

# Ethics case

[Business, Management](#)



first Management Ethics – Case a. Is an employee hotline necessary? An employee hotline is necessary in order to control misconduct, unethical behavior and other frauds in business. Employee hotline empowers employees to raise their voice against any unethical dealings that they witnessed or have been victims of. Secondly, it promotes ethical behavior, which is also required for conducting good business because such a practice improves the confidence of other business partners, such as vendors and suppliers. However, in a smaller organization, employee hotline may not be effective because of the ease of identifying the hotline reporter (Tracy, 82). Yet, employees might find it even more difficult to report unethical transactions or behaviors directly to their superiors, which makes hotline accessibility a better practice. Employee hotline would be helpful to report other issues such as harassment and breach of employee rights.

b. Is this sort of whistle-blowing ethical? Yes/No, Explain and justify your response

Bringing to light all wrong doings in an organization is also a type of control mechanism to adhere to expected standards of ethical conduct; and, whistle blowing is certainly one of them, which makes it an ethical practice. Besides job responsibilities, employees hold the moral and ethical responsibility of protecting the company's image and reputation, which can be accomplished by implementing ethical conduct and strong control mechanisms. The external vendors and suppliers form relationship with the company for business purposes and not with employees though employees are only a medium for communication and transaction. Whistle blowing with respect to transactions between the purchasing agents and vendors will not only set

the right example for others but also warn the vendors and suppliers of their position and relationship with the organization. In order to safeguard their relationship and business interests, vendors will ensure ethical and legal transactions with the company eventually, lest they can be replaced by others from the market. Hence, whistle-blowing should be regarded as ethical and employees must be encouraged to highlight any unethical instances in the business. These ethical practices in the long run will also help the company in achieving better outcomes, sustainability and better reputation in the market, which will help the company in its future growth.

c. What can management do as they establish this hotline to encourage employees to actually use it?

In order to encourage usage and increase the effectiveness of hotline in a smaller organization, it would be better to partner with external hotline facility service providers, like the EPS Employee Hotline Program. After establishing a hotline service, the management has to spread awareness about the program and its usage through emails, training sessions, hoardings, posters, flyers etc. A periodic check must be conducted by the managers and supervisors in order to assess its effectiveness, usage, awareness etc; for example, surveys, questionnaires, interviews can be used for periodic checks. Information from hotline reporting must be obtained and necessary corrective actions should be taken immediately after thorough investigation of the reported event while maintaining confidentiality wherever required. Timely corrective action after fair judgment will improve employees' confidence in the system. The corrective action details must be published in order to educate all employees about management's actions

against unethical conduct and transactions. These decisions, actions and measures will further encourage employees to report unethical incidents/conduct as well as prevent them from behaving or acting in an unethical manner.

#### Works Cited

' EPS. Prevent, Correct and Enhance Employee Relations'. Employment Practice Solutions.

<http://www.epspros.com/AboutEPS>

Tracy, Michael W. Whistleblowing in Corporate America: Organizational Factors and Their

Influence on the Employee Decision-making Process. MI: ProQuest, 2006