Management Ethics

[Name of the Writer:]

[Name of the Institution:]

Abstract

This paper entails a description of unethical behaviors, their impacts on the work environment, and ways to minimize their worse effects. The evolution of the development of ethical behaviors in organizations has been summarized. It has been affirmed that the organizations today have clearly understood the importance of implementing ethical standards in their workplaces. The financial crisis of 2007-2008 has been studied given the ethical collapse of persons as well as corporates. Two important issues, diversity and discrimination, have been discussed to establish a manger's point of view to manage the workforce. In this regard, Uber's critical issue of harassment and discrimination has been taken into consideration. Finally, the idea of investing in volunteer programs has been reinforced to foster ethical behaviors in employees. The suggestions have been solicited with related course studies as well as examples from the business world.

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# Unethical Behavior

In the workplace, they have certain established norms; that is, they have a particular set of expected behaviors, rules, and traditions. When workers abide by these norms, the environment remains favorable and the efficiency of the workforce increases. On the other hand, when some people at work violate the organization’s norms, rules, and standards, unethical behaviors emerge. These unethical behaviors have adverse effects on employees’ morale, work progress, and the overall profitability of the organization.

## Most Common Forms of Unethical Behavior

The most common forms of unethical behavior in a workplace are misuse of time, stealing, wastage of company resources, abusive language, negative competition. These unethical behaviors are seen in most of the workplaces. People not only affect the performance of their co-workers, but also bear loss of their personal potential unintentionally.

## Role of Leadership in Minimizing Unethical Behavior

A vigilant leadership can never remain insensitive to the unethical behaviors flourishing inside the organization. It responds immediately to minimize the effects of unethical behavior. The leadership can make use of certain checks for employees at work to restrict them from misusing time, such as check-in and check-out counters, installing cameras in the workplaces, continuous monitoring of employees' work by the supervisors, etc. To minimize chances of stealth, the leadership can segregate departments and develop a system of payments to carry out all the financial transactions online through the company account. Immediate supervisors should be made responsible to take care of their concerning company resources so that they might not get wasted by the carelessness of any employee. Sometimes, managers use abusive language with their subordinates to get the assigned work done. They must learn how to make the best out of the people they are managing. Workers are usually curious about the achievements of their colleagues. This is not harmful until no negative initiatives are taken. The leadership should be aware of the capabilities and commitment of every employee (Kelly, 2018).

# Modern Businesses and Ethics

Modern-day businesses have developed policies to implement the highest level of ethical standards in their workplaces. The analysts and researchers have clearly understood that the workforce performance is directly proportional to their observation of business ethics. With time, business ethics have evolved. In older times, the focus of strategic managers was to maximize profits by hook or by crook. With the advent of industrialization, organizations were confronted with many new challenges. Since they were engaged to deal with other major issues at hand, they could not view businesses from an ethical perspective. However, with time, researchers presented theories that addressed the ethical dilemmas in workplaces. The Defense Industry Initiative addressed the ethical issues and put forth six principles as a solution.

In the modern era, various studies have been made to explain the ethical issues in different countries. For instance, Ross studied the atrocities committed by some private employers in China, who forced their employees to work for excessively long hours to meet the market demands. Ferrell et al. described the reasons for public protests against corporations for introducing high standards of ethics in business environments.

The present-day leaders have successfully addressed the problems related to ethics. They oppose manufacturing products that have harmful effects on people’s health. Discrimination based on racism, gender, economic class has been condemned. Strict regulations have been implemented to avoid sexual harassment at workplaces. There can be seen many advocates who emphasize protecting the work environment. Today, most of the employers know that employees’ loyalty, commitment, and job satisfaction are largely dependent on ethical practices carried out in the organizations (Low, 2018).

# Financial Meltdown of 2007-2008

Analysts have argued many different reasons behind the financial crisis of 2007-2008. However, the underlying cause, commonly observed in all these scenarios, seems to be the failure of demonstrating ethical behavior. This meltdown was the failure of top executives. They concentrated all their efforts on the short-term interests of their organizations, and ignored the long-term impacts of their practices on the economy, the stakeholders, and the employees. Mostly, the large financial firms displayed unethical actions, and they didn’t show any concern of maintaining the trust of their customers.

The mortgage brokers adopted unethical practices to expand the business. They focused on quantity instead of enabling the customers to thoroughly understand their interests. The banks did not care about their underwriting standards and lent money without evaluating the risks of non-payment of these loans. In the process of issuing the auction-rate securities by the municipalities to the investors, the banks did not stand by their clients at tough times, even after having earned a lot of money on behalf of these agreements.

Certain ethical behaviors have been observed and referred that might have led to the financial crisis. The pivot to these behaviors was an excessive desire for more and more money. Managers gave priority to their remunerations rather than realizing the need of the time. There had been advertising which was misleading and held no comparison with the quality asserted (Trautman, 2017). All the abovesaid behaviors, when exceeded the limit, caused the results seen as the biggest financial crisis.

# Diversity and Discrimination

The present-day businesses have workplaces where people come to work with different backgrounds. They vary in gender, age, ethnicity, religion, and other factors. The leaders of the workforce have to maintain a favorable work environment that encourages all people at work to give their best performances. Diversity of workforce is inevitable in today’s organizations. The managers have to find ways to deal with it and avoid any discrimination. Workforce diversity contributes to enhanced productivity by enabling the organization to utilize the ideas and skills of people. If discrimination is allowed to prevail inside the organization, the diverse potential of employees would take the wrong turn and be wasted.

Uber had to face criticism based on the sexual harassment that became dominant in their workplaces. The CEO, Travis Kalanick, had to resign the post because of the immense condemnation. More than 200 cases of discrimination were filed of sexual harassment, abusive conduct, and bullying. As a result, many employees were fired including a board member. After confronting these circumstances, Uber started to make efforts for changing its image of fostering discrimination in its workforce (Griffith, van Esch, & Trittenbach, 2018).

As a leader, I would try to inflict a team spirit in my employees. When people behave like a team, the concepts of mutual respect, tolerance, and collective welfare thrive in the organization. By providing the employees with a healthy work environment, it can be expected from them to come up with their maximum outputs. When the employees know that any type of discrimination shall not be permitted by the management, they will certainly avoid indulging in such activities.

# Corporate Outreach and Volunteer Programs

Launching volunteer programs through the company's sponsorship and increase outreach are smart investments made for achieving long-term benefits. These programs nurture collaboration among the workforce. Volunteer activities help build healthy, work relationships among people at work, and let them trust each other. These activities give a chance for self-discovery. When new tasks are undertaken, people start to know more about themselves. Volunteer programs have a positive impact on the company’s profitability. These programs influence the workers to get more engaged in their routine work, which ultimately impacts the business profitably (Cycyota, Ferrante, & Schroeder, 2016).

From an ethical perspective, the volunteer programs should be chosen to be implemented. Any activity that complies with the company's standards and goals should be encouraged. The ethical behaviors are refined by indulging in such activities. The most difficult thing to get accomplished is to make people learn certain behaviors. This can be made easy by engaging people in volunteer programs paid by the company.

Millennials, as revealed in Gallup’s survey, look more for growth opportunities than the remuneration packages when it comes to search for a new job. The employers who aspire to attract and retain millennial talent organize their recruiting efforts and create offers in a way that could engage them fully. This particular group of people prefer to offer skills in donation instead of money. Therefore, developing company-sponsored volunteer programs is a smart choice to increase corporate outreach and productivity.

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