

Competencies for Early-Career HR Professionals



Session 3: Ethical Practice

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Session 3: Introduction

□ Overview

In this session we will explore the Ethical Practice competency. In addition to defining and describing the competency, we will consider what ethics are, how they vary from morals and what their underlying principles are.

□ Learning Objectives

- Explain the relevance of the Ethical Practice competency to the job of an HR professional.
- Identify and explain the subcompetencies and behaviors that underlie the Ethical Practice competency.
- Analyze the role that the Ethical Practice competency plays in helping HR professionals address real-world issues.
- Demonstrate the ability to apply the Ethical Practice competency in various contexts.

□ Session 3 Lessons

- Lesson 1: Definition and Components of the Ethical Practice Competency.
- Lesson 2: Ethical Theories.
- Lesson 3: Application of the Ethical Practice Competency.

□ Due This Session

Reading assignments

- “When the Boss Doesn’t Like Her” and “Real Sales or Wishful Thinking?”
- Consider the questions at the end of each case, and jot down your thoughts.

Lesson 1: Definition and Components of the Ethical Practice Competency

□ Introduction

This lesson reviews the definition, description, examples and subcompetencies of the Ethical Practice competency.

□ Ethical Practice Definition and Descriptions

Definition:

- The integration of integrity and accountability throughout all organizational and business practices.

Description:

- Ensuring that HR practices focus on fairness and justice for all people within the organization. It requires HR professionals to promote, encourage and educate others on the organization's ethical standards, and to create HR systems that reinforce the organization's desired ethical climate.

Examples:

- Providing opportunities to discuss ethical dilemmas among HR staff to better understand issues as they may relate to your organization.
- Developing a code of ethics and then applying it to situations to establish an ethical business image.
- Practicing ethical decision-making and reflecting on your skills as an HR professional with the exercises and case studies.
- Making ethics a clear and consistent part of your agendas, setting standards, modeling appropriate behavior and holding everyone accountable.

□ Ethical Practice Subcompetencies

- Rapport-building.
- Trust-building.
- Personal, professional and behavioral integrity.
- Professionalism.
- Credibility.
- Personal and professional courage.

□ Ethical Practice Behaviors

- Maintains confidentiality.
- Acts with personal, professional and behavioral integrity.
- Responds immediately to all reports of unethical behavior or conflicts of interest.
- Empowers all employees to report unethical behavior or conflicts of interest without fear of reprisal.
- Shows consistency between espoused and enacted values.
- Acknowledges mistakes.
- Drives the corporate ethical environment.
- Applies power or authority appropriately.
- Recognizes personal bias and others' tendencies toward bias,

□ Ways to Develop Ethical Practice Skills

- and takes measures to mitigate the influence of bias in business decisions.
 - Maintains appropriate levels of transparency in organizational practices.
 - Ensures that all stakeholders' voices are heard.
 - Manages political and social pressures when making decisions.
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- Seek out opportunities to build trust with co-workers through honesty and consistency.
 - Attend an ethics workshop internal or external to your organization.
 - Review internal and external policies relevant to your day-to-day HR responsibilities.
 - Take the time to stay up-to-date on compliance practices.
 - Familiarize yourself with the application of ethical policies within your organization.
 - Seek out a mentor who serves as a role model of ethical behavior and standards.
 - Take the initiative to demonstrate ethical behavior to others in your department.
 - Volunteer to serve on an ethics counsel or board.
 - Assist in the investigation of an ethical concern.
 - Set aside time to engage in self-directed learning on emerging ethical trends and practices.

Lesson 2: Ethical Theories

□ Introduction

This lesson explores the underlying principles of ethics and five ethical theories.

□ Ethics Defined

- A science of human choice concerned with the basic guidelines for how one ought to live one's life. It answers the question, "How should I live?"
- The study and philosophy of human conduct with an emphasis on determining right and wrong.
- The systematic study of general principles of right and wrong behavior.

□ Ethical Principles

| Principle | Description | Example |
|-----------------------------|--|---|
| Beneficence | Doing what is good | Gandhi's Passive Resistance |
| Least Harm | If neither choice is beneficial, choosing the one that does the least harm | Hippocratic Oath |
| Respect for Autonomy | Allowing people to reign over themselves | Declaration of Independence |
| Justice | Being fair to those involved, but accounting for extenuating circumstances | Better for 10 guilty men to go free than for one innocent man to go to jail |

□ Are Ethics and Morals the Same?

- Ethics refers to the systematic study of general principles of right and wrong behavior.
- Morals and morality describe specific, culturally transmitted standards of right and wrong.
- Both ethics and morality involve decisions about right and wrong.

❑ Ethical Theories—Determining Right from Wrong

- Deontology—using your sense of duty and obligation to make an ethical decision.
- Utilitarianism—doing what is best for the most people.
- Rights—adhering to protected rights bestowed by a society.
- Causist—using precedent to judge current ethical dilemmas.
- Virtue—judging people by their character, rather than by individual actions.

❑ Deontology

- Using your sense of duty and obligation to make an ethical decision; doing what is necessary to fulfill your obligations.
- Based mainly on the *Justice Principle*—assumes that right and wrong can be examined entirely through the lens of a person's duties and obligations.
- Believes that even doing harm may be acceptable if a person is obligated to do so.
- Strictly adhering to this theory should provide consistent decisions about right and wrong.
- Examples:
 - A soldier accepts his or her duty to fight (and kill) for his or her country.
 - A big brother fights a bully that is picking on his little sister.
 - A spouse donates a kidney to save his or her partner's life.

❑ Utilitarianism

- Doing what is best for the most people.
- Based on the *Beneficence Principle*—the choice that yields the greatest benefit to the most people is the choice that is ethically correct.
- Assumes that a person can predict the consequences of an action.
- May include using a point system to determine which choice is more beneficial for more people.
- Examples:
 - Mother Theresa personally sacrificing to serve the less fortunate.
 - Creating a giving plan rather than randomly donating to various causes.

❑ Rights

- Doing what is fair to people involved by using ethical principles but adjusting for extenuating circumstances.
- Based on the *Respect for Autonomy Principle*—allow people to reign over themselves.
- Assumes that the rights set forth by a society are protected and should be given the highest priority, and that rights are ethically correct and valid since a large or ruling population endorses them.

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- Examples:
 - The Declaration of Independence.
 - The U.S. Constitution.
 - The Americans with Disabilities Act.

☐ Causist

- Using precedent to judge current ethical dilemmas.
- Based on the *Justice Principle*—being fair to people involved, but accounting for extenuating circumstances.
- Assumes you will have a previous, similar ethical dilemma that you can use to compare to a current ethical dilemma.
- Allows you to assess the severity of the situation and to create the best possible solution according to others' experiences.
- Example: The use of legal precedent.

☐ Virtue

- Judging people by their characters, rather than by individual actions.
- Based on *Aristotle's theories of virtue and fortune*. We all have the capacity to possess intrinsic virtues such as honesty, fairness, integrity and loyalty.
- We are all subject to our changing fortunes, and sometimes these circumstances can steer our virtues off-course.
- Assumes that the morally correct action is the one that displays good character virtues.
- A virtue is a character trait that manifests itself in the actions of the individual.
- Example: Et tu, Brute?

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Ethical Theories in Action

| Ethical Theory | HR Example |
|----------------|--|
| Deontology | Leading a reduction-in-force initiative, even though you disagree with the decision |
| Utilitarianism | Suggesting equal furloughs for all, in lieu of a reduction in force |
| Rights | Ensuring employees with disabilities receive all benefits afforded under the Americans with Disabilities Act (ADA) |
| Causist | Applying the same criteria used in layoffs two years ago to a current layoff |
| Virtue | Blowing the whistle on an executive who is continuously involved in conflict-of-interest situations |

Lesson 3: Application of the Ethical Practice Competency

❑ Introduction

This lesson will examine the role HR can play in creating an organizational culture that operates within a set of ethics. You will also participate in a case study exercise.

❑ Ethics Compliance Programs

- Written code of ethics.
- Written standards of conduct.
- Ethics training.
- Mechanism for employees seeking advice.
- Reporting network to which employees can report inappropriate behavior without fear of retaliation.
- Ethical behavior as a part of the performance appraisal system.
- Discipline for violating ethical standards.

❑ Creating a Culture of Ethics

- It is not the compliance program—it is the culture.
- Management sets the tone.
- Managers must model ethical behavior. They must “walk the talk.”
- Employees must trust management at all levels.
- Employees learn appropriate behavior by what they see managers doing.
- The importance of ethics must be communicated at all levels of the organization.
- Reward ethical behavior. Assess how the job was done, not just “making the numbers.”

❑ HR’s Role in Organizational Ethics

- Develop policies.
- Communicate with employees.
- Provide training.
- Handle inquiries.
- Provide assistance in resolving difficult situations.

❑ Case Studies

- Take out the case studies you read for homework.
- Discuss in your groups the questions that appear at the end of each case study and the following questions:
 - What is the ethical issue?
 - Who are the stakeholders?
 - What are the possible courses of action?
 - For each course of action you identify, what are some of the pros and cons of this idea?

Session 3: Summary

**Key Points
from This
Session**

List your key points here:

**End-of-Session
Discussion**

- If someone asked you tomorrow, “what are the most important things for an HR professional to do to ensure ethical practice,” how would you respond?
- What are some concrete steps you could take to assess your own strengths and weaknesses when it comes to ethical practice?

Appendix: Fostering Ethical Organizations

□ Introduction

This appendix is provided to you as a reference. If you are interested in learning more about the key factors that drive organizational ethics, this information will be a valuable resource. The instructor does not cover this information in class.

□ Strategic Management

- Align organizational systems to support ethics.
 - Ethics must be an integral part of the organization's strategy and values.
- Champion ethics.
 - Management sets the tone.
 - Leaders must demonstrate and foster integrity.
- Champion diversity and equity across the organization.
- Ensure stakeholder balance that addresses conflicting interests.
- Focus on the long-term perspective.

□ Staffing: Recruitment and Selection

- Ensure equal opportunity practices.
- Recruit ethically responsible people.
- Make ethics a selection criteria.
- Interview for ethical values.

□ HR Development

- Provide ethics training for all employees.
- Ensure equal access to development and career opportunities.
- Manage performance and employee appraisals.
 - Conduct a balanced scorecard assessment.
 - Appraise ethical behavior as well as task accomplishment. "Hitting the numbers" is not enough.
 - Give employees specifics on how to improve.

□ Compensation and Reward Systems

- Decrease pay inequities.
 - Control executive compensation.
- Reward group or organizational success.
- Provide incentives for cooperation.
 - Gainsharing.
- Focus on intrinsic motivation.
 - Continuous learning
 - Quality management.

Employee Safety and Health

- Ensure safety goes beyond compliance.
- Make health and safety a priority and not just words on paper.
- Provide safety training and protective equipment.
- Incorporate policies that protect employees and the organization from risk.
- Encourage open dialog and communication.

Employee Relations

- Comply fully with all employment and labor regulations.
- Train all supervisory employees.
- Practice open communication.
- Practice equity in promotion and retrenchment processes.
- Perform skip-level interviews.
- Enact employee grievance systems.
- Protect whistle-blowers.
- Conduct exit interviews.