

# Ethics in the workplace

[Business](#), [Work](#)



Bee and Buckley (2001) state that over the past few decades, corporate codes of ethics have proliferated. These codes have proved useful in informing employees about legal requirements of the firm, addressing specific concerns and serving as guidelines for accepted practice within the organization. However, unethical acts continue to occur, as is evidenced by the recent recall of Firestone tires and the 103 deaths that forced it. (p. 73) It does not matter if corporate executives are told millions of times of codes of ethical conduct as some still will conduct illegal activities.

These individuals are looking to make themselves rich while other ethical individuals are looking out for the good of the organization and its stockholders. This paper will discuss the purpose statement, problem statement, topic background, necessity of study, importance of topic to the field of education as well as the potential significance of the study to scholarly literature with regard to my research study entitled Employees' Perspectives of Ethics in the Workplace.

**Purpose Statement** The purpose of this study is to determine whether employees demonstrate ethical behavior in the workplace.  
**Problem Statement** Research is needed to explore the experiences of employees with regard to ethics or the lack thereof in the workplace today. The purpose of this study is to explore the experiences of employees in the workplace and to examine the differences and similarities of their experiences with regard to ethics in the workplace. The methodology and design of this study were derived by using the structure to establish "goodness" advocated by Armenia and Halter (2002).

Topic Background Pain's (1994) statement that the ethical composition of the individual defines the ethical composition of the organization is described in his article entitled "Managing for Organizational Integrity." Therefore, who you are will influence the values of the organization due to the following reasons. First, individuals' personal values become part of the organization. Second, the supervisors' influence over the employees' actions. Third, senior management influence over lower management and employees. Fourth, internal drive of the individual to succeed.

Fifth, performance pressures within the organization. Sixth, lack of punishment within the organization. Seventh, friends and/or coworker influence over other employees. Furthermore, the organization's culture influences the values of the organization as the culture of an organization defines the ethical behavior of this particular organization by defining what is right and wrong. In order to reconcile inconsistencies between your own values and the values of the organization, an individual must choose whether to advance his/her own interests, the organization's, or the interests of others.

For example, bribes or personal payments, gifts, or special favors intended to influence decision making. Individuals should report other employees for such acts as lying to supervisors, entertainment receipt in violation of company policy. These acts are violations against the organization's Code of Ethics which is a formal statement of what an organization expects in the way of ethical behavior (what behaviors are acceptable or unacceptable) and reflects senior management's organizational values, rules, and policies.

However, many individuals do not report fellow co-workers for fear of not being considered a team player, do not think corrective action would be taken, fear of retribution (from management) as well as not trusting the organizational to keep the report confidential. Based on the literature, Beams, et al. (2003) experiment found that " guilt had the greatest effect on intent to trade based on insider information. Expected gain, cynicism, and perceptions of the fairness of laws were also significantly associated with the intent to trade based on insider information" (p. 320).

The study also found that individuals do not necessarily engage in insider trading to gain money but to avoid a possible loss. Furthermore, the study found that insider trading was not necessarily acceptable by society as well as likely to be caught and punished for the crime. Bee and Buckley (2001) state that over the past few decades, corporate codes of ethics have proliferated. These codes have proved useful in informing employees about legal requirements of the firm, addressing specific concerns and serving as guidelines for accepted practice within the organization.

However, unethical acts continue to occur, as is evidenced by the recent recall of Firestone tires and the 103 deaths that forced it. (p. 73) It does not matter if corporate executives are told millions of times of codes of ethical conduct as some still will conduct illegal activities. These individuals are looking to make themselves rich while other ethical individuals are looking out for the good of the organization and its stockholders. Dungaree and Jeep's studied six individuals who engaged in criminal and unethical activities in the corporate business world.

Dungaree and Speedup's findings as related to these six individuals definitely support the Beams, et. Al. Experiment as these individuals knew that their activities were illegal as well as unethical. Furthermore, these activities were definitely not viewed favorably by society. Dungaree and Jeep's (2001) state that " all six certainly knew that they were reeking the law and most went to extra-ordinary lengths to cover up what they were doing" (p. 51).

These individuals were also in high level positions, which caused individuals who knew about the criminal activities to look the other way. These individuals engaged in these activities because they were greedy and definitely not working toward organizational goals. Fell (2001) states that evidence shows that firms with ethics programs have a lower percentage of inside directors on their compensation committees than do firms without ethics programs.

Firms in which boards are actively involved in the programs have more independent roads (higher percentage of independent directors and lower percentage of inside directors and are more likely to compensate outside directors with equity than are firms in which boards are not actively involved in the programs. Taken together, the evidence indicates that a board actively involved in an ethics program, and not the simple existence of an ethics program is related to the incidence of potential conflicts employees must adhere to.

Maybe these ethical standards will make individuals think before they conduct illegal and unethical activities which harm stockholders and the

organization. McCall (2002) states that there should be an " alternative model for adjudicating between stakeholders' conflicting claims of rights and it applies that method to determine what responsibilities corporate management might have to employees and how management might be held accountable for discharging those responsibilities" (p. 133). Management certainly has responsibilities to the organization, the stockholders and the employees.

They are supposed to conduct business in the best interest of all. Whetstone (2003) states that (1) virtue ethics and virtue language is fluently used by practicing managers, (2) virtue engage is important to understanding managerial excellence, and (3) whereas the set of virtues defining the excellent manager can be expected to be dependent on the societal, industry, and organizational context, such a set of manager virtues can be identified and prioritize within a particular organizational milieu.

The implication is that, once an organization's management better understands the meaning of the excellent manager in terms of the virtue language already used by its own employees, it is better equipped to implement a practical ethic of virtues, one helpful toward recognizing and developing excellent managers. Ethics researchers are challenged to increase their understanding of extant virtue language as the basis for a renewed development of virtue ethics theory and applications (p. 343). All organizations should train and retain managers as well as requiring all employees to attend ethical seminars and conferences on a yearly basis.

This will ensure that these individuals understand the code of ethics and their responsibilities to adhere to this code of ethics. Study of Topic Importance to the Field of Education The topic of ethics is important to the field of education as well as all other fields as well as the business world. Béchamel and Bowie (2004) identify three primary arguments on the practice of preferential treatment: (a) It is Just, (b) it is unjust, and (c) it is not Just but it is still permissible. The argument that is the most consistent with typical American business practices is (c) it is not Just but it is still permissible.

In other words, executives and employees in the business world today take the position that unethical behavior on their part is Just the way business is conducted today. Béchamel (2004) " argues that even some forms of reversediscrimination can be Justified as a means to the end of a nondiscriminatory society" (p. 27). This type of behavior is illegal and known by the executives and employees to be wrong but individuals tend to lend a blind eye when this type of behavior is noticed in the corporate world. For example, At the heart of the Enron scandal is a failure of corporate governance.

Senior executives who permitted or encouraged misleading accounting treatment. An audit committee that signed off on misleading accounts. Individuals enriched by transactions with the company that employed them. A board that was ineffective in supervising senior managers' actions. Weightlessness' complaints that was ignored r whitewashed. (<http://www.Uncharacteristically.Com/cars/try.CGI?ArticleId=1679>) the Board of

Directors which led to its failure and bankruptcy. I believe that these individuals were only out to make themselves rich and did not care in the least about the stockholders.

If the weightlessness were not disregarded, maybe Enron could have been saved before it turned into one of the largest corporate scandals in the history of the United States. The major theory that underlies workplace ethics is the stakeholder theory. According to this theory, management has an obligation to the stakeholders to make profit for the stakeholders as well as conducting business ethically. Furthermore, management must answer to the stakeholders for any wrongdoing and unethical behavior. For example, Enron executives had to answer to the stockholders as they lost their investments when the company declared bankruptcy.

It is difficult for corporations to be ethical because some managers and executives are looking to profit themselves instead of what is in the best interest of the stakeholders. The trends with regard to ethical issues in the workplace are those of employees and management who are acting unethically. For example, stealing supplies, reaching the internet during work hours, leaving early and arriving late as well as management profiting for their own best interest. As time progresses, this type of behavior will grow worse as individuals in the workplace will have less morals than they do today.

Potential Significance of Study to Scholarly Literature Developing theory from the data without preconceived ideas is an appropriate technique for this study on ethics in the workplace. Since studies examining the affect of



ethical experiences are not documented in current literature, the data collected will be used to generate an original theory. The data obtained in this study cannot verify preexisting theory because this is not a relevant preexisting theory on this topic to be verified. This fact further substantiates a grounded theory methodology is an appropriate methodology for this study.

**Necessity of Study** I believe that this is an important subject as ethics is lacking in individuals, groups, workplaces and the world today. I believe that most leaders, managers and employees act unethically in the workplace. Béchamel and Bowie (2004) identify three primary arguments on the practice of preferential treatment: (a) It is just, (b) it is unjust, and (c) it is not just but it is still permissible. The argument that is the most consistent with typical American business practices is (c) it is not just but it is still permissible.

In other words, executives and employees in the business world today take the position that unethical behavior on their part is just the way business is conducted today. Béchamel (2004) "argues that even some forms of reverse discrimination can be justified as a means to the end of a nondiscriminatory society" (p. 327). This type of behavior is illegal and known by the executives and employees to be wrong but individuals tend to lend a blind eye when this type of behavior is noticed in the corporate world.

I am currently employed at The Travelers Companies as a Senior Paralegal in its Special Liability Group where I handle large commercial claims. I make my own decisions on the files that I handle including setting the reserves on a

claim and supervising outside counsel until the for fifteen years. Travelers is a large company with offices all over the world so there is high growth potential as well as advancement opportunities within the Company. My department at work consists of seven claim attorneys, two secretaries and myself (the senior paralegal).

My secretary, in particular, comes to work late everyday, calls in sick frequently, surfs the internet all day long, gets her hair done during work hours every four weeks, attends a weekly doctor's appointment during work hours and socializes with coworkers for long amounts of time. Furthermore, we enter our own time into our human resources database, and I know for a fact that this secretary does not account for all the time she takes off, etc. In other words, she is getting more days off than she is allowed as I kept track of when she took off last year.

All of these actions are a violation of my company's honesty and ethics policies. Han Cheesy Koch, El Tree H Y Boo (2004) states that organizational ethics is positively associated with not only financial performance but also employee attitudes. While it is obvious that organizational ethics are intended to guide and influence employee behavior (e. G. , in dealing with ethical dilemma and avoiding unethical situations), it is not obvious what relationship exists between organizational ethics and employee attitudes. (p. 77) Furthermore, I know that my secretary could care less about her job or the company as she has told me so on several occasions. She does not really want to work but has to because her husband does not make much money. She would much rather sit at home and watch television. In fact, that is all

she does when she is not at work. I would say that she does not have a high level of Job satisfaction and is not motivated toward company goals. I just do not understand her lack of motivation as my company is a great place to work and we get very competitive raises each year.

I believe that the situation that I have described is both an ethical decision and a moral decision. First, my secretary is not behaving to the standard which I was taught to act and behave. I have a conscious and was raised to be an honest person. My father always said that taking even a pen from work was stealing. Second, my secretary actions are morally incorrect as they go against every value that I was ever taught. When we go to work, we should be productive and work toward the goals of the organization. We should adhere to the standards of the organization as well as our own standards.

My secretary is clearly not adhering to any standards whatsoever. She is taking up space and collecting a paycheck she does not deserve.

Furthermore, my secretary actions since I have been with this department (for the past five years) are causing me a high level of dissonance because I believe that a person's work ethic should be of the highest degree. I wish every day that I was her supervisor so I could terminate her employment. I just cannot believe that our supervisor does not see what she does everyday and those human resources do not scrutinize the time entries more closely.

I have thought about saying something to my supervisor but what this secretary does or does not do at work is none of my business. Furthermore, my secretary's actions makes me want to come in late, surf the internet instead of working, take long lunches everyday and cheat on my time also. If

she can do it, so can I. However, I cannot be unethical as I was raised to be honest. Also, I have a high regard for my organization's success. However, my hotlist which you can call reporting any violations of its ethics and honesty policies. It is an 800 number and you need not give your name.

I reported my secretary using this hotlist. This report is forwarded to her direct supervisor as well as human resources and an investigation is conducted. I just could not let this activity continue as it does against every belief and value that I have. I do not feel that this type of behavior in the workplace or anywhere else for that matter should be allowed to occur. I was raised to be an honest person who worked to achieve what I desire as well as the goals of the organization. Frankly, I hope she is terminated even though she has been with my organization for twenty-five years.

I do not think she adds any productive resources to my organization and is just taking up. Conclusion In conclusion, this paper discussed the purpose statement, problem statement, topic background, necessity of study, importance of topic to the field of education as well as the potential significance of the study to scholarly literature with regard to my research study entitled Employees' Perspectives of Ethics in the Workplace. I believe this topic is important because if individuals and the world around us continues in its current state, there will not be an ethics whatsoever when my children grow up.