

Introduction

- Ethical conduct is
 - Responsibility of every employee
 - Essential for success of organization
- Employees maintain quality and productivity by understanding and accepting organization ethical guidelines
- Overview of ethical issues
 - Check for organization specific ethics policies
- Process for making ethical decisions
 - Questions to ask to determine choice



Course Objectives

By the time you complete this course, you should be able to:

- Explain ethics and morality and the importance of workplace ethics
- Recognize the requirements of the law and a code of conduct and ethics policy
- Understand how to use proper ethics while using organization technology
- Demonstrate ethical values with coworkers and customers
- Identify examples, causes, signs, and problem areas of unethical behavior
- Evaluate making ethical decisions



Role of Ethics

- Organization's standards or codes of acceptable behavior
- Role
 - Ensure highest level of productivity of organization
 - While simultaneously following
 - Moral
 - Legal
 - Professional guidelines
- Ethical dilemmas occur when an individual has to choose between right and wrong



Ethics vs Morals



- Principles or habits with respect to right or wrong conduct
- Ultimately a personal compass
- Come from the individual person
- Doing something because you believe internally it is right or wrong

Morals



- Rules of conduct recognized in respect to a particular class of human actions or a particular group or culture
- External and generally come from social systems
- Doing something because society says it is the right thing to do

Ethics

Unaligned Ethics and Morals

- Can conflict when organization ethics clash with personal morality
- Goal of business is to make a profit
 - Some employees might compromise their morals to assist organization in reaching that goal



Importance of Workplace Ethics



Achieve optimal
functioning

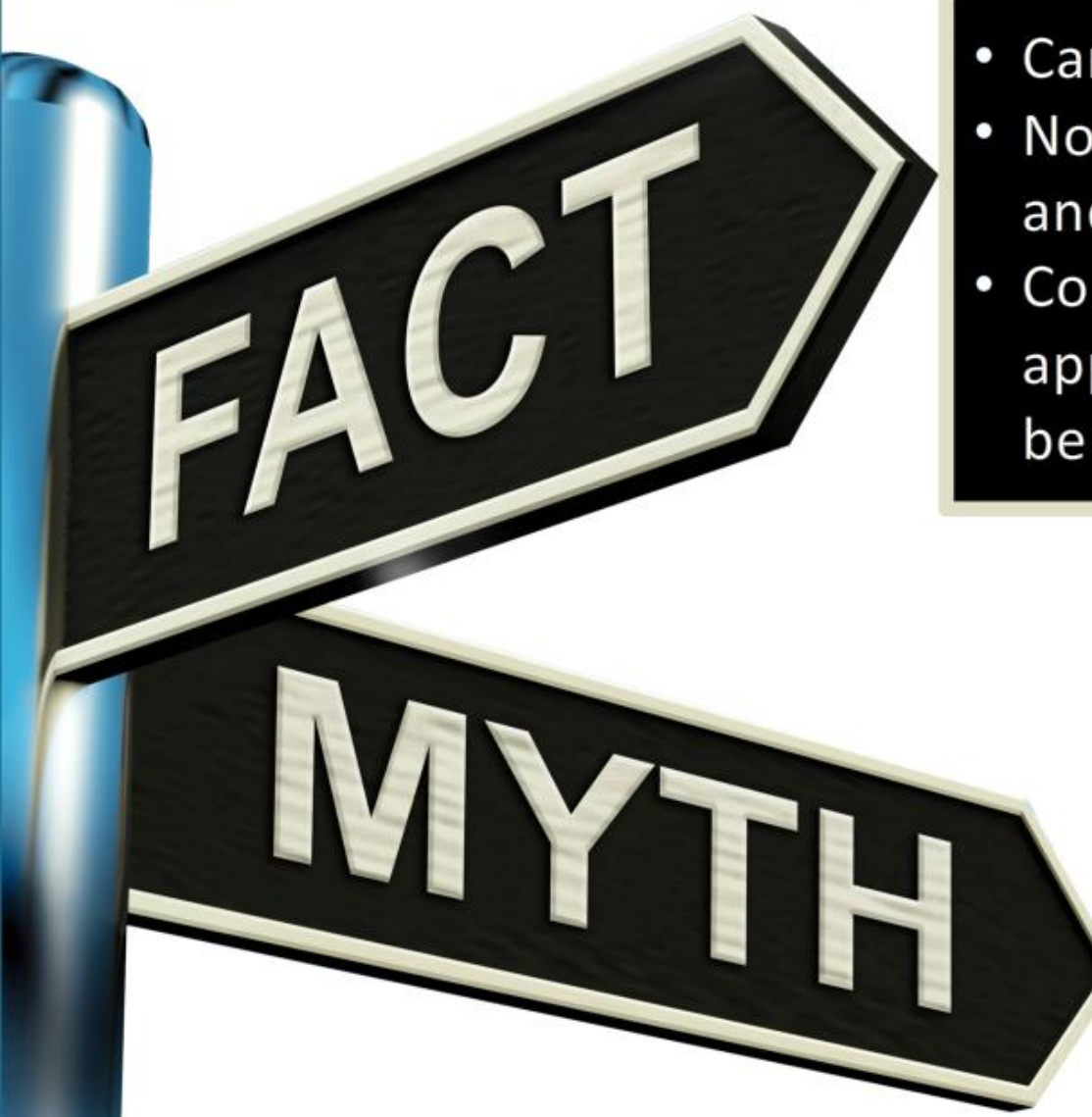
Assist in compliance with laws
and regulations

Improve work quality, productivity, and
promote employee morale and teamwork

Build solid and genuine relationships
with your clients or customers

Build a strong public image for your organization

Myths about Workplace Ethics



FACT

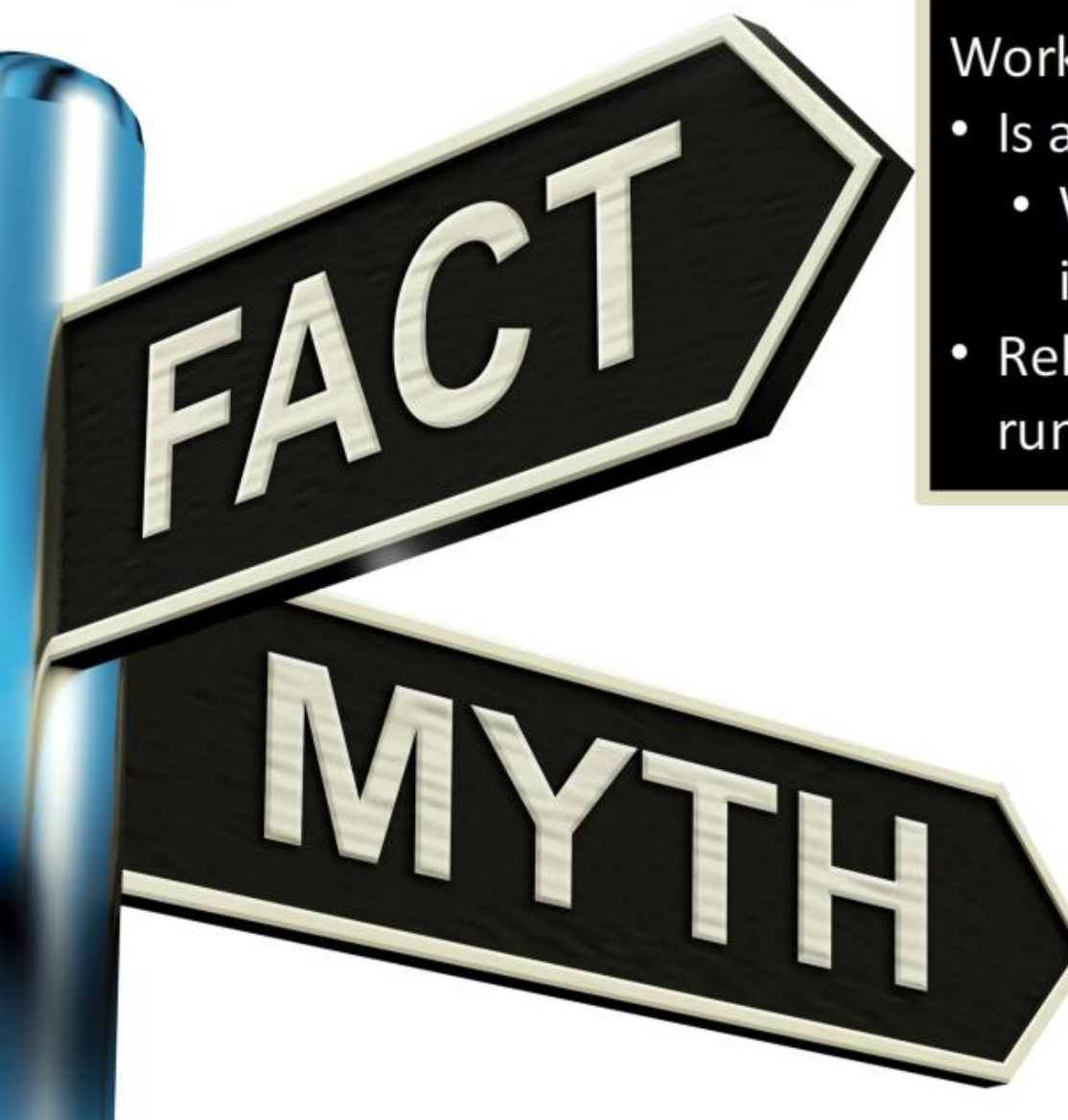
MYTH

- Can be complex
- Not just about being honest and courteous
- Common understanding that applying ethical principles can be unclear or uncertain

If an organization

- Employees are ethical, then the organization can ignore workplace ethics
- Is not in trouble with the law, then they are ethical

Myths about Workplace Ethics



FACT

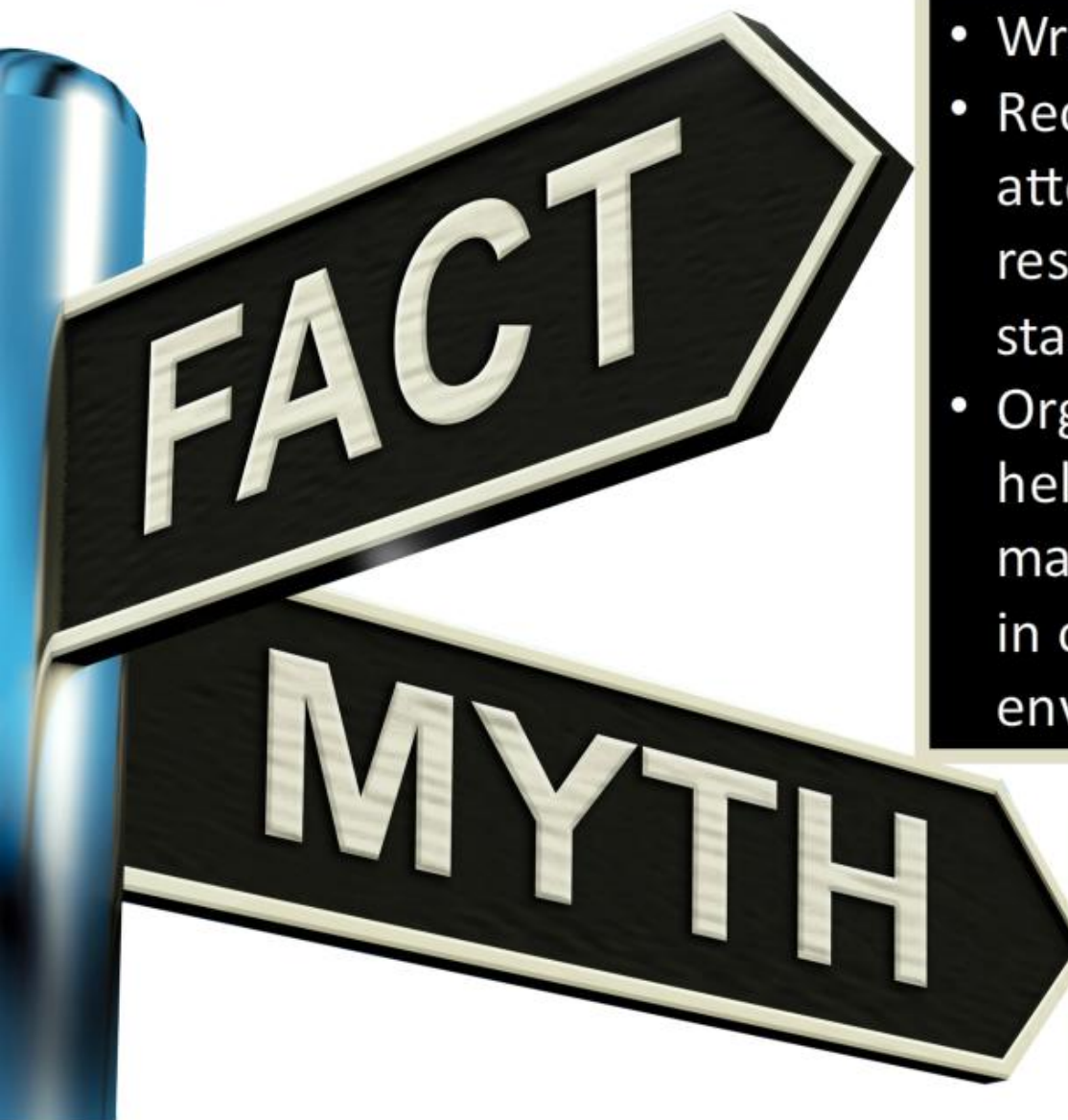
Workplace ethics

- Is a management discipline
 - With a planned method that includes useful tools
- Relates to the daily tasks of running an organization

MYTH

Workplace ethics is a philosophical debate or a religion

Myths about Workplace Ethics



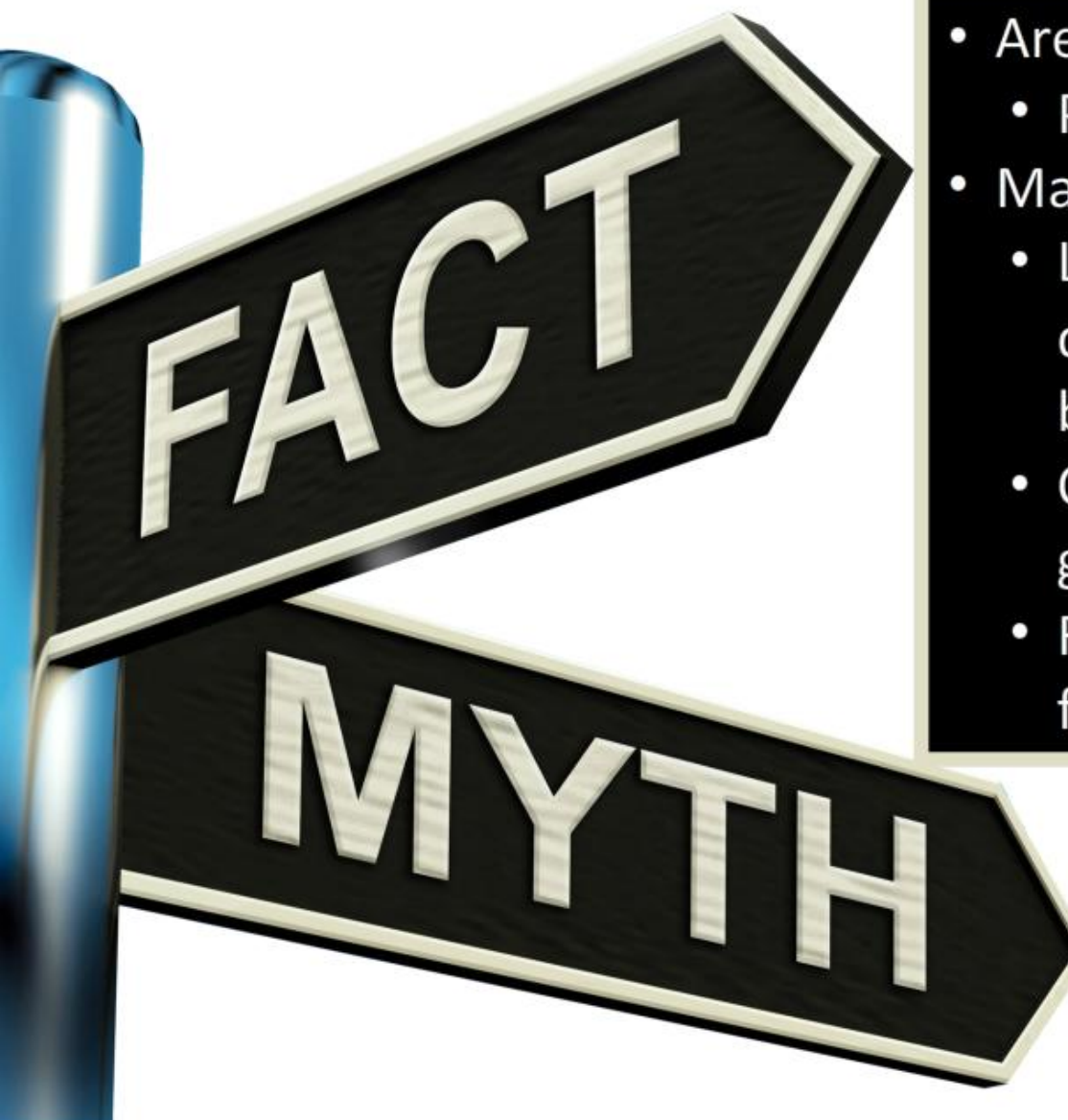
FACT

MYTH

- Written centuries ago
- Recently received more attention because of social responsibility movement started in the 1960s
- Organization's responsibility in helping to develop and maintain ethical practices in our culture and natural environment

Workplace ethics is a recent phenomenon and a new trend

Myths about Workplace Ethics



FACT

MYTH

- Are always managed
 - Primarily managed indirectly
- Managed directly as well
 - Laws, regulations, and rules directly influence ethical behaviors
 - Can cultivate and maintain a general good of all employees
 - Reduce any harmful situations for employees

Workplace ethics cannot be managed or regulated

Activity

An organization's standards or codes of acceptable behavior that is expected by employees and management is called:

- ☐ Employee ethics
- ☐ Business ethics
- ☐ Personal ethics
- ☒ Workplace ethics

Activity

Which of the following is not a result of workplace ethics?

- ☒ Provide micromanagement of employees
- ☐ Build a strong public image
- ☐ Promote employee morale and teamwork
- ☐ Improve work quality, productivity
- ☐ Build solid and genuine relationships with your clients or customers
- ☐ Assist in compliance with laws and regulations
- ☐ Vital in achieving optimal functioning in an organization

Activity

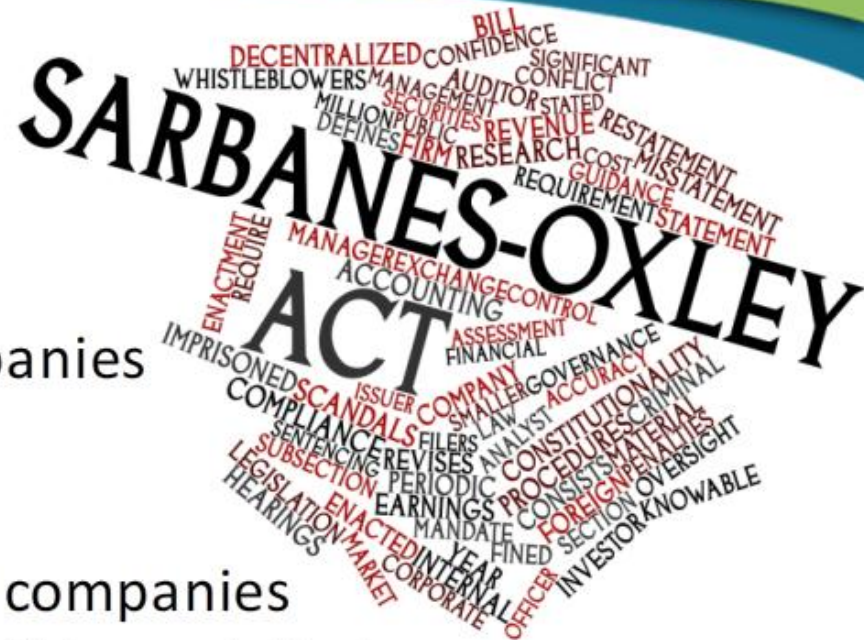
Workplace ethics is a recent phenomenon and a new trend.

☐ True

☒ False

Federal Laws

- Federal law publicly traded companies
 - Referred to as SOX
 - Enacted 2002
 - Best practice for privately held companies
- Section 406 – corporate code of ethics and disclosure requirements
 - Must disclose ethics policy
 - Waivers granted for senior executives
- Publicly traded organizations must include code of ethics in annual reports, on websites, make available to public
- Must explain why if no ethics policy



Seven Requirements for Ethics Policies

1

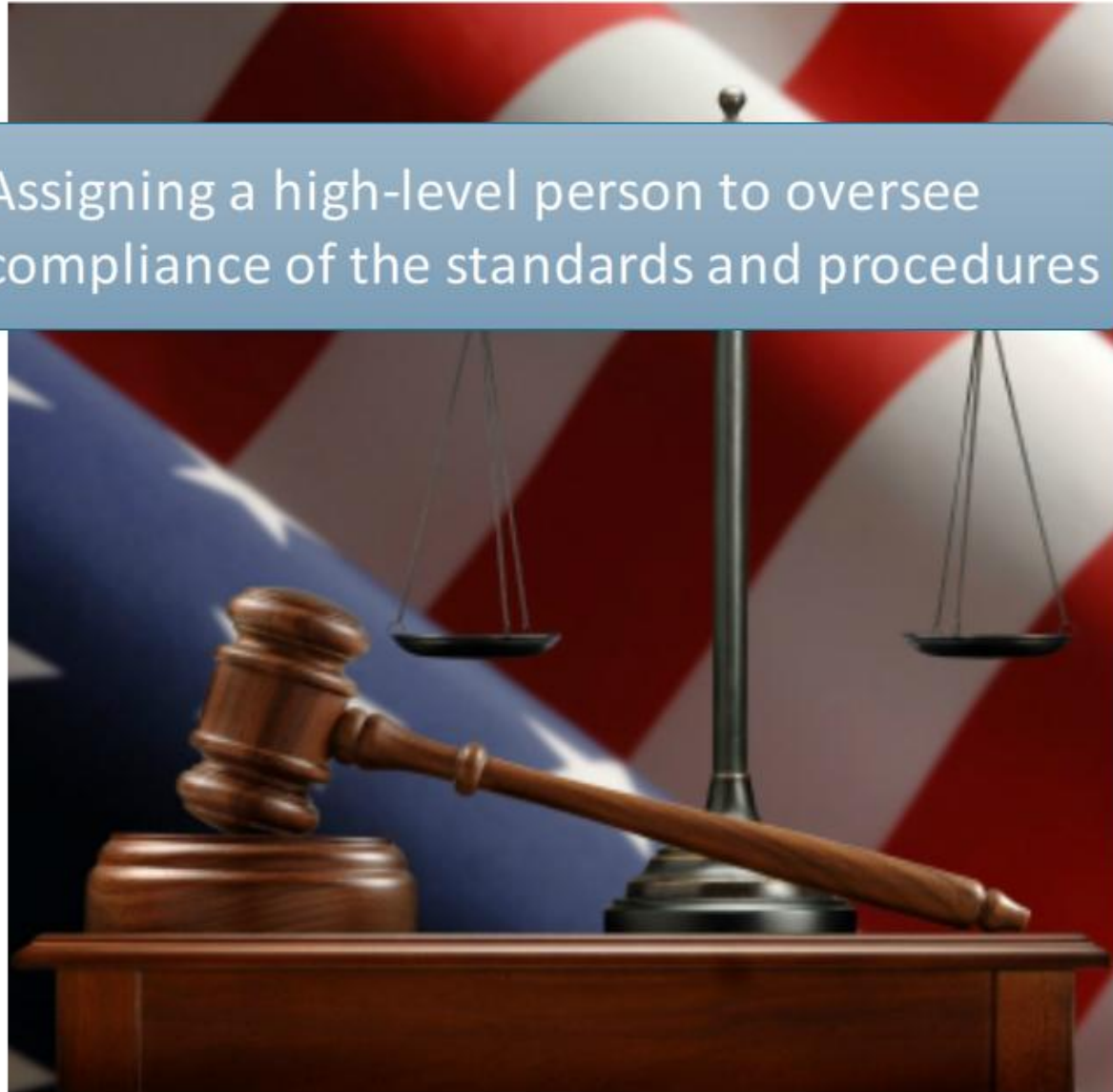
Establishing and implementing ethical standards and procedures



Seven Requirements for Ethics Policies

2

Assigning a high-level person to oversee compliance of the standards and procedures



Seven Requirements for Ethics Policies



3

Selecting an objective high-level person to investigate any violations



Seven Requirements for Ethics Policies



4

Communicating standards and procedures to all employees through training and printed and electronic materials



Seven Requirements for Ethics Policies



5

Reviewing the process for complying with the ethical standards and procedures and establishing a system by which employees feel safe and comfortable reporting any possible illegal behavior

Seven Requirements for Ethics Policies



6

Enforcing the standards and procedures and disciplining employees for violations

Seven Requirements for Ethics Policies



7

Responding appropriately to any illegal behavior and making any modifications to the ethical standards and procedures, if necessary

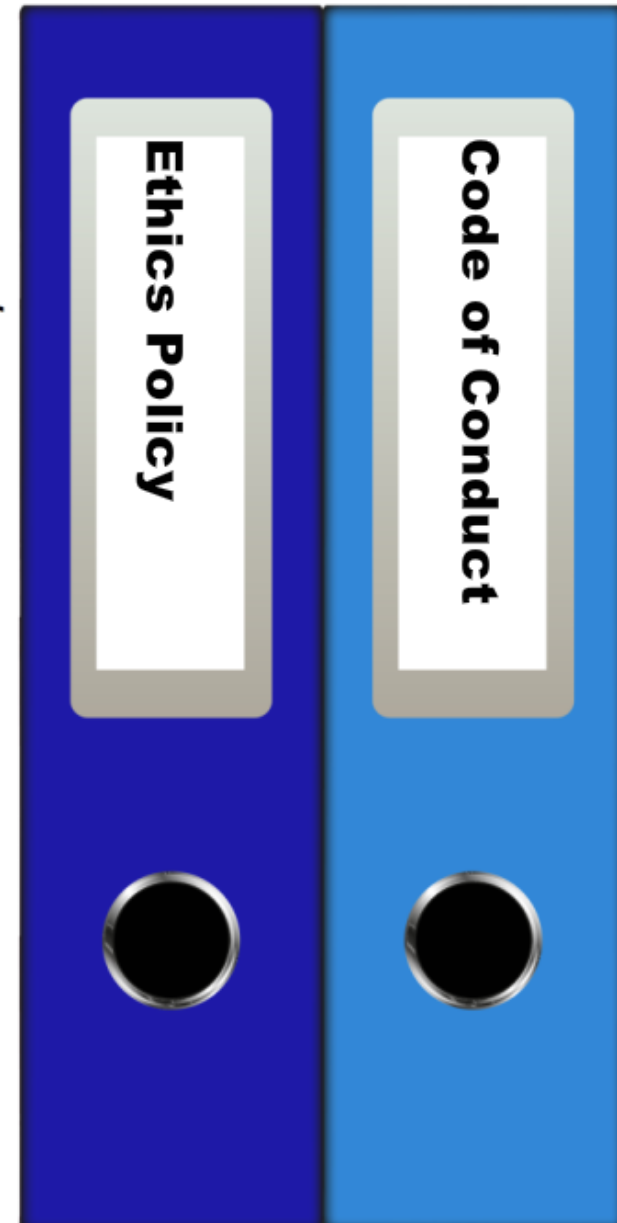
Unethical and Illegal Behavior

- You can be unethical
 - Yet operate within limits of the law
 - Your actions may eventually lead to breaking the law
- Examples
 - Withholding information from your boss
 - Lying on your budgets
 - Disrespecting your coworkers
 - Falsifying business records
- Unethical conduct can lead to more serious behavior
 - Can result in breaking the law

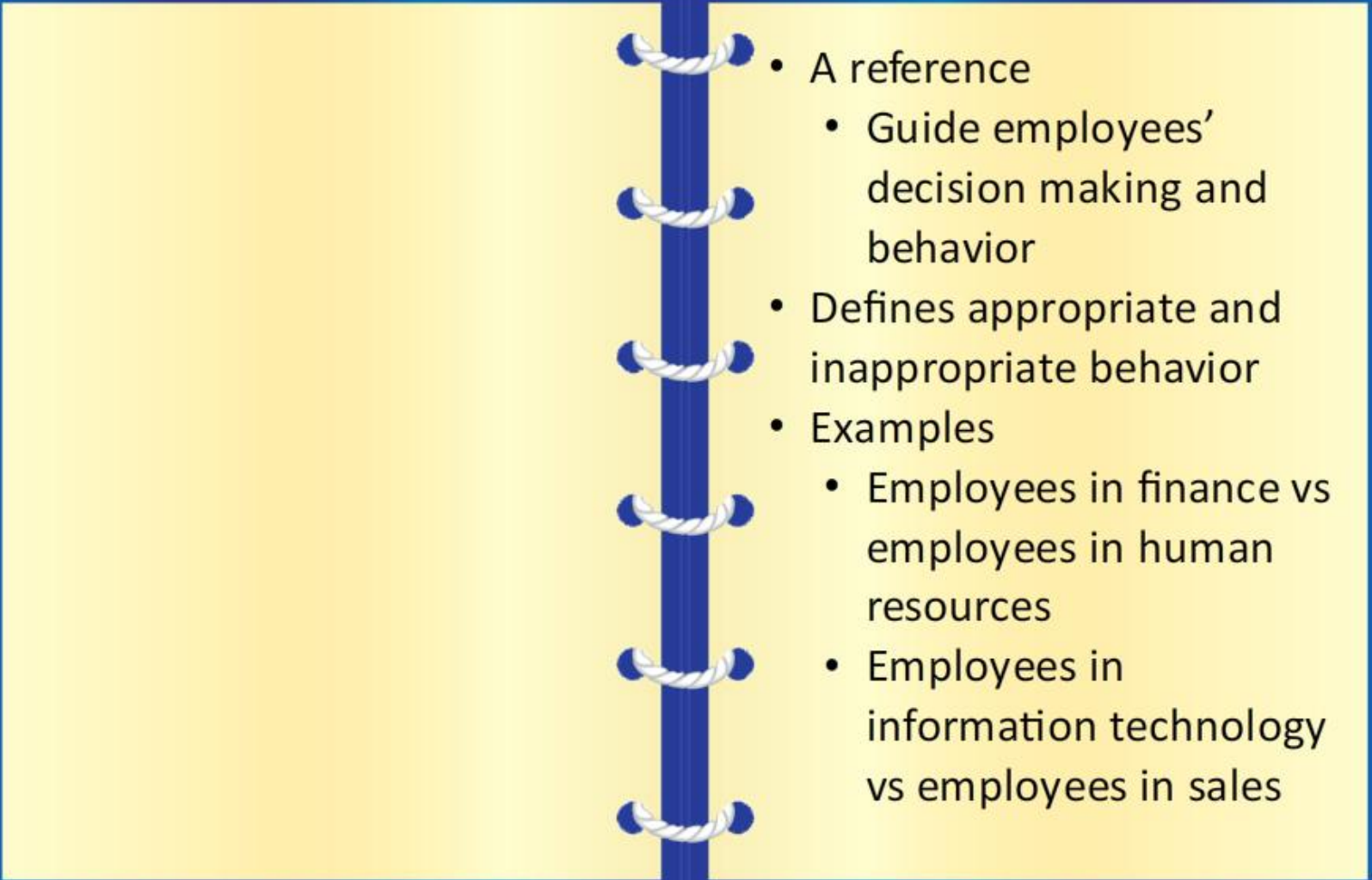


Ethics Policy and Code of Conduct

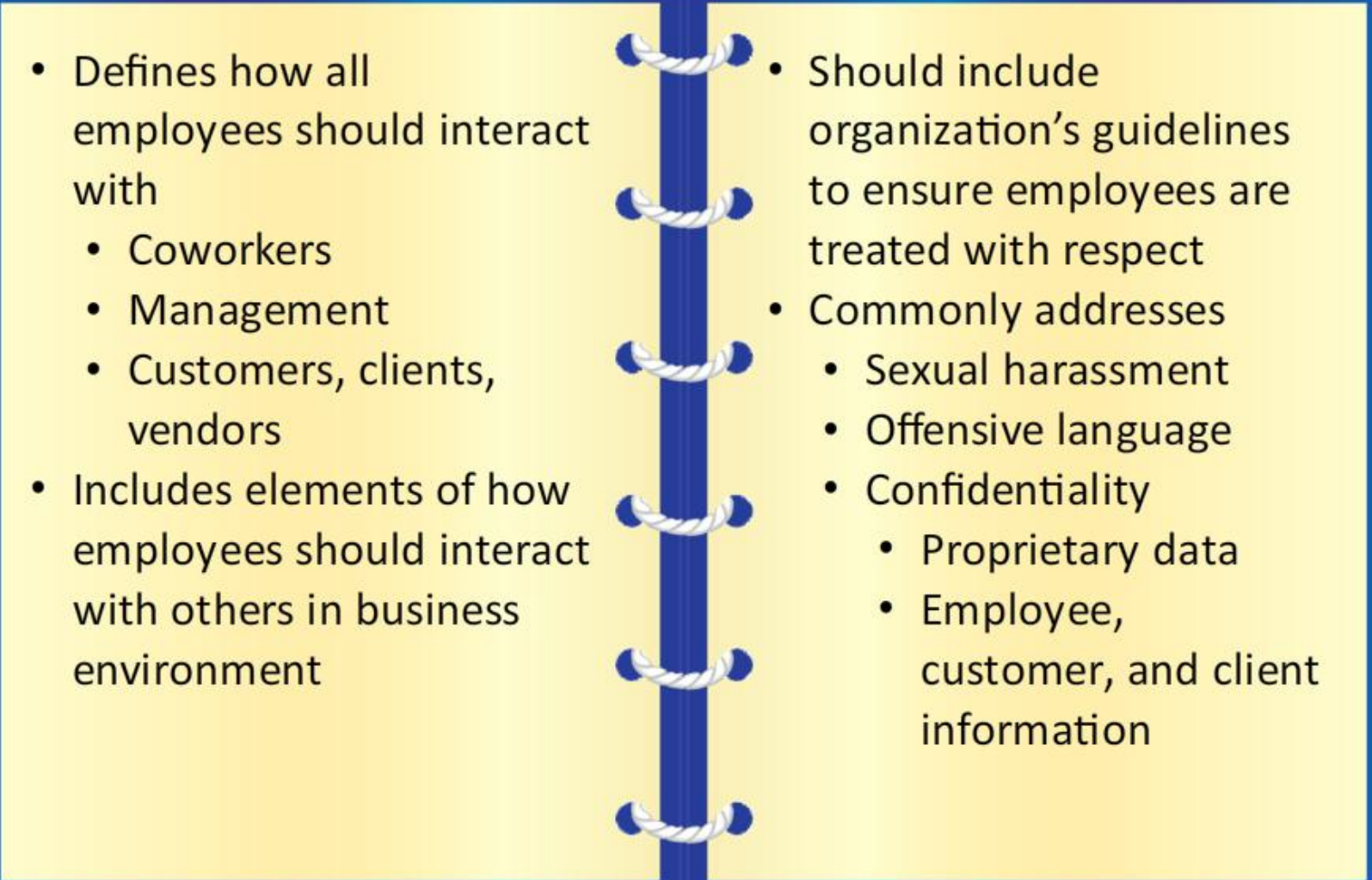
- Guidelines for ethical decision-making in the workplace
- Increase awareness for expected behavior
- Maintain consistency for appropriate behavior
- Improve work quality performance
- More likely clients and customers will trust them



Code of Conduct

- 
- A reference
 - Guide employees' decision making and behavior
 - Defines appropriate and inappropriate behavior
 - Examples
 - Employees in finance vs employees in human resources
 - Employees in information technology vs employees in sales

Ethics Policy

- 
- Defines how all employees should interact with
 - Coworkers
 - Management
 - Customers, clients, vendors
 - Includes elements of how employees should interact with others in business environment
- Should include organization's guidelines to ensure employees are treated with respect
 - Commonly addresses
 - Sexual harassment
 - Offensive language
 - Confidentiality
 - Proprietary data
 - Employee, customer, and client information

Activity

The Sarbanes-Oxley Act defines requirements for ethics policies.
(Select all of the requirements that apply.)

- ☒ Selecting an objective high-level person to investigate any violations
- ☒ Responding appropriately to any illegal behavior and making any modifications to the ethical standards and procedures, if necessary
- ☒ Enforcing the standards and procedures and disciplining employees for violations
- ☒ Establishing and implementing ethical standards and procedures
- ☒ Reviewing the process for complying with the ethical standards and procedures and establishing a system by which employees feel safe and comfortable reporting any possible illegal behavior
- ☒ Assigning a high-level person to oversee compliance of the standards and procedures
- ☒ Communicating standards and procedures to all employees through training and printed and electronic materials

Activity

Under Federal guidelines, criminal acts committed by an employee within the scope of their employment can result in the employer: (Select all that apply)

- ☒ Forfeiting assets
- ☒ Forced to compensate victims
- ☒ Being fined
- ☐ Terminating direct management personnel
- ☒ Posting public notices of the conviction
- ☒ Put on probation

Monitoring Employee Communications

- Employers worry about organization time being used efficiently
- Many organizations monitor websites employees are visiting on organization computers

“An ethical dilemma arises from employers potentially viewing personal employee information and respecting privacy rights. While many courts across the country continually uphold employer monitoring rights, Privacy Rights Clearinghouse's website states at least one court has ruled employers may be violating employee privacy rights in viewing personal communications.”

J. Lister

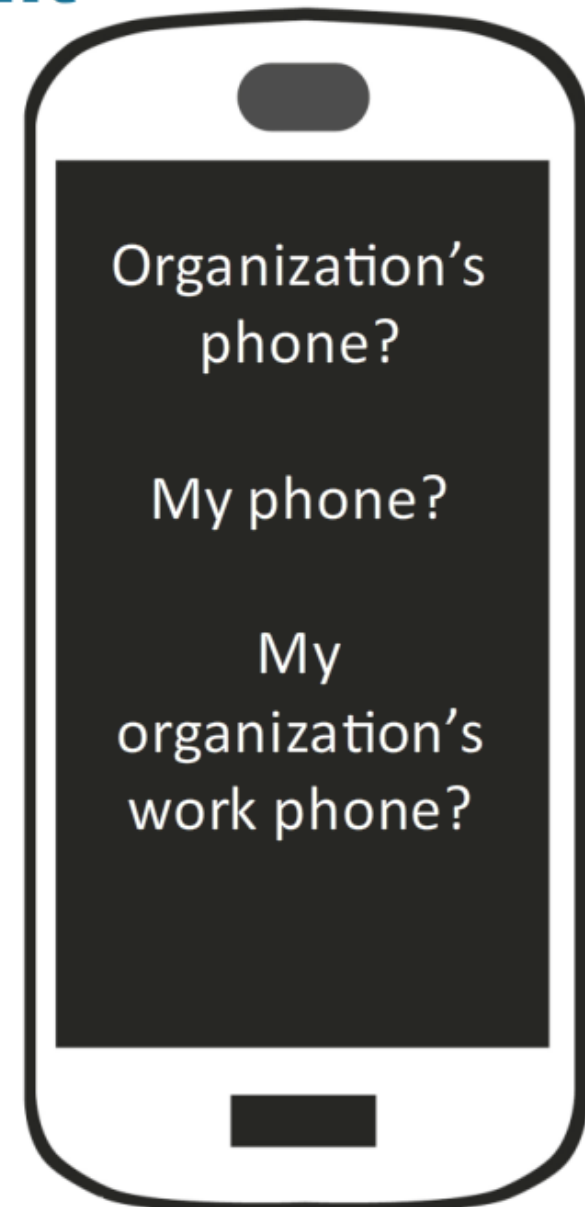
Working from Anywhere

- Technological advances enable employees to work from anywhere in the world
 - Proposes an ethical dilemma
- Just because technology allows an employer to access employees and request work at all times
 - Doesn't mean it's ethical
- If employees are being paid hourly this can become an ethical issue
 - Fair Labor Standards Act
 - Overtime
 - Not paying employees after regular work hours may be in violation of overtime regulations



Using Organization Equipment

- Employees have the same computer and cell phone for a number of years
 - Treat these as their personal property
- Ethical problems
 - Employee uses for non-work-related reasons
 - Searching for new job
 - Accepting personal calls
- Devices for work related tasks
 - Personal use may be a violation of organization code of ethics



Social Networking Websites

“Social networking websites can become technological battlegrounds between employees and management personnel. Monitoring employee social networking web pages has become a popular tactic for management and business owners and has blurred the lines as to acceptable workplace conduct and what constitutes lawful termination.”

J. Lister

Best Practices

- Remember what you post can be seen by almost anyone
- Err on side of caution when using own and viewing others social media accounts for work related purposes



Activity

The courts have always held that employers may monitor employee website usage.

☐ True

☒ False

Activity

Regularly taking work-related calls and answering business emails after work hours may be considered unethical.

☒ True

☐ False

Activity

Using organization issued laptops or phones for personal activities, may be considered unethical.

☒ True

☐ False

Ethics and Customers/Clients

Best Practices

- Meet or exceed customer expectations
- Provide quality products and services to customers at a reasonable price
- Honor agreements and keep promises
- Agree on a solution with customer if any issues arise and need to be resolved
- Protect proprietary information related to customer



Ethics and Vendors



- Maintain a professional relationship with vendors
- Follow organization's code of conduct
- Most organizations it is a good practice to
 - Not accept any gifts or gratuities
 - Request any favors or incentives
- Report any unethical proposals or unusual agreements to your supervisor



Activity

Which of these ethical practices apply to most customer/client situations? (Select all that apply)

- ☒ Honor agreements and keep promises.
- ☒ Agree on a solution with the customer if any issues arise and need to be resolved.
- ☒ Provide quality products and services to customers at a reasonable price.
- ☒ Meet or exceed customer expectations.
- ☒ Protect proprietary information related to the customer.

Activity

Convincing a coworker to violate an organization policy or code is an example of unethical behavior.

☒ True

☐ False

What Is Unethical Behavior?

- Disregarding the rules set by your organization
- Acting inappropriately based on your organization's expectations
- Considered unprofessional
- Comes in many forms and on all levels
- Can occur daily
- Hindrance to achieving goals
- Can create an uncomfortable working environment
- Can damage business relationships



Examples of Unethical Behavior

Completing tasks quickly while compromising quality

Covering up mistakes

Lying about sick days or the number of hours worked

Deceiving or ridiculing clients or customers

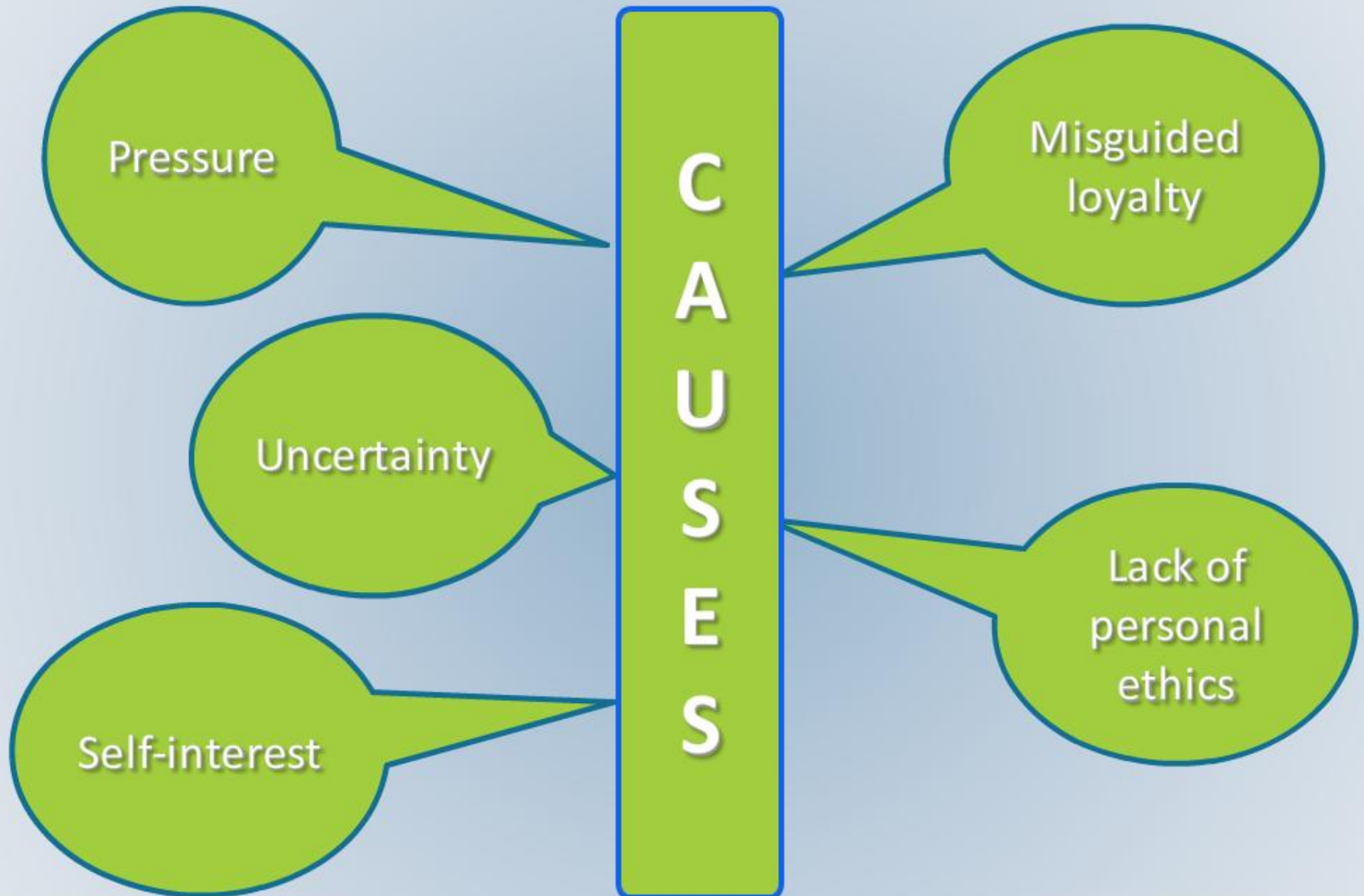
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Taking credit for another team member's idea

Being dishonest to coworkers or managers and disloyal towards the organization

Misrepresenting data or failing to report misrepresentations by other employees

Causes of Unethical Behavior



Case Study Luke

- Working on a project for his boss
 - Running out of time
 - Needs to work over the weekend
- Decides to duplicate the needed software
 - To bring it home to work on his personal computer
- Duplicating software against organization's policy

Do you think Luke is practicing unethical behavior?

☒ Yes

☐ No

Luke is practicing unethical behavior due to

- Pressure
- Uncertainty



Case Study Shane

- Full-time job as a marketing coordinator
- Works as a freelancer
- While working at his full-time job
 - Takes phone calls
 - Responds to emails regarding freelance projects
- Knows exactly what he is doing
 - Unconcerned with his actions

Do you think Shane is practicing unethical behavior?

☐ Yes

☐ No

Shane is practicing unethical behavior due to

- Self-interest
- Personal gain
- Greed



Case Study Ian

- Works in the sales department
 - Extremely loyal employee
- Organization's board of directors (BoD) demands team show an improvement in numbers
- Team just misses goal
- Mr. Smith has Ian falsify financial report
- Ian decides to fudge report
 - Wants to make his boss happy
 - Wants to appear competent to BoD

Ian is practicing unethical behavior due to

- Misguided loyalty

Do you think Ian is practicing unethical behavior?

☒ Yes

☐ No



Case Study Sharon

- Attend behavioral healthcare conference
- Views as quick get-away from work/personal life
- Contacts sightseeing tours
- Visits finest shops in town
- Does not attend conference
- Never learned about ethical values
 - Has no personal ethical values
 - Doesn't think about right/wrong
 - Only thinks, "What's in it for me?"

Sharon is practicing unethical behavior due to

- Lack of ethics

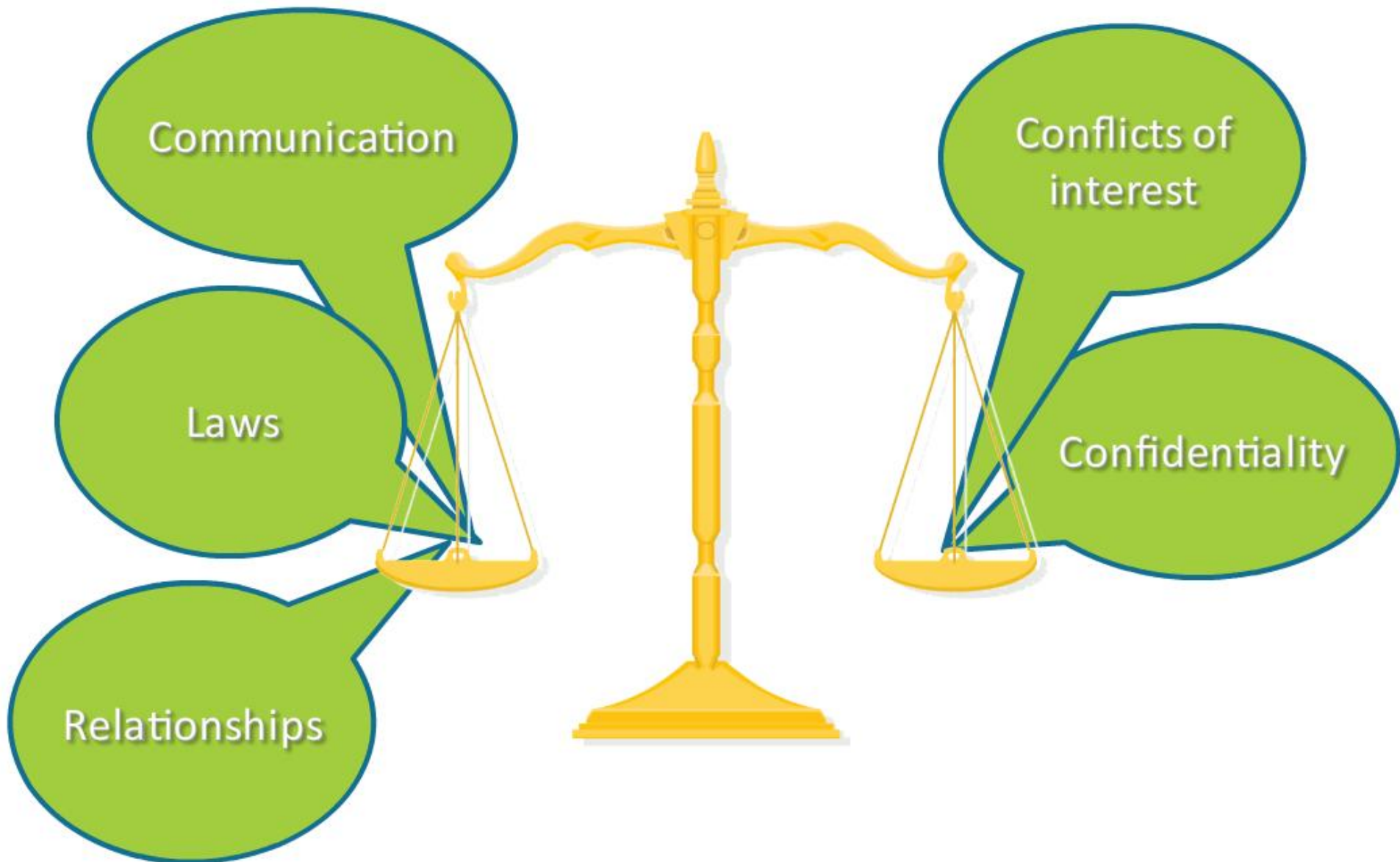
Do you think Sharon is practicing unethical behavior?

☒ Yes

☐ No



Ethical Problem Areas Overview



Conflict of Interest

- Employee or organization engages in multiple interests, one of which conflicts with the other
- Examples of choice
 - Between self-interest and interests of coworkers or organization
 - Between the interests of customer and the interests of organization



Relationships

- You develop a friendship with coworkers
- Could find that it's hard to differentiate between personal and business relationships
- May need to make professional choices that aren't welcoming



Communication

- Examples of unethical communication
 - Lying
 - Embellishing the truth
 - Covering up mistakes
 - Failing to tell the entire story
- Communicate in this manner to
 - Make others hear what you think they want to hear
 - Protect your reputation among your coworkers, superiors, or customers
 - Try and save your job



Confidentiality

- Information between employee and organization is privileged and remains private
- Not discussed or shared with unauthorized individuals
- Unethical for employees to use confidential information
 - For self-gain
 - To share for the benefit friends or family members

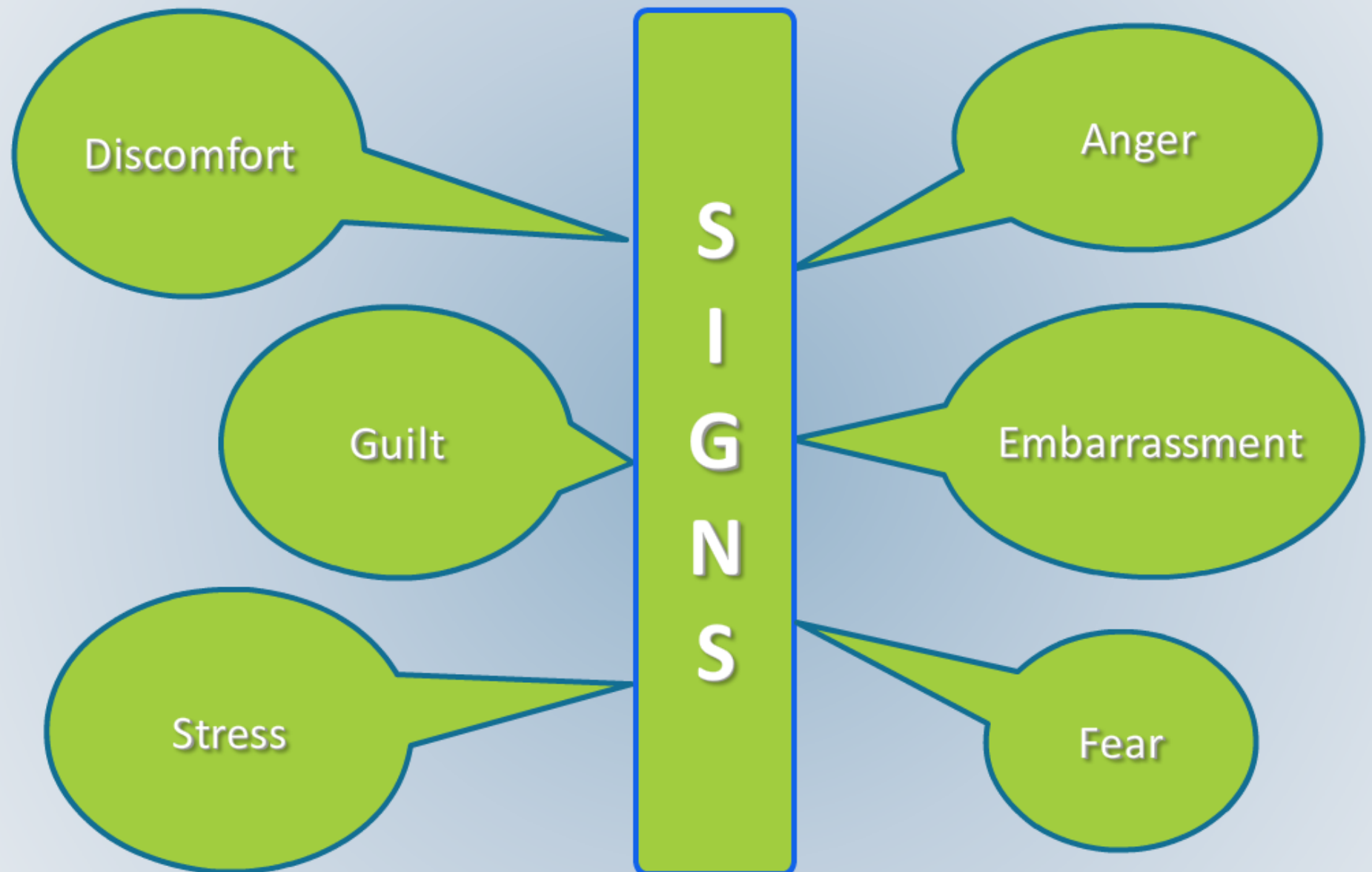


Laws

- Many rules
 - Must follow specific laws
- Can be hard to comprehend
 - You may not agree with the rules/laws
- Organizations develop code of conduct/ethics policy
 - Conform to laws governing industry
- Compliance necessary to uphold laws



Signs of Unethical Behavior



Activity

Match the ethical problem area with its definition. Select the term from the drop down list.

An employee or organization engages in multiple interests, one of which conflicts with the other

Conflict of interest

Hard to differentiate between personal and business relationships

Relationships

Lying, embellishing the truth, covering up mistakes, or failing to tell the entire story

Communication

Using any confidential information for self-gain or to share information for the benefit of friends or family members

Confidentiality

Not comprehending or agreeing with the rules or laws

Laws

Activity

As defined in this course, select the responses you may have if you are thinking about committing unethical behavior. (Select all that apply)

- ☒ Anger
- ☐ Humility
- ☒ Guilt
- ☒ Fear
- ☒ Discomfort
- ☐ Sadness
- ☒ Embarrassment
- ☒ Stress

Making Ethical Decisions

- Seems obvious
 - At times can be difficult to determine what is right or wrong
- Example
 - You're purchasing the office supplies for department
 - You've been meaning to purchase a desktop lamp for home
 - While browsing you see perfect lamp
 - Marked at the perfect price
 - Not sure what to do

Tip

Just because something is
easier or quicker

Does not mean it is ethical



Keys to Ethical Decision Making



Steps to Ethical Decision Making

Identify the facts.

What do you know about the problem? What can you find out?

Determine who is involved in the problem.

Who is affected by the problem and who is responsible for the problem?

Look for other viewpoints from your boss or coworkers.

Can they help you clarify the issue so that you can make a better decision?

Evaluate your options.

Would the option involve unethical conduct now or later?

Think objectively.

TIP: Think of your problem as your best friend's problem and think how you might recommend that friend act.

If you later realize you made a mistake then take accountability immediately

Questions to Ask

Is this legal?

Is this against organization policy?

Will my decision be fair to everyone who might be affected by it?

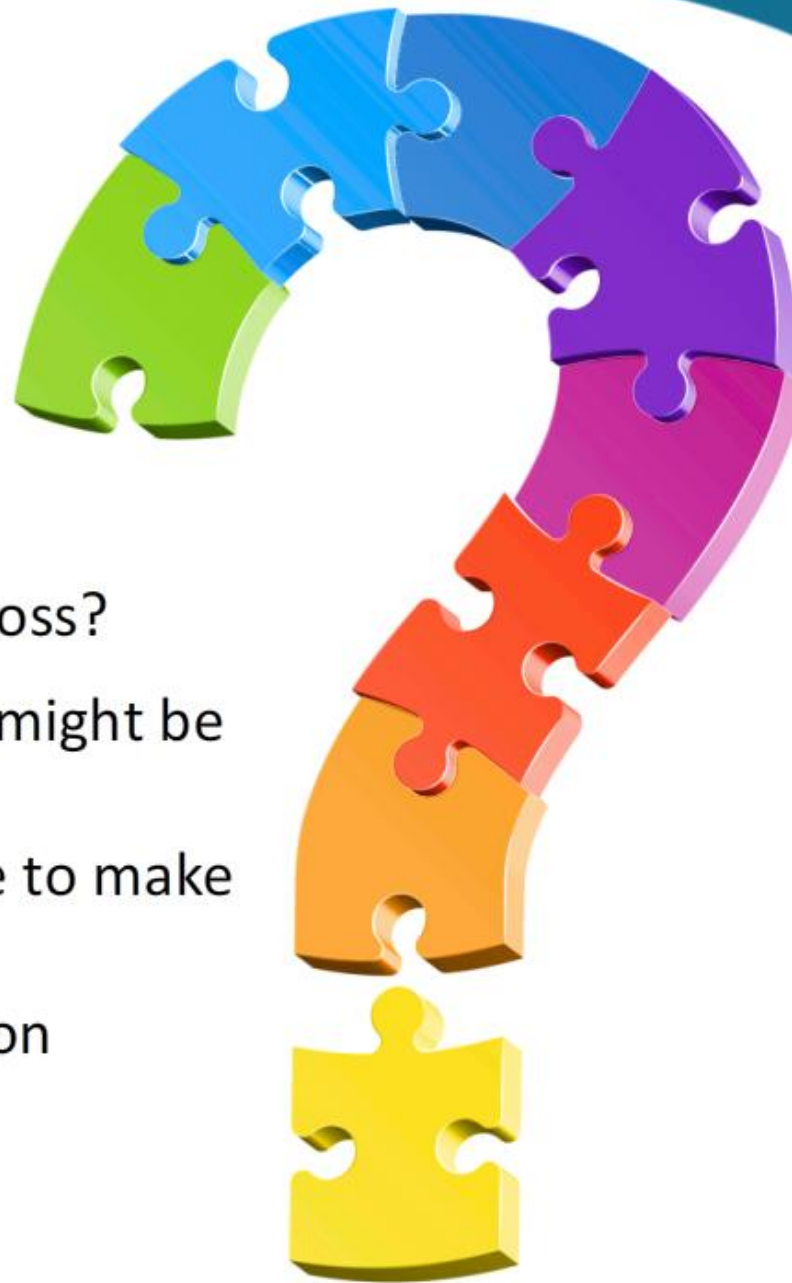
Do I need to get approval from my boss?

Is this in the best interest of all who might be involved?

Do I feel pressured or uncomfortable to make a decision?

Would my coworkers and organization support and respect my decision?

Can I take pride in my decision?



Activity

Drag to put the steps to ethical decision making in order.

1. Identify the facts.
2. Determine who is involved in the problem.
3. Look for other viewpoints.
4. Evaluate your options.
5. Think objectively.

Activity

Making the ethical choice is always the easy choice.

☐ True

☒ False

Summary

- Overview of the ethical issues in the workplace
- Check with your supervisor for organization's ethics policies
- This course provided an overview of:
 - Ethics and morality
 - Ethics in the workplace
 - Examples of ethical issues
 - Law and ethical guidelines
 - Ethical values and character traits to acquire when working with coworkers and customers
 - How/why employees might behave unethically
 - What situations are more vulnerable
 - The process to making ethical decisions and the questions to ask

