Ethics

If you are unsure, ask before you ACT!

AIDT
March 30, 2012

641
# ETHICS

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### Typical Ethical Questions and Answers

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Learning Objectives:

• Define Ethics in the Workplace
• Explain Business Abuse
• Discuss Guidelines For Ethical Behavior
• Explain Individual's Role in Ethical Behavior
• Clarify Organization's Role in Ethical Behavior
• Ethics Checklist

I. ETHICS - HOW MUCH DO YOU KNOW?

Philosophers have been discussing ethics for at least 2500 years, since the time of
Socrates and Plato. Any ethics training program is essentially useless unless all staff
members are trained about what it is, how it works and their roles in it. This class is
designed to provide an overview of these answers.

How would you define the term ethics?
__________________________________________________________________
__________________________________________________________________

How would you define workplace ethics?
__________________________________________________________________
__________________________________________________________________

We have all heard of workplace ethics. What some of us don’t realize is that there is
no such thing as workplace ethics. Ethics are the same (or should be) whether in the
workplace or in our personal lives.

Ethics - March 30, 2012
Classroom Activity: Answer the following ethics questions.

**Typical Ethics Questions**

1. If something at a yard sale is far more valuable than the posted price, do I have to let the seller know?

2. Is it considered stealing to take pens from a bank? What about extra napkins from a fast-food restaurant?

3. If a charity sends me free address labels and I don't make a contribution, is it okay to use them?

4. Is it unfair to move into better (open) seats at a sporting event or a concert?

5. My boss gave me credit for a project on which a colleague did most of the work. Should I accept the praise?

6. Am I obligated to lend money to friends and family?

7. If someone tells an offensive joke, is it my responsibility to speak up about it?

8. Is it ever okay to sneak a peek at your child's e-mail?

9. My boss asked me to cover for him on his expense report by saying I was at a meal when I wasn't. Should I do it?

10. Should an employer use social networking sites to check out potential employees?
II. DEFINING ETHICS

The term ethics has many variations such as: conscience, morality, and legality which are commonly associated with it. Rushworth Kidder, the founder of the Global Institute of Ethics, said "Ethics is what you do in the dark when no one's watching."

Ethics is the inner-guiding moral principles, values and beliefs that a person, group and/or culture uses to analyze a situation and then decide what is the “right” or appropriate way to behave.

Ethics deals with fundamental human relationships: how we think and behave toward one another and how we want them to think and behave toward us.

A. WHAT IT MEANS

Ethics identifies which behaviors are accepted by a culture/society such as: right vs. wrong, good vs. evil, moral vs. immoral, and legal vs. illegal.

Since the ethics concept has come to mean various things to various people, the knowledge of the difference between right or wrong and consciously choosing to do what is right is what ethics is all about. This means being committed to doing the right thing each and every time for the product, process and or service that the company provides to its customers.

Ethics are different than laws and different than doing the right thing as a result of fear of consequences. While something that is unethical might be illegal, there is not necessarily a perfect overlap. Furthermore, in many ways ethics can be even more important than the law, since the law will only deter a person from bad behavior if they fear penalty, while a person with a strong code of ethics will do the right thing just because it is the right thing to do.
Ethics may not always feel good or appear to benefit the individual. Ethical choices are the right choices to make no matter how difficult and unpopular the decision may be.

The Professional Personnel Development Center at Penn State stated "Ethics is a phrase that describes actions and beliefs of certain people. If a person works very hard and exhibits a great deal of pride in that work, that person is said to have “good work ethic.” It is said that these people tend to be loyal, dependable, self-motivated, and satisfied workers. They believe that they have an obligation to work hard in order to provide for their families, contribute to the economic health of the community, and achieve a level of success for their own self-esteem."

B. SOURCE OF ETHICS

Experiences from our environment create a concept of ethics, morality, and socially acceptable behavior in each of us.

Beliefs of societal ethics come from:

Ethics are like a jigsaw puzzle that is thrown together over time that, when complete, makes up who we are and what we believe. From our earliest experiences, we start to learn from those we trust and others around us. These learned behaviors help to shape us into the person we will become. As part of this learning process, we develop what will become our norms.

Norms are our everyday way of looking at how the world around us works and helps us to understand our place in the world. Norms also govern how we react to different situations and problems that arise around us. These are our ethics, which are the things we learn as we grow that control the rest of our lives.
C. IMPORTANCE OF ETHICS

Ethics are important for a number of reasons.

First, ethics are important because they give us a baseline for understanding the concepts of right and wrong. Ethics help us to have a ready understanding of how to react to a certain situation long before that situation occurs. There are situational ethics whereby we react as the situation dictates due to our built-in value systems that tell us what to do, not the situation itself. The major problem with having situational ethics is that they change with the situation. Having a standard of ethics that govern us each day of our lives means we always know how we are to live no matter what. There is no second-guessing and no changing your ethics according to what you feel your values are at the moment.

Second, ethics are important because they are the foundation from which we operate when dealing or coming into contact with other people. If we have the wrong sense of ethics we may react to people in a negative manner. But if our ethics are built on the truth, we will see people for who they are.

Third, ethics are the heart of an individual’s integrity and values.

Fourth, ethics are important because we pass them on to others. We have the ability to show others the correct way to act and behave by remaining ethical in the way we live, regardless of whether it involves our personal or professional lives.

D. ETHICS TRAINING

Why conduct ethics training?

Discussion question: If we are all touched by the ethics bug at some point in our lives, why do we need ethics training?
Today’s workforce is more diverse than ever, therefore ethical issues can become a concern if companies are not prepared for this challenge. Ethics training is designed to educate employees on how to react to unethical behaviors/situations when encountered in the workplace. This training empowers employees with an internal gauge or compass to recognize misconduct, and the guidelines for reporting violations whether they be written (Organizational Code of Conduct) and/or unwritten (moral conduct) to their Chain of Command. It is also thought to help reduce the cost associated with litigation, as well as bringing the workforce closer together by sharing a common ethical goal.

**Right or Wrong**

Most of us already know the difference between right and wrong. We know the difference between telling the truth and telling a lie. We can explain why honesty and integrity are important. For the most part we are basically good people. We work hard. We try hard. We learn from our mistakes, usually that is. It’s something that is developed over time. It’s something that constantly evolves based on the decisions we have made, ethical or not.

The same logic holds true for the workplace. Based upon other companies’ activities, ethical and/or unethical, we generally know what are acceptable and unacceptable work ethic practices. Despite hundreds of papers on policies, procedures, codes on ethics and conduct, lapses in workplace ethics occur daily. It would be naive to suggest that an emphasis on ethics or more ethics training will eliminate workplace misconduct.
Small Group Discussion:

Answer the following ethics question.

Assume that you are an employer. List several work ethic characteristics that you would want your employees to possess to ensure the success of your company?

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E. BUSINESS ETHICS

Business ethics comprise the principles and standards that guide behavior within the business world. It is even more critical during times of fundamental change such as; mergers, acquisitions, downsizing, transitions and/or restructuring. Throw in our ever changing economy, and values that were previously taken for granted will be strongly re-examined. Many previous values may no longer be followed. Consequently, there will be no clear moral compass to guide the organizational leaders through complex dilemmas and decision making concerns about what is right or wrong during the change.

Many business ethics considerations are merely an extension of an individual’s own personal ethics. Many companies believe that if they hire good people with strong ethical values, then they will be good citizens for the organization. Unfortunately, this is not completely true because an individual’s personal values and moral philosophies are only one factor in their ethical decision making process.

There is a whole different set of ethical guidelines/rules, which are applicable within the workforce. In most organizations, we are introduced to these guidelines/rules during the company’s newcomers orientation.
These orientations are designed to inform applicants joining an organization of what is acceptable and unacceptable behavior concerning their processes, products and or services. The newcomer's orientations also indoctrinate candidates with the knowledge of what individual behavior(s) will and/or will not be tolerated by the employees within that organization. Since employers pay the employee’s salaries, they have the right to specific expectations such as good work ethics. Be aware that employers look for, look at, and measure their employees’ performance based upon their ethical behavior for retention and/or promotions.

Individual work ethic is a cultural norm that advocates being personally accountable and responsible for the work that one does based on a belief that work has intrinsic (built-in) value.

Just being a good person, and possessing sound personal ethics may not be sufficient to enable you to handle the ethical issues that arise in a business environment.

**Small Group Discussion:**

**Answer the following ethics question.**

**What factors affect ethical business decisions?**

_____________________________________________________________

_____________________________________________________________

_____________________________________________________________

_____________________________________________________________

**1. Ethical Principles for Business Executives**

Ethical codes that govern businesses often address certain areas. Listed are the areas, as compiled by the Josephson Institute Center of Business Ethics.
Ethical values, translated into active language, establish standards or rules, describing the kind of behavior an ethical person should and should not engage in, are ethical principles. The following list of principles incorporate the characteristics and values that most people associate with ethical behavior. Ethical decision making systematically considers these principles.

• **HONESTY**

Ethical employees/workers are honest and truthful in all their dealings and they do not deliberately mislead or deceive others by misrepresentations, overstatements, partial truths, selective omissions, or any other means.

• **INTEGRITY**

Ethical employees/workers demonstrate personal integrity and the courage of their convictions by doing what they think is right even when there is great pressure to do otherwise; they are principled, honorable and upright; they will fight for their beliefs. They will not sacrifice principle for expediency, be hypocritical, or unscrupulous.

• **PROMISE-KEEPING & TRUSTWORTHINESS**

Ethical employees/workers are worthy of trust. They are candid and forthcoming in supplying relevant information and correcting misapprehensions of fact, and they make every reasonable effort to fulfill the letter and spirit of their promises and commitments. They do not interpret agreements in an unreasonably technical or legalistic manner in order to rationalize non-compliance or create justifications for escaping their commitments.

• **LOYALTY**

Ethical employees/workers demonstrate fidelity and loyalty to persons and institutions by friendship in adversity, support and devotion to duty; they do not use or disclose information
learned in confidence for personal advantage. They safeguard the ability to make independent professional judgments by scrupulously avoiding undue influences and conflicts of interest. They are loyal to their companies and colleagues and if they decide to accept other employment, they provide reasonable notice, respect the proprietary information of their former employer, and refuse to engage in any activities that take undue advantage of their previous positions.

- **FAIRNESS**

Ethical employees/workers are fair and just in all dealings; they do not exercise power arbitrarily, and do not use overreaching or indecent means to gain or maintain any advantage or take undue advantage of another’s mistakes or difficulties. Fair persons manifest a commitment to justice, the equal treatment of individuals, tolerance for and acceptance of diversity, they are open-minded; they are willing to admit they are wrong and, where appropriate, change their positions and beliefs.

- **CONCERN FOR OTHERS**

Ethical employees/workers are caring, compassionate, benevolent and kind; they like the Golden Rule, they help those in need, and seek to accomplish their business objectives in a manner that causes the least harm and the greatest positive good.

- **RESPECT FOR OTHERS**

Ethical employees/workers demonstrate respect for human dignity, autonomy, privacy, rights, and interests of all those who have a stake in their decisions; they are courteous and treat all people with equal respect and dignity regardless of sex, race or national origin.
• **LAW ABIDING**

   Ethical employees/workers abide by laws, rules and regulations relating to their business activities.

• **COMMITMENT TO EXCELLENCE**

   Ethical employees/workers pursue excellence in performing their duties, are well informed and prepared, and constantly endeavor to increase their proficiency in all areas of responsibility.

• **LEADERSHIP**

   Ethical employees/workers are conscious of the responsibilities and opportunities of their position of leadership and seek to be positive ethical role models by their own conduct and by helping to create an environment in which principled reasoning and ethical decision making are highly prized.

• **REPUTATION AND MORALE**

   Ethical employees/workers seek to protect and build the company’s good reputation and the morale of its employees by engaging in no conduct that might undermine respect and by taking whatever actions are necessary to correct or prevent inappropriate conduct of others.

• **ACCOUNTABILITY**

   Ethical employees/workers acknowledge and accept personal accountability for the ethical quality of their decisions and omissions to themselves, their colleagues, their companies, and their communities.

Reference: http://josephsoninstitute.org/business/blog/2010/12/12-ethical-principles-for-business-executives/
Discussion question.

Who is affected by the decisions businesses make?

2. What About Stakeholders?

This illustration depicts the relationship of the company to its stakeholders. Stakeholders are those people who have a claim or stake in some way to the company’s product, operations, markets, industry, and outcomes.
It is important that companies build credibility with their stakeholders concerning their product brand name. This can be accomplished through:

- adherence to product commitment/specifications
- obtaining company goals through honorable practices

The ability to recognize and deal with complex business ethical issues has become a significant priority to companies. A number of well publicized scandals resulted in public outrage about deception and fraud in business. A demand for improved business ethics and greater corporate responsibility has been requested. A global opinion poll for the World Economic Forum concluded that public trust in companies has eroded and dropped significantly over the last few years.

For the sake of both productivity and teamwork, it is essential that employees both within and between departments (internal customers) throughout the organization share a common vision. Programs that create a work environment that is trustworthy make individuals more willing to rely and act on their decisions and on the decisions and actions of their co-workers, supervisors and managers.

To be successful, the relationship with stakeholders must rest on dependability, trust, and commitment. Investors look at the bottom line for profits and the potential for increased stock prices or dividends. They also look for potential flaws in the company’s performance, conduct, and financial reports.

Evidence indicates that social responsibility, including business ethics, is associated with increased profits. One survey indicated that three out of four consumers refuse to buy from certain businesses, and that a business’s social conduct was considered an important reason for avoiding their business practices.
Discussion question.

What percentage of people do you think believe the following statements to be true?

- American businesses are too concerned about profits, and not concerned about responsibilities to workers, consumers, and the environment. ____________ .

- If the opportunity arises, most businesses will take advantage of the public if they feel they are not likely to be found out. ____________ .

- Even long established companies cannot be trusted to make safe and durable products without the government setting industry standards. ____________ .

Ethics in the workplace includes working relationships. How the management staff treat their company employees, clients, customers, suppliers, and or stakeholders directly reflects the way employees will also treat them.

**Management Treatment:**

- Employees
- Clients
- Customers
- Other Management
- Suppliers
- Stakeholders

Directly reflects how the employees treat
3. Why Ethical Problems Occur in Business

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<th>Nature of Ethical Problem</th>
<th>Attitude</th>
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<td>Personal gain and selfish interest</td>
<td>Selfish interest versus other's interest</td>
<td>&quot;I want it&quot;</td>
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<tr>
<td>Competitive pressures on profits</td>
<td>Firm's interest versus other's interest</td>
<td>&quot;We have to beat the others at all costs.&quot;</td>
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<td>Conflict of interest</td>
<td>Multiple obligations or loyalties</td>
<td>&quot;Help yourself and those closest to you.&quot;</td>
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<td>Cross-cultural contradictions</td>
<td>Company's interests versus diverse cultural traditions and values</td>
<td>&quot;Foreigners have a funny notion of what's right and wrong.&quot;</td>
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What should a company do to eliminate unethical business decisions?

The first step is to create a company policy, in writing, that is read, signed, and upheld by every employee. This will assist in erasing most feelings of ambiguity when it comes to deciding what to do after witnessing unethical behavior.

The second is to give a clear outline of what is expected of the individual who has discovered the unethical behavior. This should include contacting the appropriate supervision/management personnel. Clear instructions, will allow for less hesitation in reporting unethical activities, and then the violation can be dealt with quickly and relatively easily, before it can develop into an overwhelming issue.

Furthermore, the repercussions of unethical behavior should be clearly stated. This way, both the person doing the activity, and the witness to the activity will be well aware of the way things will be dealt with. There won't be any risk of someone not reporting unethical behavior because they're afraid that the culprit will be unfairly treated, or some sort of retaliation may occur for reporting the misconduct.

http://www.anonymousemployee.com/csssite/sidelinks/unethical_behavior.php
The customer’s product is the end result of the employees’ efforts and should reflect the companies’ commitment to excellence. As the product(s) are viewed, so too is the company’s reputation viewed.

The organizations’ employees are the source of its strength. Team members should work together, not just on their assigned tasks, but on interpersonal relationships as well.

4. **Ethics and the Internal Customer**

People have the right to:

- Be treated with dignity and respect.
- Work in an environment free of discrimination, abusive, offensive or harassing behavior.

**Small group discussion:**

What are some things co-workers can do to each other that could result in uncomfortable internal customer relationships?

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5. **Ethics and the Organization**

Pressures to excel in business come from everywhere; shareholders, bosses, competitors, and even competitive peers within an organization. From time to time, some business leaders find it expedient to take shortcuts, which are unethical and potentially illegal.

Pressures to take shortcuts are often self-initiated in a quest to show results or by an ambition to get ahead. Shortcuts such as bending the rules, or making a minor adjustment seem so small and insignificant.
at first. But over a period of time, like a little white lie, a person can become overconfident and these small shortcuts (which have now become a part of the process) get bigger and bigger. Eventually, they get caught up in their own unethical web. Getting caught by an accountant, an auditor, the company security system/staff or a co-worker is inevitable. Remember, it is easy in stressful situations to succumb to making panic decisions that could later be regretted.

It is sad, but true, that unfortunately every employee will at some point encounter a co-worker(s) engaging in some sort of unethical behavior. During the last decade, studies have consistently shown that one of the main reasons employees decide not to raise ethical concerns or report misconduct they observe at work is their fear of retaliation for speaking up. Companies should be aware that employees are just as likely to fear retaliation from coworkers as they are from management.

Discuss responses for these ethically based questions.

• Should a salesperson omit facts about a product’s poor safety record in a sales presentation to a client? Explain your answer.

• Should an accountant report inaccuracies that he/she discovered in an audit, to keep from making the company look bad. Explain your answer.

• Should an automotive tire manufacturing company intentionally conceal safety concerns to avoid a massive and costly tire recall? Explain your answer.
As employees, what are our choices?

- Ignore business abuse
- Rationalize it away
- Speak up, report violations

Discussion question.

If a coworker reports an ethical misconduct what are they called or labeled?

A 2002 NBES finds that one in three employees believe their coworkers will see them as “snitches” if they report misconduct. This is roughly the same proportion of employees who believe that management will see them as “troublemakers” for reporting ethical concerns.

The report showed that only 1% of reports are made by using some sort of whistleblower hot line, and retaliation for reporting misconduct is most likely to occur at the local government level instead of at the state and federal levels.

**Definition of a Whistleblower**

When an employee in an organization uncovers wrongdoing, attempts to get it resolved within the organization and is unable to do so (either because mechanisms are not in place or there is no response), they then choose to report the situation outside of the organization (e.g. media or government).
6. **The Sarbanes-Oxley Act**

In 2002, Congress passed the Sarbanes-Oxley Act, largely in response to widespread corporate accounting scandals making it illegal for employees to retaliate in any way against whistleblowers who report information that could have an impact on the value of a company’s shares. It also requires boards of directors to establish procedures for hearing employee’s complaints.

Companies now must create an independent board audit committee, a code of conduct and ethics policies, whistleblower hot lines, and annual reports on effectiveness of financial reporting systems. CEOs and CFOs must sign off on the accuracy of financial statements. The act directs that Organizational Sentencing Guidelines be reviewed and amended. Penalties: up to $5 million and twenty years in prison.

7. **Darrin Clements’s 10 Point Ethical Checklist:**

   a. **The Golden Rule (Ethic of Reciprocity or Role-Reversal):**

      Would I want people to do this to me? How would I feel if I were in their place?

      1. (Positive form): One should treat others as one would like others to treat oneself.
      2. (Negative/prohibitive form, also called The Silver Rule): One should not treat others in ways that one would not like to be treated.

   b. **The Fairness Test (Morning After Test):**

      Who might be affected and how? Is this fair to everyone? How will I feel about the act the morning after? The next day, do you ask yourself, have I done the right thing? Did I break a rule, policy, procedure, and protocol?
c. **The ‘What if everybody did this?’ Test (Common Sense Test):**

Would I want everyone to do this? Would I want to live in that kind of world? Can I discuss this with anyone, a peer, a colleague, my mentor or a manager without fear of unfavorable consequences?

d. **The Truth Test:**

Does this action represent the whole truth and nothing but the truth?

e. **The Parents Test:**

How would my parents feel if they found out about this? What advice would they give me?

f. **The Children Test:**

Would I be willing to explain everything about this to my kids and expect them to act in the same way?

g. **The Religion Test:**

Does this go against my religion?

h. **The Conscience Test (Mirror Test):**

Does this go against my conscience? Will I feel guilty? Can I look myself in the mirror? Is my conscience bothering me? How would others judge my actions? What impact could this have on my agency, project, position, etc.?

i. **The Consequences Test:**

Are there possible consequences of this action that would be bad? Would I regret doing this? How could this impact my colleagues, family and/or friends?
j. **The Front Page Test:**

How would I feel if my actions were reported on the front page of my hometown paper? How would I feel if this became public knowledge? How would my colleagues and/or others whose opinions I respect, view my actions?

8. **Work Rules**

Work rules are usually stricter than those in school because a business is primarily involved in making money. Below are some general work rules that apply to the workforce.

a. **Attendance and Punctuality:**

1. Show up for work as scheduled.
2. Arrive a few minutes early.
3. Call employer as early as possible when you will have to miss work.
4. Ask, don’t tell, the supervisor when you will need to take time off (ask as early as possible to allow for scheduling as necessary).
5. Return from breaks on time.
6. Run personal errands on your time.
7. If you and a co-worker need to switch assignments, get the change approved prior to conducting the switch.

b. **Neat appearance and appropriate clothes for the job:**

1. Precautions should be taken against body and breath odor.
2. Clean hands and nails.
3. Dangling jewelry may be distracting (NOTE: For safety reasons, wearing of jewelry in some occupations is prohibited.)
4. Clothing fads, jeans and t-shirts may not be appropriate.
5. Hair should be clean and styled.
6. Remember you are not completely dressed until you put on your SMILE!

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c. Visiting on the job:

1. Work time is work time, using company computers, phones, and or office equipment for your personal use is discouraged and should not be done on company time.
2. Personal telephone calls should be kept at a minimum.
3. Family and friends must understand that they should not call or have lengthy personal visits during work hours.

d. Keep busy/Stay productive:

1. Never just stand around
   • There are always things that need to be cleaned, straightened, stacked, marked, or displayed.
   • Every job, regardless of how dirty or unattractive is important, the cleaner the area, the higher the morale.
   • Use slack/down periods to learn more about the job or other jobs within the facility.
2. Never sit down on a job that can be performed better standing.
3. Do not wait to be told to do something.
4. Work even when the supervisor is not looking.
5. Stay with a task until it is completed, multi-task only when necessary.
6. Do not become upset if you have to re-do a job.

e. Maintain poise:

1. Have a positive attitude.
2. Stay calm, work quickly and steadily without getting flustered when things go wrong or work piles up (because it will).
3. Speak in a clear, distinct, refined voice, avoid slang, cursing and improper English.
4. Avoid giggling, boisterous voice, distracting nervous gestures or habits.
5. Do not participate in the shop floor gossip.
Checklist For Building Confidence On Ethical Decisions:

Utilize the A.C.T. with Integrity Model

A – **Analyze the situation**

Is it legal? Am I violating any law or company policy?

Am I acting fairly? Would I want to be treated this way?

C – **Consider the consequences**

How will it make me feel about myself?

Will I have to hide my actions or keep them secret? Has someone warned me not to disclose my actions? Am I feeling unusually nervous?

T – **Take appropriate action**

Report misconduct to the organization’s Chain of Command

Some managers think ethics is an individual issue that has nothing to do with management, while others believe ethics has everything to do with management. Managers are responsible for their decisions and the ethical conduct of their employees.

Managers often set the formal ethical standards, but more important are the messages they send through their actions. Management’s tolerance or intolerance of ethical misconduct influences employees more than any written ethics codes.

9. **The Organization’s Role In Ethics**

Ethics begins at the top. Companies should create an atmosphere/environment that promotes, expects and rewards good ethical behavior. They should set an example of ethical behavior in all internal and external dealings and act with consistency.
Benefits To The Employees Who Work For An Ethical Organization:

- Less pressure/stress to compromise their own ethical standards.
- More productive because there is less misconduct to distract them.
- Greater willingness to report misconduct, trusting the company to do what is right for the company and the employees.
- Greater satisfaction with the organization for handling the misconduct that is reported.
- Greater likelihood of feeling valued by the company.
- Generally stay out of court. Litigations can filter down to an individual.

A company must have an effective program to ensure that all employees understand its values and comply with the policies and code of conduct that create its ethical culture. Because employees come from diverse businesses, educational and family backgrounds, it cannot be assumed that we all know how to behave appropriately when we enter a new organization or job.

Company representatives should recognize that employees either enhance or diminish a company’s reputation through their daily decisions and interactions. There are tremendous benefits for everyone when a company takes ethical practices seriously.

Benefits To The Organization For Maintaining Ethical Standards:

- Recruit and retain top performers
- Attract and maintain loyal customers
- Create a more productive work environment
- Build and sustain a good brand name reputation
- Reduce the “Gray Area”, legitimizing open discussion of ethical issues
- Stay in business and out of court
Guilt or an uneasy feeling is a signal that an unethical decision has occurred. You must avoid any relationship or activity that might impair your ability to make objective and fair decisions when performing your job(s).

10. **Rationalizing Unethical Behavior**

List some reasons people may choose unethical behavior:

Employee commitment comes from employees who believe their future is tied to that of the organization and their willingness to make personal sacrifices for the organization. The more a company is dedicated to taking care of its employees, the more likely it is that the employee will take care of the organization.

**Types of Misconduct Observed by Employees in 2011:**

- Misuse of company time: 33%
- Abusive or intimidating behavior: 21%
- Lying to employees, customers, public: 20%
- E-mail and Internet abuse: 16%
- Discrimination (race, color, age, gender…): 15%
- Violation of safety regulations: 13%
- Mis-reporting actual time worked: 12%
- Stealing or theft: 12%
- Sexual harassment: 11%
- Producing goods/service that fails specification: 10%
- Misuse of confidential information: 7%
- Falsification or misrepresentation of financial records or reports: 5%
- Improper use of competitors’ inside information: 5%
- Giving or accepting bribes, kickbacks, or inappropriate gifts: 5%

*Source: 2012 Ethics Resource Center*
F. ETHICAL DILEMMA

An ethical dilemma is a problem, situation, or opportunity that requires an individual, group, or organization to choose between two or more equally unsatisfactory alternatives.

Employees face ethical dilemmas every day in the workplace. Sometimes it is difficult choosing to do what is right over what is easy and comfortable. Simply put, ethics involves learning what is right or wrong, and then doing the right thing -- but "the right thing" is not nearly as straightforward as it sounds. Many ethicists believe that there's always a right thing to do based on moral principle, and others believe the right thing to do depends upon the situation -- ultimately it's up to the individual. Most ethical dilemmas in the workplace are more complicated than choosing the right thing to do.

As stated earlier, something that is unethical might be illegal, there is not necessarily a perfect overlap. If a person had no code of ethics, they could steal, as long as no one was watching. They could lie to loved ones or to strangers, as long as the lie didn't rise to the level of criminal fraud. They could engage in all sorts of things that were "wrong" and "bad" as long as they didn't get caught.

What happens when someone asks you if they look fat or if their bad tasting dinner is delicious? The ethical dilemma there: which is more ethical, lying or being unkind? Other ethical dilemmas become a bit more complex. For example, is it right to steal from the rich to give to the poor? Is it right to fight wars in the name of a good cause, even if innocent people get hurt or killed?

What is The Gray Area?

Many employees find that discovering unethical behavior among co-workers actually tests their own values and ethical behaviors. After all, unethical behavior that is not illegal frequently falls in a gray area between right and wrong that make it difficult to decide what to do when it is encountered.

When employees discover other employees doing something that they know is wrong by the company's standards, their own sense of what is right and what is wrong instantly comes into question. Even by deciding to do
something about it, the employee who has discovered the unethical behavior is presented with a number of difficult choices. Should the employee speak to the individual directly, or should the employee head directly to a company supervisor?

Small group activity:

Read each of the following case study problems and decide if anything needs to be done to correct the situation. Explain your reasoning in the space provided.

A. Roger works for a manufacturer of building and home improvement supplies. Because he often must do heavy, dirty work, it is not necessary for him to wear dress clothes. Therefore, he usually wears his old jeans with the knee worn out and one of his t-shirts with the picture of a marijuana or wine bottle.

Are there any work rules being violated or ethical misconduct occurring?

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B. Betty works in a small jewelry store with only one other employee. As soon as Betty arrives at work, the other employee can go on break and then do some bookkeeping duties that cannot be done until someone comes to help the customers. However, because Betty has such little time between school and work, she asked if she could also have a break. Now Betty’s mother calls frequently to give her a short shopping list to fill during her break, and Betty calls her mother to ask about borrowing the family car after work.

Are there any work rules being violated or ethical misconduct occurring?

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C. Lucy works at a flower shop. She is an excellent employee except for one problem. Lucy has difficulty getting to work on Saturday mornings after a late date on Friday nights. She doesn’t hear her alarm go off and has left work early several times.

Are there any work rules being violated or ethical misconduct occurring?

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D. Susan is a timid girl who works in the ladies’ ready-to-wear department of a well-known chain of department stores. She is very good about assuming new responsibilities. For example, after she quickly finished marking a shipment of blouses, she asked the head of the department to show her how to operate the ticket printing machine and how to figure the cost code. However, when it came time to display the blouses, several of the plastic bags protecting the blouses were so badly wrinkled that they looked like old merchandise. Consequently, several of the blouses had to later be marked down in order to sell.

Are there any work rules being violated or ethical misconduct occurring?

E. Stanley just got fired. His explanation is the following: “The boss seemed to have a good reason for cutting back on the number of employees at this time, but I think he really just doesn’t like me. The boss mentioned once that I didn’t seem interested in the job. Heck, I’m going to be a lawyer. I just want to work in the men’s clothing store to get through eight years of college. I don’t need to know how to do all that stuff in the store. Besides, the boss always got mad if I just stood around a minute. He and the other employees are always standing around talking to each other when there aren’t any customers in the store. They expect me to do my work and their work, too, especially if it is a dirty job.”

Are there any work rules being violated or ethical misconduct occurring?
F. Bob has been observed using the office’s postage stamps for personal letters.

Are there any work rules being violated or ethical misconduct occurring?

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Any ethics program may invite suspicion if not handled openly and honestly. No matter how fair and up-to-date a company’s policies are, the legal system will often interpret employee behavior (rather than written policies) as de facto policy. Therefore, all employees must be aware of and act in full accordance with their organization’s ethics policies and procedures.

Summary, if you are unsure before you act, ASK!
Typical Ethical Questions and Answers

1. If something at a yard sale is far more valuable than the posted price, do I have to let the seller know?

   A piece of furniture you've been searching for is marked $25. You know that similar pieces in worse condition have sold for more than 10 times as much. You're under no obligation to correct the seller on their underpricing. One of the beauties of yard sales is such finds. Savor yours.

2. Is it considered stealing to take pens from a bank? What about extra napkins from a fast-food restaurant?

   While grabbing a pen isn't necessarily considered stealing, you should just ask the teller if you have any doubts. That said, one pen is okay, but enough to stock your home office isn't (the same goes for napkins). A good rule is: If something feels sneaky, then it probably isn't a good idea.

3. If a charity sends me free address labels and I don't make a contribution, is it okay to use them?

   Go right ahead. The labels and the request were unsolicited. Better you should put them to use than toss them in the trash. If it's a cause you believe in and are willing to support, then terrific if you can make a donation as well. But as you affix the labels to your envelopes, you can do so with a clear conscience.

4. Is it unfair to move into better (open) seats at a sporting event or a concert?

   There's no harm in seeing if you can move into a better viewing position. But before you do, make sure there's no posted policy against it. And if an usher asks to see your tickets, be prepared to move back to your original seats without argument.
5. My boss gave me credit for a project on which a colleague did most of the work. Should I accept the praise?

Fight the urge to accept the compliment wholeheartedly. It's unfair for your colleague not to get the kudos they deserve. But you don't want to sell yourself too short, either. An appropriate response: "Thanks, but while all of us worked hard, it was Evan who did the bulk of the work on the project."

6. Am I obligated to lend money to friends and family?

One of your oldest friends asks if you can lend her money to make her condo payment. You feel as if you should help her out since she is a dear friend, but in actuality you have no such duty, particularly if doing so puts your own finances in a squeeze. Decline by saying you are steeped in your own bills. If a family member calls seeking aid, again, there's no requirement. But if they are truly in need and you have the money, concern about their well being should trump any fears you have about them paying you back. If you do lend money to a family member or friend who has reoccurring financial problems, you should be prepared never to see that cash again.

7. If someone tells an offensive joke, is it my responsibility to speak up about it?

Letting such humor pass without comment not only permits the teller to be offensive to you and other people but also sends the message that you're okay with hearing such bunk. Unless the joke crosses the line into harassment territory, there's no need to beat the person up in response. A simple "I enjoy a good joke now and then, but, you know, yours was pretty offensive" will suffice.

8. Is it ever okay to sneak a peek at your child's e-mail?

Yes, if it's a quick scan while you're walking by the computer. But if you decide to do anything more invasive, like opening e-mails, then you should have an agreement with your child that from time to time you will be screening their online activity. If your child ever finds out that you have read their e-mail without their consent, then
rebuilding trust will prove monumental. (And keep in mind that given how tech-savvy kids are these days, they may have an e-mail account all scrubbed and ready for your discriminating eyes.)

9. My boss asked me to cover for him on his expense report by saying I was at a meal when I wasn't. Should I do it?

Your boss put you in a miserable position. Signing your name to the report makes you just as culpable should the misdeed be discovered. But if you stand up to him, you could find yourself out of a job. Bear in mind that a boss who would put you in such a predicament will probably do it again.

Reference: http://articles.cnn.com/2010-03-10/living/rs.10.ethical.questions_1_labels-stealing-pen?_s=PM:LIVING

10. Should an employer use social networking sites to check out potential employees?

The use of Facebook by employers is a controversial issue. The information available through this social media network makes it easier for employers to judge the inherent value, character and personality of the future employees and candidates for jobs in their companies. Employers feel they have every right to find out all they can with regard to people they are considering for employment. Unfortunately some of the information found on Facebook can be misleading or misinterpreted making a candidate seem unworthy. Potential employees have questioned the ethics of using Facebook as a means of checking candidates. There are people who have actually gone as far as blocking their profiles and information from potential employers, while others have created profiles that are more acceptable to future employers.

For more information see:
http://adrienne2.hubpages.com/hub/Is-It-Ethical-For-Employers-To-Use-Social-Networking-Sites-To-Check-Out-Potential-Employees
Failure to practice fundamental workplace ethics on a daily basis diminishes the quality of life in the workplace for each and every employee.

**Examples of Employees Failing to Practice Fundamental Workplace Ethics:**

1. You use the last roll of toilet paper, or the last piece of paper towel and go back to your workstation without replenishing the roll.

2. You call in sick, or leave work early to meet a client, instead you go fishing, to the beach, shopping.

3. You leave your dirty cup, dish or utensil in the lunchroom.

4. You work in a restaurant in which wait staff tips are shared equally and you withhold a portion of your tips from the common pot.

5. You use the company phone to make non-work related long distance calls or use your personal cell phone to talk with family and friends on non-emergency subjects.

6. Without authorization you take office supplies home.

7. You use the company computer to shop, pay bills, conduct your online banking.

8. You use the last of the copier/printer paper without replenishing it.

9. You allow a part that you know does not meet specification to leave your workstation uncorrected.

10. You claim credit for someone else’s work.

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