethically. Upward leadership behavior can help you deal with the situation of maintaining ethical standards when the boss engages in questionable moral behavior.

Questions for Discussion and Review

1. To what extent does the owner of the electronics recycling business described in the chapter opener have an ethical obligation to tell customers that many of his employees have a prison record?
2. How can behaving ethically improve a person's interpersonal relationships on the job?
3. What would most likely be some of the specific behaviors of a manager who scored 20 points on the ethical reasoning inventory?
4. What is your opinion of the ethics of using the wi-fi access of other people, including business firms when you are not a customer, without asking permission?
5. What evidence can you present that coworkers or fellow students really care if you behave ethically?
6. Provide an example of an action in business that might be unethical but not illegal.
7. Virtually all accountants have studied ethics as part of their education, yet many business scandals involve accountants. What's their problem?
8. Based on your knowledge of human behavior, why do professional codes of conduct—such as those for doctors, paralegals, and realtors—not prevent all unethical behavior on the part of members?
9. Check out the Web site of a couple of major business corporations. What conclusion do you reach about whether an environmentally conscious (or green) person would fit in those companies?
10. What decision of ethical consequence have you made in the last year that you would not mind having publicly disclosed?

The Web Corner

<http://www.ethics.org>
(Ethics Resource Center)

<http://www.ita.doc>
(Information about sustainability and being green presented by the International Trade Administration of the U.S. Department of Commerce)

<http://globoethicsuniversity.com>
(An examination of many phases of business ethics)

Internet Skill-BUILDER: Learning from Ethical Role Models

One of the many ways of learning ethical skills is to get good ideas from ethical role models. For example, you might observe a professor who takes the initiative to change a grade upward because she later discovered a calculation error. This Internet skill-builder is more abstract than some others, so you might find it a little frustrating. Search for a few specific ways in which you can learn from an ethical role model. To illustrate, you might learn from a business executive, sports figure, or public servant you admire.

Developing Your Human Relations Skills

Interpersonal Relations Case 16-1

Rachel Runs the Treadmill

Six thirty Tuesday morning, 38-year-old Rachel Mendez hops out of her bed while her husband Ben Mendez is still sleeping. Rachel's first stop is to wake up her nine-year-old daughter, and encourage her to start getting ready to meet the school bus on time. By 8 a.m. Rachel is in her car and on her way to her job as a business development specialist for a human resource outsourcing company. Her primary responsibility is to entice small- and medium-size companies to turn over most of their human resource functions to her firm.

Just as Rachel begins to manage her e-mail and plan her agenda for the day, she places her right hand about three inches to the right of her heart. Rachel can feel the tightness next to her heart, and in her left arm. She thinks to herself, "This feels like I'm going to have a heart attack, but it doesn't make sense for a woman my age to be a heart attack victim. But I'm happy that I have an appointment at the cardiology center on Thursday."

At the North Side Cardiology Center, Rachel is first interviewed by Nurse Practitioner Janet Trudeau before her interview with Dr. Harry Ching, the cardiologist. Trudeau first took a brief medical history, followed by an interview. Parts of the interview with Trudeau went as follows:

Trudeau: So tell me in more detail why you came to visit our cardiology center.

Mendez: I have these annoying chest pains next to my heart and in my left arm. The pains usually start when I am extremely aggravated and frustrated. I have the pains about once a day.

Trudeau: Do you ever faint or become light-headed during the pains?

Mendez: No, my problem is just the pains. I keep doing whatever I'm doing when the pain hits.

Trudeau: Tell me about the situations you find so aggravating and frustrating.

Mendez: I'm really stressing out. I have a ton of aggravations and worries. To begin my nine-year-old daughter Samantha has seizures. She is under treatment but the problem remains, and it's worrisome. I worry every day that Samantha will have a seizure and strike her head or get involved in an accident.

My work is also quite worrisome. I work mostly on commission selling human resource services. Our business has grown rapidly in the last few years, but we have kind of dried up the territory. I have to travel more to find new clients. My earnings are taking a turn downward despite the extra travel.

Trudeau: Are you the sole breadwinner in the family?

Mendez: No, my husband Alex is an assistant manager at a Ruby Tuesday restaurant, and he makes a modest living. But talking about aggravation, my husband is a decent guy but he gives me chest pains. I think he cares much more about professional sports, especially the NFL and the NHL than he does about Samantha and me. If he's watching a game, I can forget about talking about something serious.

And then, of course, Alex works the hours of a restaurant manager, which means that he is often working when I am not working, like on Saturdays and Sundays.

Trudeau: Any other major aggravations in your life?

Mendez: Yes, commuting on busy highways. I can feel my chest pains starting when I think of sitting still for 15 minutes during rush-hour traffic.

Trudeau: Thank you Rachel. I will be studying this information before your interview with Dr. Ching. Have a seat in the waiting room. He will be with you in about 10 minutes.

Later that day Mendez had an extensive cardiology exam, including an electrocardiogram. Dr. Ching informed her that despite the muscle tension she was experiencing, her heart was in excellent condition.

Case Questions

1. What sources of stress does Rachel Mendez appear to be facing?
2. What do you recommend Mendez do about the stressors she is facing?
3. Given that Mendez does not have a heart problem, should she be concerned about the stressors in her life? Explain your answer.
4. How might Mendez organize her work and her life better to feel that her life is less out of control?

Stress Busting at the Agriculture and Markets Group

The State Department of Agriculture and Markets was having a demanding year. The mission of the group is to inspect grocery stores for possible health violations, such as unsanitary conditions and the sale of tainted food and meats. The group had a record number of complaints to investigate partially because so many stores were purchasing packaged foods, products, and meats from bottom-price suppliers in order to trim costs. At the same time, the Department of Agriculture and Markets was on a mandated cutback in spending. As a result, a few of the inspectors who had quit could not be replaced. The remaining inspectors were therefore carrying a much heavier workload.

The reality of a heavier workload with fewer staff available to make on-site visits created a high-pressure work environment. Michelle and Trevor, two of the more junior inspectors, decided together that the group needed to find a good way of blowing off steam. Their plan was to organize a few "prankster nights." On the first such night, six inspectors from the office got together to have a few drinks after work. During the drinking session at a bar close to the office, Michelle and Trevor announced their plan to relieve stress in a big way by pulling off a major prank.

The prank was the "popcorning" often executed by professional basketball players. The group would purchase a massive amount of popcorn and stuff into the vehicle of their supervisor Alicia Gordon, who typically parked her

car in a remote spot in the garage to the state building. The three group members will pull off the prank "popcorned" her sports car the next Monday during lunch hour.

Tuesday morning, every employee at the State Department of Agriculture and Markets received an e-mail explaining that a misdemeanor had been committed in the parking lot in the form of damaging Alicia's vehicle. The e-mail also stated that the cruel act had violated the rights of Alicia Gordon to a harassment-free work environment. Anyone who knew who could have committed the hostile act of damaging Gordon's vehicle was urged to reply immediately to the e-mail.

Michelle and Trevor quickly sent text messages to each other. Michelle wrote, "Can't Alicia take a joke? What's her problem?"

Trevor wrote back, "Maybe we did lower our stress. But I'm afraid our stress is going to bump up now."

Case Questions

1. What is your evaluation of the effectiveness of the stress-reduction techniques created by Michelle and Trevor?
2. What might have been a more effective method of the group from Markets and Agriculture to have used to decrease their stress?
3. What do you recommend Michelle, Trevor, and the rest of the group do with respect to taking responsibility for their prank?