

# Ethical dimension in strategic hrm commerce essay



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Ethical management can be defined as process of setting managerial goals of an organization through planning, organizing, leading and controlling the performance of the resource and members in an organization, and realizing the organization achievement and moral objectives effectively and efficiently through the “ should” concept of enterprise management. The goals are to achieve the moral extent in organizational institutionalization by a certain managerial measures. Ethical management has been the trend of advanced human resource management. One of the essential themes of modern management is carrying forward and returning of humanistic spirit. The management mode of human resource under traditional ‘ economic man’ hypothesis does not fit in the reality in modern strategic human resource management. The human capital, based on the knowledge and skills, turns to be the base stones constitutes the core competence for the enterprise facing fiercely changing market environment in the knowledge economic times. In the thesis, development history of ethical dimensions in strategic human resource management would be presented firstly, then why ethical management plays an important role in the strategic human resources management would be discussed. Meanwhile, the realistic significance of the ethical considerations in the strategic human resource management is explained by examples in organization. The examples focus on two activities of strategic human resource management, which are gender stereotype in recruitment and performance evaluation. Their relationships with the strategic human resource management are discussed in the following part.

Seen from the quantity perspective, it is easily concluded that there are large number of theses or books illustrating strategic human resource

management. Meanwhile, commercial ethical has also been discussed in many books and theses, focusing on the enterprise ethical institutionalization. However, only a few of the books and theses will concentrate its main content on the ethical dimension in strategic human resource management, which is the overlapping part of the two issues. It can be concluded that ethical problems usually arise almost continually in human resource management. Human resources can be seen as people, and when people suffer a certain harm or loss for which they are not themselves responsible or they should not bear, as in a plant closing or corporate re-structuring, then ethical issues is needed to be taken into consideration in addition to the more common financial, legal, and behavioral forms of reasoning. Ethical considerations involves an evaluation of the impacts of the proposed managerial action upon the members of the organization and the members of the society, usually employees and workers as we discuss, and then justification of those impacts according to some defined principles or essential values of normative philosophy. None of these defined principles or essential values are adequate by themselves to justify a decision in an ethical dilemma, but taken together they do help in arriving at a decision that can be considered to be right and proper and just. The connection between the strategic human resource management and ethical considerations is close, which needs our discussion.

## **Ethical considerations in strategic HRM**

Companied by the time going on and change in concept of enterprise, the cognition of people has ranged from ‘ economic man’, ‘ social man’, ‘

complex man’, ‘ self-realization man’, a series of new concepts in human  
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resource management has been proposed. The concept has been penetrating to the managerial field accompanied by the management moralizing (Gary, 2002). More and more enterprise ethics are concerned and it has turned to be a popular trend. Among many resources constitute an organization, human resource has showed its importance in the development of an enterprise (Ceawley and Sinclair, 1994). To welcome the challenge occurred in the fierce competition and promote the development in long time, people first and human-based management should be the top concern in strategic planning.

It has stirred great academic concern that strategic human resource management has an ethical dimension in which moral principles concerning acceptable and unacceptable behavior. Executives are supposed to maintain a high sense of values and conduct honest and fair practices with the employees.

How to promote the value realization of human capital becomes an issue needs problem solving in modern human resource management. The ethic management meets the moral needs of human resource and satisfies their emotional demand. <sup>¼</sup>Teo and Warters, 2002) Meanwhile, the improvement in related laws and regulations has promoted the public prospect in the enterprise performance, which has exerted great influence on the management mode of human resource in a certain enterprise.

Entrepreneurs' morality can have a philosophical dimension. The enterprise is managed and controlled by human resource while human resource is the soul of an enterprise. The one who established the enterprise and the

successors tend to reconsider and investigate the existing value of enterprise, which leads to the demand for ethic management in the strategic planning, especially in human resource management. As an entity for service or production in the whole society, the enterprise pursues profit and plays a role as platform for mutual development of both the employers and the employees. Working, from the advanced view, is not only a way for existence, but also a shortcut for healthy development and self-value realizing for individuals. Most employees desire for respectful, equally-treated and humane management mode. Once satisfied, it can promote the human capital into great play.

The fiercer the human resource competition becomes, the fewer differences lies in ways for enterprise to attract human capital. So high salary and welfare benefits, high position and rights, ethical management in strategic human resource management, unusual enterprise culture atmosphere will lead to a bright prospect and image of an enterprise in the mind of a potential human resource. Among the factors influence the employer-employee relationships, working environment plays an essential role in attracting, maintaining and promoting the employees' professional dedication. The enterprise should put human resource management as top priority to cultivate the culture atmosphere, so the ethical management in strategic human resource management can be a source for enterprise to gain competitive advantage (Wilson, 2005).

The ethics has its special management functions for it offers a code to distinguish the good from the bad. The ethical code arises from the accumulation in daily life and roots in the mind of human resource. It defines <https://assignbuster.com/ethical-dimension-in-strategic-hrm-commerce-essay/>

the conduct boundary of the employees, then the rational anticipation forms between the enterprise and the employees (Starkey and McKinley, 1993). The conflict in profit and violation of laws and regulations, hitchhiking, opportunisms can be refrained to a certain extent. While cutting the operation cost, the managerial efficiency is promoted. Meanwhile, ethical managerial environment can inspire the employee to work more enthusiastically. More and more managers realize that most human capital will perform better in a enterprise full of trust, responsibility and ambition. The environment will be based on the value concept of trust, honesty, air and respect (Wen-Rong and Ben, 1996)

A large area of human relations management is concerned with various ethical issues, both on the part of upper-level management in its business decisions and lower-level management in the treatment of individual employees. Philosophic decisions on the relocation of areas of production or entire plants can have a major impact on the company but also can be devastating to individual employees and the communities in which they live. Management decisions must be made honestly taking all factors into consideration, including social responsibility as well as stockholder concerns. On a lower level, supervisors must treat those they supervise fairly in matters of promotion and compensation (Kaufman, 2008).

## **Relations between Strategic HRM and Gender Stereotype in Recruitment**

For many women, negative gender stereotypes can a huge barrier in their path for career development, especially in recruitment process. Companied by the further and detailed research in gender, it is a common conclusion <https://assignbuster.com/ethical-dimension-in-strategic-hrm-commerce-essay/>

that the gender stereotype is not only a psychological issue, but also an issue with ethical considerations (Boudreau, 2008). The discriminative gender stereotype, develops from the level of psychology to the level of ethics, it can penetrate to all the social activities by taking a role as people's behavior codes. With all the development, the cognitive model can not be easily erased.

The gender stereotype in recruitment is effects of the combined action of both strategic human resource management and ethical issues. It can be seen from the following perspectives. Firstly, the gender stereotype has a distinctive ethical trend. From the ethical development of the society, it can be easily seen that the mainstream moral outlook has internal connections with the gender stereotype (Warner, 2009). Slave owner class owns all the capital goods and slaves. When the enslavement comes into gender, women always are the accessories of men. Things go the same story in other societies; even now we can see the gender stereotype in strategic human resource management, especially in the process of recruitment. Secondly, the mindset of gender stereotype can be protective for the Patriarchal hierarchy. The stereotype has strong psychological hint and ethical bondage. Finally, the gender stereotype will hinder the gender ethics constructions (Taplin, 2008). Conflicts and disharmonies arise due to the deep-rooted gender disparity in ethical level.

The issue of the gender stereotype in recruitment has received considerable attention in the field of management. A current study focuses on the female National Health Service nurses in the United Kingdom. Examining the recruitment experience of qualified female National Health Service nurses, <https://assignbuster.com/ethical-dimension-in-strategic-hrm-commerce-essay/>

the study finds that the gender stereotype is a important factor in women's career development. The nursing career in many countries such as United Kingdom, are usually been concluded as a chronic problem in employment and recruitment. For most people, they believe that nursing is field dominated by women. It is true, but unfortunately, it is easily to be overlooked or forgotten that female career development disadvantage even in the female dominated occupations. That is the reason why this thesis will adopt the nurses as representative of women's career and discuss the disadvantage in their career development, such as the recruitment process.

The opportunities are usually given to those who are male while there are options between a male and female nurses who are same in other professional perspectives. Woman accounts for 92% of the nurse staff, but in higher nurse grade, the percent of male nurse is much larger while compared to their staff percentage, which is 8%. The explanation is quite easy. For most women, they will experience a special period of pregnancy, which is protected by the laws and regulations. The companies has to pay her in due time while she makes no contributions to the company. It is a lost for the companies. Meanwhile, physical agility is also taken into consideration in recruitment. Seen from perspective of ethics, how to protect the interest of women has become an important issue in the strategic human resource management.

## **Relations between Strategic HRM and Performance Evaluation**

Performance evaluation is an important part in strategic human resource management. In strategic human resource management, generally ethics is <https://assignbuster.com/ethical-dimension-in-strategic-hrm-commerce-essay/>



treated as being relative, whether an action is moral or immoral, or right or wrong depends on the prevailing view of the particular individual human resource manager. Such view is certainly molded by the culture (Boudreau, 2008). A human resource manager may consider decisions to be ethical if all consequences are considered in the light of business needs balanced with consequences to all concerned, including the employees. In making decisions, the human resource manager should consider alternative solutions to the needs of the business as well as the effects the decisions will have on the living and well-being of the employees. Frequently a human resource manager will be given instructions from higher level management to take action which will be oppressive and unkind to the employees and the manager must either present argument to higher management for alternate solutions which will have less impact on the employee morale or determine the best method for implementing the instructions from upper level.

Business ought to conform to the best ethical practices, not just for principles of human dignity, but also to keep from violating federal laws. Though the laws may not be known, they would not be violated if the business were operated by ethical principles. Experience has shown that in the long term business profits will be greater for businesses that practice good ethical behavior than those which do not. One of the most challenging aspects of strategic human resource management is to maintain objectivity in the process of hiring, promotion, and compensation (Warner, 2009). For example, a male supervisor must refrain from promoting or increasing the compensation of an attractive woman who pays undue attention to him, but who consistently is late in arriving for her job and whose work is second rate.

It is both reasonable and logical to assume that compensation should track performance and that ethical considerations would not be a factor in performance analysis (Carolyn, 2000). Sometimes it is difficult for a supervisor to follow it, and sometimes it is difficult to persuade an employee of its rationality. The supervisor who either recommends or has the authority to adjust compensation may be persuaded by other factors to downplay the performance of an employee's production. Likewise, an employee who will be negatively impacted by measuring employee output may have a hard time understanding why lower production should produce lower income when the hours spent on the job are the same as others with higher production and higher income (Taplin, 2008). Employees' evaluation generally will consist of multiple factors including such items as punctuality, attitude, appropriate apparel, personal grooming, language, neatness, congeniality, and performance output, among other things. The evaluation process will be considerably different between service and production personnel and between general employees and professional employees. The ethical challenge arises when, after all the factors have been considered, the decision is made on a factor or factors other than those by which all the employees have been evaluated.

## **Conclusion**

The human resource turns to be the base stone constitutes the core competence for the enterprise facing fiercely changing market environment in the knowledge economic times. The ethical issues are crucial in activities in strategic human resource management. Ethical management has been the trend of advanced human resource management. Ethical dimension in

strategic human resource management has stirred great academic concern. The relations between the activities of strategic human resource management and ethical consideration can be concluded from the examples discussed in the thesis. The recruitment and evaluation process can be fair, open and just by taking the ethical issues into consideration. It can be seen that the communication should put ethical issues into considerations to raise the morale and cultivate a better working environment. Ethical issues have close connection with the strategic human resource management. Strategic human resource management can be improved through ethical considerations.