Ethics: Its Management and Impact on Work Place

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Abstract

This paper tries to investigate the role of ethics in managing organization. This study is divided into three parts, Firstly, the introduction of ethics in management context, secondly, its relevance and challenges in implementing ethics in any institutions and lastly, the ways to get rid of challenges with the help of model in step wise construction.

Keywords : Business, ethics, workplace

I. Introduction

I.i. Contribution of Ethics in Managerial aspects.

The contribution of ethics in managerial aspect is also dependent on the extent of liability that the organization is ready to adopt. The pro-active mode: in this mode the organization strongly believes in its pre-set goals for the societal well-being & it will work as a reference to some of the ethical issues. The re-active mode: In this case reaction is on-the –spot in the case of societal benefits. The passive mode: it leads the organization to deviant behavior by refusing the ethical responsibility.

The National Business Ethics Survey-2013 conducted by the Ethics & Compliance Initiative stated that 47% of employees observed misconduct at their organizations while 63% reported it. A weak ethical culture was blamed for 34% of the violations and 21% of employees experienced retaliation after reporting misconduct. The concern is that while overall misconduct is low from the prior studies, but the proportion of misconduct committed by top level executives is relatively high as these top level executives are the key persons who are responsible for establishing the ethical culture and providing ethical leadership in the organization. It was also found that 60% of the misconduct involved someone with managerial authority from the supervisory level up to top management. Nearly 24% of observed misdeeds involved senior executives.
These results are very disturbing as if 50% of the workers admit observing misconduct, then in reality this is going to be much higher, which in return create more difficulties to install an ethical & moral culture in the organization. With this high level of reporting managerial involvement in ethical or moral misconduct, it is very challenging to set up an ethical note at the top. Such high levels of observed and reported ethical & moral misconducts always elevate questions about how an organization can get better to its commitment to ethical behavior with such critical facts.

The key to this issue is to focus on the behavior of the top brass of the company. Top level must make it loud & clear that any violations of ethical policies will not be tolerated. All top level executives and supervisors must be committed to take decisions in accordance with the core values such as honesty, integrity & respect for others, taking responsibility for their actions and being accountable for them.

A report by the SHRM Foundation titled “Shaping an Ethical Workplace Culture” describes ethical workplace culture as one that gives priority to the rights of the employee, fair procedures, and fair & equal chance of salary and promotion, and that promotes patience, concern reliability and integrity in the treatment of customers as well as employees. If the employees value the codes of conduct and being fairly treated by the management, then they begin to trust management and incorporate the company’s values as their own. Once this practiced, the ethical behavior becomes embedded in the company’s workplace culture.

Managers face ethical problems even in the normal routine of their working in organizations, every decision has an ethical aspect concern to it. Along with facing these ethical problems in their decision making, as an administrator they also face ethical issues to carry out their leadership job responsibilities. Whether the managers are engaged in any management role like planning, organizing, motivating, communicating etc, issues of correct and incorrect, fairness and injustice, and impartiality or partiality always sneak into their decisions, actions or behaviors. Moreover, the rank of executive under consideration does not matters, as the executives and managers at all the levels of administration, and in all responsibilities, face situations where ethics and morals play a major role.

The distinguished facets of ethics and morale like specialized ethics, work-place ethics, sole ethic plays a vital role. Due to increasing complexities in organization and increase in unethical behavior among the employees and surroundings which has deeply taken the attention of top level managers and owners on this aspects more extent of immoral and negligent behavior at workplace. Term ethics has wider scope. And thus we can find other ways for all the levels of society (profession, Activities, & Formation). The immensity of ethical issue and the difference in understanding of its positive or negative aspects are so vast that everyone has something to say on this topic immediately. In this paper we will turn to the ethical matter in the management of specialized and surroundings.
In current scenario, managers are dealing with more different values in the workplace & the existence of ethics as the vital role for these values are beneficial for top-level. But now days we are witnessing that, people have molded to the issues of specialized & work ethics that were not managers but philosophers, academics and social critics. This document intends, meanwhile, to list the results of administrative control and ethics in the organization, to show the route map for top executives and leaders to enter more seriously in the matters of ethical behavior.

I.ii. Contribution of Ethical aspects – Its Role

As learned adults who try to sculpt our financial stocks & store funds for future with the hope of relax completion of work tenure. Now the question is "What should be the limit of accumulating money?" In relation to this, some other problems like time we spent in our organization instead of spending time with family. So we should maintain balances in our lives in order to be healthy. For achieving balance in our life, we should try to achieve our goal without harming anyone. The contribution of ethics in managerial aspects depends on the level of being responsible that the organization is ready to assume. The proactive mode would depict an organization that feel firmly for the benefits of society. The reactive mode depicts that organization, although is well known of social well-being, action to on the spot situations instead of forecasting them. The passive mode depicts that organization show deviant behavior by rejecting accountability.

The 2 extremes for the corporate world are:

Profits & human security that considered being an ethical dimensions. Company’s all level employees face ethical issue tactically in their working lives. You rarely face a problem that that does not have an ethical or moral aspect. Along with addressing these issues in their decision-making, they also face such issues in performing their leadership responsibilities. The matter of management ethics is important with which today's executives and leaders must be well-versed.

The objective of this paper is to analyze some of the crucial issues on ethical management that can help academicians and professionals gain more knowledge about this vital issue. Solving out this problem, to provide information on the subject of managerial ethics, we will give a general description of the area & then analyze a series of relevant topics like: relevance of ethical behavior among managers & problems faced by top level, Moral management models, big organizations considered formal activities to handle ethical behavior and smaller role of human resources (HR) in the ethical skills of organization is questionable. This issue raises the problems of impartiality among employees which leads to relevant results for ethic activities basically for company as a whole. Based on the research on equity in company & professional ethical issues, the question is explain why the wide-ranging participation of Human Resources in professional ethics programs is significant for apparent
impartiality and, therefore, probable results (for example, the commitment of the employees) of such activities.

I.iii. History of Professional ethics

Like the different aspects of management science Professional ethics, came into existence with the birth of the social responsibility movement in the 1960s, and professional ethics has become an important area of management expertise. Employees believe that their organization must use all its resources and expertise to eradicate social problems such as poverty, harshness, inequality, health, etc. The workers believed that the organization benefited from the nation’s resources to earn profits and in this way, they owe it to the country and to its people, and this debt is returned in the form of solutions to the various social issues. These presumptions led to respective organizations not only accepting their workers as their beneficiaries, but they expected that the workers also be sensitive to the objectives and benefits of the organization mutually so that both achieve their benefits with bilateral responsibility (among workers and the organization).

I.iv. Ethics defined

Providing widespread work in areas such as ethics regarding physical and quantitative science that is worthy to all is very difficult. Because this (ethics issues) is mainly explained in definitions that will use words such as courage, faith, trust, correct or incorrect & truthfulness or untruthfulness, etc. are ethical, but the issue is that the words stated above must be defined thoroughly. Perhaps it can be said that providing a specific definition of ethics and values has become a fundamental problem in organizations as each organization tries to state a closer and more satisfactory definition regarding its performance and how often performance which has been defined. An anti-ethical attitude must be high in the ethical status of other organizations, especially when different cultures and nationalities are discussed. In addition to the need to define its managerial aspect, we have to provide definitions acceptable by majority with respect to ethical factors measured by executives and leaders.

I.v. The need for consideration to ethics & its managerial aspects in workplace

Society has an ethical issues" or "the problem of our values" & even have management issues". In spite of that, the proposal of these matters is true, this explains that we face arguments given in common & indefinite way also and we do not have prompt answer for their elimination, eg., to get rid-off value related issues, this remain as an unsolved riddle. it would be enough with the affirmation that it will be left on time to be solved out. Same issue arises from non-execution and provides an ethical model to eliminate ethical complexities. we witness detriments of the scientific structures of the administration, like the problems of the initial principles,
norms & rules, the issues in monitoring & evaluation systems, the issues in the communication systems, is the cause of the appearance of unethical perspectives that are considered "official corruption". In said popular. For the sample under production conditions, the single hold of an item & excessive demand, to what degree of ethics and beliefs can it lead to the supply of premium goods? The number of people working in public sectors for ethical or political affiliation reasons of the relatives. point where the professionalism, & science of administration, in comparison to exchanging the ideas have a less participation&, of course, it is evident in investigations, individuals who continue in an immoral and inopportune cycle with the use of the effectiveness of relationships in the legal and human oriented system responds to any competitors via phrase that "Task could be done well with better unofficial exchange of ideas ".

System necessarily make decisions, & the implementation of the decisions leads to benefits one group & another group is lost , according to the c to which it belongs, gives several reactions of their own selves, this finally have many ethical results (positive or negative). Undoubtedly regardless of ethical issues and values that are widely used in organization, it would result in no negative outcome for top level. If a system is administered without accountability&sincerity, outcome will be less chaotic. When the stream of work is vital reason for success is attached to the both upper and lower level. This would be a hurdle to the issues that arises, like the retardation in timely achievement of goals, the mismanagement in work schedules , the payment of salaries larger than the size of the task accomplished & the advantages of the ethical managerial aspects in the work surroundings could be indicated in the given below issues:

I.vi. Management of power oriented working class & productivity enhancement:

Ethical activities leads to linking pins b/w the behavior of the employees and the values that the major issues in many companies is the contradictory existence & linking pins between the beliefs preferred by leaders & the beliefs beholden by workers in the workplace. Considers that their values are adjusted to the beliefs of the company, hence workers complete their task effectively.

I.vii. Relationship Management system’ abet

The greatest challenges in the institutional place are the absence of cooperation of legal limits & the use of unofficial relationships to eliminate legal hurdles. It is obvious that whenever the legal aspects is spoiled in relation to an issue or a relationships conflicts, it’s true that the people’s rights of whose middlemen in an institution are laws & their relevance will destroyed.
I.viii. Retarding bribery from Society

An important issue is that some have used to avoid & violate the rules and regulations; moreover the legal system asks them for a convenient job that waits some time to respond or respond or to prepare some documents of shortage. If they cannot find that employee in that institution, thus create a relationship through the brokery.

I.viii. The ethical management helps the workmen to defend against such relations.

1. Appropriate approach with staff members & clients.
2. Detritions in of abrupt behaviors including fighting, revolutionary, adulation.
3. Increase the sense of obligation and morality of loyalty to the organization.
4. Following customer complaints and elimination of probable defects.
5. Increase in discipline and regularity.
6. Intendance to the resistance against the objectives of the organization.
7. Prevent skin and obvious easy to work.
8. Prevention of the appearance of feelings of loyalty towards unofficial & suspicious class of institution.
9. Increase in workplace efficiency.
10. Increase in working life.
11. Provide a favorite image of company in a nation.

II. Hurdles in applying Ethics in Organization

Some misconceptions are there related to work ethics and they have two sources, foremost the Perceptual Distortion of ethical principles & second, the vague perceptions of ethical complexities in institutions. The below shown situations will help in knowing ethics in managerial aspects better:

Work ethic has a much wider approach, as many people consider the ethics as a religious issue, whereas the purpose of ethical activities of institution is not only to change the thoughts and beliefs of workmen, but to trace out & observe the ethical beliefs which assist the Institutions in path of its victory & eradicate the ethical conflicts in organization.

Executives’ does not take forward in to ethical matters or issues because some workmen thinks that the observance of task ethics, values & belief matters are the objectives which are not considered for the administration of Institution.

A group of managers believe that most of the workmen have values, hence we do not require ethics in workplace, and they do not need the principles of professional ethics. The manager faces the morale vacillations that are very complicated and it is not so easy in most of the situations to specify such vacillations and to get the steady ways for their eradication.
II.i. Ethic Management Programs

Ethics in work environment can be controlled and managed by the organizations. It includes the preparedness of ethical codes, ethical decision making programs, process and evaluation of employee’s morality. The most crucial step of these ethics management programs is to draft the ethical code declaration, which is a list of desirable values for ethical behavior. In fact the declaration of code of ethics for any organization comprises the set of standards that will be compared with the other values, which are desirable by the organization and all the employees and managers should follow these values. Values such as genuineness, fulfillment of promise, honesty, trustworthiness, courtesy, independence, reverence, decorum, graciousness, negotiation, trust, interdependency, achievementkindness, support, humanity, impartiality, equality, point of view stability, law abiding, community service, Issues to have a fully preferred level of organizational social prospects, Individual and organizational performance of staff members, types of relationship between the executives and other staff members and level of goals accomplishment. Generally the organizations try to facilitate their staff members and executives to select the best approach in ethical indecisiveness and the problems such as stress, fatigue, heavy and work pressure do not be cause for choosing unethical methods by compilation of professional ethics principles and codes or the ethical code declaration.

II.ii. Preparing ethical responsibilities (ethical code declaration) in organizations

1. How principles of strategy & rules can be compiled with the help of ethical responsibilities of organization?
2. Does the ethical coordination are of any use in institutes?
3. Does the set of ethical values are enough?
4. Does the compilation of the doctrine and ethical code declaration needed further than ethical management and values?

The crucial problem is to ask the ethical responsibilities of the organization and its solution is relying on the investigation of the following four basic questions:

1. Who have the ethical responsibility?
2. Whose rights are of preference- Individuals or Organizations?
3. What is the responsibility of organization for the employees?
4. Whose responsibility to do their work on the behalf of organization?

To understand the method of preparing ethical duties in organizations, first it is necessary to elaborate and discuss the ethical word that is: the ethical letter of the organization is to analyze the moral obligations in front of the business environment that will be compiled on the basis of its decision-making factors. in a precise way.
Two measures are needed to compile an ethical letter in organizations:

1. Investigation & Segregation.
2. Componential & liquidation.

In the beginning we must investigate the moral responsibilities in the fundamentals of the trinity, that is, G.N.P.

II.iii. G: Indicates the group that bears ethical responsibilities.

N: Represent that group of Employees or institutes for which the organization is accountable.

II.iv. P: It is a set of needs and commitments of G versus N.

In second step, we should assemble the P group on the basis of G & N.

The Ethical system or charter can be prepared in an organized and comprehensive way. The letter ethics indicates the type of behavior of all executives and staff members, and it is also used as a measurement tool for the ethical sensitivity of any process or activity of the organization.

Taking into account the matters mentioned above, the steps or processes applied to the compilation of an ethical letter in an organization are the following:

Step-1: when preparing the ethical letter in the beginning, the issue is: institute or the organization responsible to whom or from what? In simple words, who has the right of asking explanation from the organization? Now we are with a group of people, organizations and things. We name this group as N.

These persons & groups are like staff members, executives, stakeholders, customers, creditors, as well as financial institutions, Providers of technology (Patent, copyright or license holders), individuals and organizations acceptable for investment, citizens, national interests, humanity at the global level, centers of environmental & scientific research etc.

Step-2: the next step is to frame the ethical responsibilities preferred according to the rights of importance of the persons who were determined in the Step-1 and the organization is accountable for them without courtesy.

At this point some considerable issues are:
First: it is to give preference in the resolution of ethical matters, above all in the resolution of problems of procedural importance.
Second: it refers to preference for the principle that "Employee have a right and the organization has responsibility", which is the principle on which the rectitude of professional ethics is based.
Third: it has been experienced that considering the rights of owners and stakeholders as a last preference and giving importance to the rights of justice has not resulted into the decline in the earnings of shareholders, but has also been profitable in the long term.
Fourth: the preference requires to index and calculate, for eg, will give preference to those getting services and products from the organization in comparison to whom the organization provides services and products or similar indices to be preferred in any way they prefer in ethical responsibility. a index and calculation that will be determined according to organizational issues and expertise in process and techniques.

Step-3: For the Preparation of the declaration of the codes of ethics, the following questions must be answered about:

a). the responsibility of the Organization for Employees?

b). the commitment of management in front of the owners/directors?

c). the accountability of the organization in front of the customers?

We have to face too many groups to answer the above mentioned questions, the groups of obligations, the responsibility of the organization in front of the shareholders, employees, workers, managers, customers, competitors, publics, financial institutions and we indicate each group for diets secondary, that is, P1, P2, P3, P4, P5.

Step-4: the responsibility for compliance with the evidence of the P groups will be observed by the individuals. The ethical responsibilities of the organization with all the variations that are in the P group are distributed among the individuals, such as, the shareholders and the ownership will be responsible for partial ethical responsibilities and the needs of the organization. Here we also face a group of employees who are endorsed with the ethical responsibilities of the organization, the accurate declaration of this group is the next step in the ethical code declaration of the organization. The group of G includes General Board members, Administrative Directors, Directors of the organization at lower levels, Team Leaders, Floor Managers etc.

Step-5: Basic question in the process of compiling declaration of codes of ethics is whether the institute's ethical responsibilities, that is, the P groups are distributed among the members of the G group. For example, what responsibility does the General Board have in front of Board of Directors? And vice-versa. The accurate answer to this question forms the declaration of codes of ethics of the organization. One of the most important examples of the G groups is Board of Directors or Top Executives. What is the accountability assumed by the Board of Directors before the owners, the General Board, workers, competitors, customers, financial institutions and general public?

With the implementation of a process over five times, the declaration of codes of ethics of the organization will be drafted so that the rights of all people and their claims are defined and recognized by the organization. And due to this reason "obligation expected "towards the declared codes of ethics of the organization, matters the most. Accountability for breach in declaration of codes of ethics by the mentor/owner of the organization is the most critical conditions.
It is to note that, firstly the declaration of codes of ethics of organization must be drafted in an organized and absolute manner. Secondly, it must be communicated to all the groups of workers in organization, in a clear and simple language. Third, the unforeseen obligation must be published with emphasis on crucial and extendable matters.

The Declaration of the codes of Ethics must contain the following specifications:
1. Be absolute and universal towards all the factors of the environment and the proportions of the organization.
2. Be realistic executive, determinable.
3. The ethical model must be based on the final analysis of ethics so that the intrinsic & genuine value is retained.
4. Must be free from ambiguity in the language of fundamentals and configuration.
5. Order of preference in responsibilities must be clearly defined.
6. Must be Compatible and reliable.

Top Executives have a greater role and duty than other active groups, for a successful preparation and implementation of codes of ethics declaration in any organization. On the importance of the morality of executives, especially of senior level, Peter Drucker stats that: if the executive/leader do not have good morals or he is not a person who works properly, he will commit corruption and also corrupts the employees and will spoil them, who are the most important resource of any organization and also distort their productivity and spirit and professional life. These conditions are very accurate with respect to the top managers of all the organizations, who are at the top position in the organization and if the organization does not have good morals, the morality of existing individuals is also on the stake. As per the English proverb: the death of the trees starts from the upper branches. So, the top executives of any organizations have more ethical duties, compared to any other group of employees. Some of the ethical duties of the top level executives of any organization are as follows:

1. Observing Moral behavior in work-life & personal life.
2. Morality in plans and objectives
3. Publicizing the ethical activities of the organization
4. Systematizing and regulating all the professional issues of the organization.
5. Professional systems in the organization must be considered Ethically.
6. Continuous monitoring and assessment of the organization's ethical performance.
7. Mythological in the face of ethical difficulties (identification of problems and their solution).
8. Promotion of ethical conduct and morality in the organization.
9. Respect to the all the followers of the decisions of the Company Board.
10. Supervise an unexpected letter to the ethical letter.
A study on 12 ethical duties of Top & middle level Executives and the Board of Directors shows their requirement for professional ethics experts. The achievement of most of the ethical responsibilities stated above difficult to achieve without the advice of expert advisors of working ethics.

The senior executives of a large organization can find the solution by establishing the ethics department and achieving the ethical obligations of the Board through this department. Ethics management focuses on identifying ethical problems and their avoidance and handling, and dealing with changing ethical behavior. The ethical performance of the organization on different variables will be calculated and analysed by the ethical management department and this department will also publicize these ethical activities & draft the ethical letter that will be presented in front of the Board for its sanction.

II.v. Example of an Organization’s Ethical Declaration:

The example of Ethical Declaration of an organization which has successful experience in ethical Declaration preparation and its implementation are as follows:

1. Consideration for the norms and organizational criteria and their execution.
2. Truthfulness in statements, actions and methods.
3. Safeguard of the organizational secrets and avoid passing important information of the business to others.
4. Try to achieve customer satisfaction with respect and courtesy.
5. The loyalty towards the organization and the efforts and capability to perform assigned tasks..
6. Avoid allegations, back-biting, spying or any other activity that weakens the confidence and geniality of workers.
7. The performance of courtesy and avoid confront and dishonoring employees.
8. Execution of safety measures and prevents health related issues.
9. No discrimination on any basis like: on the basis of ethnicity, religion or, gender etc..
10. Avoid receiving any unusual gifts from clients, colleagues or competitors.
11. Establish work-life balance and moderation.
12. Try to create mutual respect and trust between employees.
13. Prohibition of smoking narcotic and alcoholic substances.
14. Do not use organization's facilities for personal tasks.
15. Fulfillment of the instructions of the higher authorities.
16. Avoid individual business in the workplace.

II.vi. Training

Presence and observance of the ethical administration in an organization or institution is worthless unless & until the employees does not know that what is this program?
How it will work? What will be its performance & what is their role in this system of ethical administration?
This is the common response of all the workers of any institution or company that will be in contact of community as result of ethical guidelines. So these employees must be informed about all guidelines, processes and respond accordingly, and the complete observance of workers’ behavior with ethical guidelines requires imparting training for them.
For any issue we should always confinethat the actions of leaders or managers of the organization is the most effective training for all the workers. If actions of leaders and high levels executives of the organization are immoral, then it will result into distrust, and the scenario of organization will becomes worse in the absence of proper ethical code of conduct. So the leaders and executives of organization additionally think about contemplating this situation they ought to conjointly believe that direct the organization with moral aspiration.
The best technique to impart ethical training to employees is to make them solving difficulties and to create an actual ethical problem and ask the workers to solve it with the use of available resources.
For promoting the learning and implementation of the ethical conduct the annual assessment or evaluation must be linked with the ethical behavior of the employee during that period.

III. Conclusion

We can conclude that the concern and observation of professional ethics can increase the efficiency of the institution's forecasts and the same causes for a genuine, direct & essential trust of society towards the institution or company. And the institution or company, also in confidence in the same setup, can succeed in engrossing the financial sources and create firmness & self motivation in its workers, & observe the human resource specialists and attain a firm position in the market and manage the negativity resulting from ethical difficulties for organizational culture and to refine and eliminate behavioral conflicts. On the other hand, the moral responsibility of the company or institution has an effectual role in increasing efficiency and efficacy. The organization which is more ethical is more successful. If any such issue or complain does not reported to the organization, we can consider that it is due to the absence of professional ethics as one of the crucial factors in the final study.
Today it is said that ethical obligations have a principal role in the organization. Fred plunged that, "good ethical principles are a prerequisite for excellent strategic management" and good ethical ideology means a good organization.
Do not forget that our present performance is our future market and if we need to do market growth then we should have our own stake of fear of being moral.
Working professionally and being obliged to fulfill ethical obligations are two crucial fundamentals that give way to the future market.

Last but not the least point is that, a profession which has an organizational goal & if it also affects the organizational goal and the ethical development in the organization and the ethical rise of the organizational culture not only creates a positive and preferred environment for enhanced output and performance, has a successful role in society beyond the organization.

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