

Employee loyalty essay

[Business](#), [Industries](#)



Loyalty is a prized virtue, at least as far as employers are concerned. Once a person accepts a job with a company, he or she is considered to owe it loyalty, both while employed and, under certain conditions, even after leaving the company. Is loyalty to one's employer a moral obligation? It depends on just what loyalty is taken to mean. If it means that people are expected to do their jobs at some acceptable level of competence or to do what their supervisors tell them to do, whether in terms of their job descriptions or day-to-day directives, then loyalty is a matter of moral obligation because these expectations are of the very essence of the employment contract (Powers, 2000).

Further, doing one's job includes the understanding (verified, more and more these days, in a formal document signed by the employee) that the employee will keep information like trade secrets, marketing plans, strategic decisions, and personnel information confidential and will not make their specifics, at least, the topic of conversation with outsiders, whether personal friends or the public media. This kind of information belongs to the company, and the company has all the proprietary rights that go along with ownership. Any manager who violates these terms of the employment contract is subject to disciplinary action by the company, " up to and including dismissal" as official company documents frequently caution. A manager who discloses proprietary information to outsiders may even face a lawsuit by the company for damages. Clearly, loyalty in this sense involves a moral obligation (Powers, 2000).

The bedrock idea in group loyalty is not relationship but membership in a group competing with other groups. Membership makes one an insider; it

confers identity within a matrix of relationships both to other members and to the leadership of the organization. Membership crystallizes in two stages: entry and identification.

One may join a political party or a labor movement, and one is born into a family, a tribe, or a nation. Whether entry is voluntary or involuntary, it has an objectified form, an institutional shell. Lists are kept, passports issued, heads counted. Without doing more, one remains a member of the group that treats one as a member (Laabs, 1996). In the loyalty of group action, the loyal person defers to the judgment of the coworker, for instance, or the whole group with whom one is bound in a relationship of loyalty. The recurrent problem is working out the limits of this deference. Some abstract sense of right and wrong, a “ shock to the conscience,” can set the point beyond which one will not go.

Disputes about the meaning of loyalty arise when companies attempt to extend its scope beyond its legitimate sense. Employers may not ask managers, in the name of loyalty, to commit any actions considered flagrantly immoral (by the natural-law moralist, at least), for example, theft, direct harm to people or property — like dumping toxic wastes into a community’s water supply, deceitful advertising practices, sexual or psychological harassment of employees, and illegitimate firing or demotion of an employee for non-job-related reasons — like refusal of sexual advances, or because of a lifestyle that has no bearing on job performance but offends the personal sensibilities of someone in higher management. Since employers may not suborn any of these actions, it follows that

managers may not carry them out under orders, at least not in any way that could be judged formal cooperation in an action of this kind. Managers, in turn, may not use loyalty as a rationale for formally cooperating in morally wrong actions their supervisors may ask them to perform. A manager who learns and practices managerial or other skills in a company, skills that become part of his or her “ person,” is not disloyal if he or she decides to leave and use those skills somewhere else. It would be morally wrong, however, for a manager to join a company just to get certain managerial or technical training knowing full well that he or she did not intend to work for that company for some reasonable period (Powers, 2000). Whistle blowing, accusing fellow employees, supervisors, or company officers of illegal or immoral actions either through company channels or to agencies outside the company, looks like a prime example of disloyal behavior. When is it morally justified? To answer that question adequately, the two varieties of whistle blowing, internal and external, have to be analyzed separately.

Blowing the whistle internally on a fellow employee seems permissible when:

- the harm being done to the company is significant;
- the whistle blower is sure of his or her facts;
- there is a reasonable expectation that blowing the whistle will be effective;
- it is likely that the offending party’s supervisors do not know what is going on;
- the whistle blower’s reputation and prospects in the business won’t be seriously harmed;

directly confronting the wrongdoer will not make him or her stop what he or she is doing. The obligation to blow the whistle internally seems to depend on who has the primary responsibility for discovering and investigating an employee’s questionable actions. An employee’s immediate supervisor, has to be alert for any seriously

questionable actions a subordinate might perform like making up false expense vouchers or misusing company funds, property, or materials. “ A company’s security organization, if it has one, is responsible for helping protect company assets. Auditing staffs need to review expense accounts, purchasing contracts, and adherence to company financial reporting procedures” (Streeter, 2005). A decision to blow the whistle externally, to some outside party, seems allowed when all the conditions for internal whistle blowing have been satisfied and: – an effort has been made to report wrongful conduct internally, through the proper lines of organization, so that the company has a chance to clean up its act before the whistle blower goes public; external agencies like outside auditors or public regulatory bodies can’t or won’t take appropriate action; – a significant harm to the company, its employees, or the public is at issue; – the harm the company will suffer from the whistle blowing is proportional to the harm it is causing by its wrongdoing.

There are laws protecting government employees from retaliation for blowing the whistle. In private industry, however, whistle blowers are often looked on as “ informers,” so there is at least some question as to whether our culture would ever require blowing the whistle on private business (Snel, 1995). Sometimes managers believe that loyalty to the boss means covering up for his or her serious mistakes or, even wrongdoing. That belief is simply false, in my opinion. “ A manager has a fiduciary duty to the owners of the business, and it would be a violation of that duty to cover up actions by a supervisor that were harming the owners’ interests in any serious way” (Streeter, 2005). All in all, a subordinate has to carry out the legitimate

orders of his or her supervisor and keep him or her informed about how things are going in an assignment. He or she may even be obliged to tell the boss about actions of other persons or groups that may adversely affect the boss's operations. But wrongdoing by a boss may not be ignored.

If a subordinate thinks his or her boss is doing something wrong, the subordinate's first option is to confront the boss with the situation. If that doesn't appear to work, the subordinate may have to go to higher management. The guidelines for blowing the whistle might be useful in deciding what to do in these kinds of cases. References Laabs, J. J. (1996, Aug.).

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