Ethical Decision Making In the Workplace

By Darnell Lattal, Ph.D.

As applied behavior analysts, Performance Management (PM) consultants and practitioners, we are not moral philosophers, nor are we ethicists, yet we are concerned about the ethical practice of our technology. Applied behavior analysis is neutral; it helps us observe and describe the current state. It provides tools of learning that help us understand what people say and do and under what conditions. It helps us use a systematic and data-driven approach to increase or decrease specific behaviors. However, even in

Sometimes the welfare of an individual must be preserved or the good of many must be weighed over the good of a few.

— Darnell Lattal

its soundness and neutrality as science, its application is "value based," directed toward achieving particular ends, however mundane or noble. We understand that PM principles can be used for great good or great harm. For example, modern-day businesses can go for a win and inspire their members to do so at all costs (the movie *Wall Street* comes to mind, along with the recent real-life revelations of deceptive practices by the financial industry in this country as well as in other countries). Or, they can use the principles to achieve meaningful goals through ethical practices.

Values are based on rules of conduct, the *shoulds* and *oughts*, that society assigns to behavior but, in general, behavior analysts are troubled by such should and ought statements as sufficient explanations for behavior.

There can be a self-righteous sanctimonious quality to talking about ethics or values in the workplace. It is a topic not easily or commonly addressed in day-to-day work life. Yet, as consultants and PM practitioners, our value in society is measured, more and more, by the ways we bring meaning to concepts such as integrity, fairness, respect,

the worth and dignity of the individual, and the good of the whole.

These issues are of increasing importance to many organizations, and as we expand across international borders, will take on new importance as we deal with cultural interpretations of ethics.

The power of behavioral science to predict and control human behavior – to literally change the course of individual lives – means that those of us who teach and/or implement PM have a duty to take the forefront in public discussion and systematic exploration of the ethical implications of what we do. Even with the difficulties of definition as in what is and is not ethical, we must be engaged because our actions leave their own moral/ethical wake. After all, science may be amoral, but its application is not.

Utilitarianism defines "ethics" as *the greatest good for the greatest numbers. Webster's defines ethics as rules or standards that govern the conduct of a person, accepted principles of right and wrong*. In reality, we must constantly weigh multiple, competing ethical values. An ethical perspective means a concern for others and respect for oneself and achieving an appropriate balance between the two. **Ethical behavior requires that the interests of all affected individuals are taken into consideration. Sometimes the welfare of an individual must be preserved** (for example, in the face of unfounded accusations that could end a career) or the good of many must be weighed over the good of a few (as in

I am fully aware that everybody has a right to succeed, and success should be with ethics.

— Sharad Pawar

the closing of a plant to sustain the long-term viability of the company).

These types of decisions are difficult and the correctness of many decisions depends on "point of view." However, choices must be measured against the current standards of the company, the culture, and society. Otherwise, we imply that all decisions are justifiable simply because, historically, certain choices offer better consequences for "the business."

Actions that involve choice are not value-less and require analysis of their impact on espoused values, just as other sets of behavioral actions require analysis of impact on business results. Of course, actions that have a values implication will impact business results as well – sometimes over time – and may be perceived as of less immediacy and urgency. Extending our analysis to those possible, yet distant, consequences is part of the job of an effective practitioner of applied behavior analysis.

CREATING AN ETHICAL FRAMEWORK

The business world is pragmatic. We know the reinforcing properties of immediate

payoffs and we understand the contingent relationship between our own behavior, the praise or pay we receive, and future actions. In part to redirect the controlling aspects of such relations, **we need an ethical framework to force systematic review of actions against a longer-term perspective or a wider consideration of stakeholders who may be affected by our actions.**

Behavioral science offers a view of people that is, in its neutrality, compassionate. Change is possible. Failing to act ethically is not a moral flaw but a failure of history and contingency. Such a perspective allows us one advantage many do not have who engage in ethical debate – a keen ability to describe behavior objectively and to increase desirable behavior in the future, including ethical behavior.

Divorced from ethics, leadership is reduced to management and politics to mere technique.

— James Burns

We pride ourselves on our data-based approach. We know about the power of contingency. We can arrange conditions to create, maintain, and eliminate behavior and we are good at evaluating the effectiveness of our interventions. These skills and practices can serve us well in developing a framework to examine the ethical implications of our actions and their effects – and to help others do so as well.

Just as we conduct ABC analyses, set goals, pinpoint, shape, and consequate as part of our behavioral tool chest, we can add another dimension of accountability by conducting an **analysis of anticipated and actual effects of an intervention.** We then rely on the consequences history of the participants when formally considering the ethical implications of the intervention. To do so a

bit more dispassionately, we need some sort of yardstick or standard.

Acts of individuals or of businesses can be measured against a variety of ethical yardsticks. Moral pluralism, one method of evaluating ethical behavior, states that the acts of an individual or of a company must be balanced or weighed against such values as the common good, justice, rights and self-interest.

In every instance, each of these values must be considered, but they do not necessarily apply equally. For example, the concept of rights, treating employees/one another equally in regard to protection and support, is a fundamental expectation. However, justice, defined many ways but in this case as helping those most in need, might mean that we temper the notion of equal support for all workers and provide special support on occasion – special computers for the handicapped or raises to those paid the least when the pool of money available for raises is small.

In the workplace, if someone looks only to provide justice, the common good might suffer. There may well be hundreds of workers and their families who will suffer when a plant is closed, but thousands more will retain their jobs as a result. **The closing of the plant protects the *common* good of the workforce as a whole by protecting the financial stability of the company.** There are a few inviolate, fundamental truths in the pursuit of ethics. The intrinsic worth of each human being is, for many, one of those fundamental values, but in almost every instance where we find ethical dilemmas, we will find more than one response that can be the right choice. Ethics is about refined judgment and the

> **Action indeed is the sole medium of expression for ethics.**
> — Jane Addams

exercise of that judgment against some set of external criteria. Judgment is knowable by what people say and do – it is the sum of actions that reflect what we describe as "good" or "bad" judgment. **Ethics in the workplace is not about absolutes.**

The application of PM involves workplace ethics by the very act of shaping one behavior over another. Producing high rates of performance in a company factory in Peoria may lead to the elimination of a less productive factory in Lexington. How the people are treated in Lexington is important from a values perspective. It is also important, however, to understand that actions that are insensitive are not necessarily unethical. For example, PM systems that reinforce time-based and goal-directed behavior could inadvertently punish odd and time insensitive individual contribution that might lead to the achievement of a breakthrough goal or a valuable idea. Being alert to the pressures and counter pressures arranged by the environment can open opportunities to set up conditions that promote novelty while reinforcing goal-directed actions.

Much of what is perceived as unethical can often be better described as insensitive. Nevertheless, being aware of the values-based implications of actions can help to uncover real ethical issues as well as those of insensitivity that may suppress optimal results. Remember as well that unethical does not necessarily mean illegal, as much as we sometimes wish it did. The sanctions for unethical actions are often very weak and thus most probably do not serve as sufficient deterrents against the immediate payoff that unethical actions sometimes produce.

In general, individuals are faced with nondramatic ethical choices on a daily basis – weighing one outcome against another and behaving in ways that are predictable, based

on that individual's consequence history. Unethical choices seldom result in public sanction. Nevertheless, the necessity to be alert to the "value" inherent in choice is an exercise that can only add and expand our public and business commitment to ethical behavior in daily life.

Establishing a framework by which to consider the ethical implications of an act does not prescribe what the ethical facts of particular acts are – not the good or the bad – but rather, a methodology that provokes debate about how to achieve the greatest good to come from a particular act.

AN ORGANIZATIONAL GUIDE FOR CREATING A CLIMATE FOR ETHICAL DECISION MAKING

1. **Talk "ethics" – make it a part of your workplace culture.**

2. **Publish your guiding principles.**
   - Establish a framework for evaluating the dimensions of ethical actions from inviolate absolutes to "teaching opportunities." Don't simply make it common practice to ignore actions that have ethical implications (good or bad).

3. **Select, train, and retain employees who behave ethically.**
   - Make ethics a part of your selection interview.
   - Examine a person's responsibilities to ethical dilemmas and identify specific actions they have taken.
   - Ask about times when they did something wrong and how they decided what to do.
   - Have your employees define terms such as treating others with respect and how they demonstrate that in their behavior.
   - Present case studies that require discriminations among choices and discuss the implications.

- Look at a candidate's ability to balance among conflicting values and how the individual might apply his/her judgment to "messy customer situations" or with coworkers.
- Have the individual bring real-life ethical dilemmas to the team for discussion and resolution.

4. **Make ethical behavior part of business and performance reviews.**
   - Conduct an ethical review of your sales and marketing plan.
   - Make it safe for sales people to say "no" to prospective business evaluated against an ethical yardstick.
   - Evaluate the structure and contingency of sales commissions to ensure you are not driving the wrong behaviors.
   - Set performance expectations that support and reward ethical decision making in individual conduct.

5. **Work on increasing moral sensitivity from as many different perspectives as possible.**

   - Stockholder reports
   - Reviews of performance by all levels – 360 assessments
   - Open discussions
   - Look at the numbers in a budget reduction plan in terms of human cost.
   - Move from the large effect to individual effects – families, those who will retain their jobs, the stability of the company, alternatives. Help ensure that the decision-makers are not cut off from the realities of their decisions.
   - Hold quarterly or semiannual Ethics Roundtables where individuals can discuss their actions and consequences. Bring in others who can help in the critique but are not part of the company.

6. **Attach consequences to desired behavior and measure its occurrence.**

   - Some behaviors lead to immediate termination, but most actions are not stuff of moral outrage. Remember that ethical discrimination is shaped, reinforced, maintained and changed by the contingencies that surround and support individual actions. Make your expectations clear and then follow up.

7. **Assure that structure and resources exist to monitor and enforce commitment to an ethical climate.**

   - Regular coaching and feedback
   - Training sessions to increase skills
   - Performance review on a regular basis
   - Customer and employee feedback
   - Structures, systems and processes that allow for the orderly flow of work

8. **Invite external review.**

   - Have your work audited by an independent review team that looks for the "values base" as well as the business result in actions taken.

9. **Establish a set of criteria to evaluate your own actions and share those with others.**

10. **Encourage, model, and help others establish a method to discuss actions and increase alertness to the ethical issues in everyday decisions.**

Q & A WITH THE AUTHOR

Is the phrase "Business Ethics" an oxymoron?

"No, but often businesses will describe themselves as amoral or neutral. Certainly, companies are in business to make money, but they have a very strong moral and ethical impact on people, processes, future business and the community. So even though a company's management may believe they are doing something neutrally like closing a plant in order to meet a business objective, they should be concerned with the ethical implications of what happens in that community as a result of their decisions."

Is this so-called amoral/neutral nature of business a justification to behave unethically in the workplace?

"Many people may think that way, but the wisest and best leaders, at least from my viewpoint, know that's not true.

Businesses struggle all the time with issues of ethical actions, making the right choices for either the greater good or something that has to be done at the moment but will ensure the survivability of the company for the longer term.

Sometimes those decisions are not easy, but the reason I think businesses have a black

eye in this area is that they don't talk about it with their stockholders, management team, or employees."

Are an organization's ethics measurable?

"Yes. Ethics are measurable if companies take a behavioral approach and define the meaning of phrases such as promise keeping. For example, what is the reliability of what managers say compared to what they do? Is it a good match? Was the promise made actually fulfilled and if not, was there an explanation given? Almost all of the words associated with ethics can be behavioralized and a first step is to examine what people say compared to what they do."

Employees can also behave unethically, but they are more likely to be held accountable for such behavior. What happens when executives behave unethically?

"An organization can solicit feedback from employees on whether or not managers are doing what they say they do. This is an area where a board of directors should take on a very strong oversight role and make the issue of ethical practice something that is important, not just words on a wall. That means asking the managers when they make major decisions like closing a plant or reducing the workforce to at least have an internal discussion regarding ethical behaviors toward those affected.

For example, an organization might provide an outsourcing company to help the people involved or the company might consider an extension to give people sufficient time. Sometimes organizations can't do such things because they can't reveal their plans to competitors, but they could try to support the families or help with transition costs.

In such circumstances a board of directors might ask for a values-based plan in terms of how it's going to affect people in addition to the business plan around the decisions that are made.

The question should always be asked, 'What is the corporate team doing to ensure the least harm to employees who have been loyal for all these years?' In the rush of business these things are often not considered and executives say, 'Well, we're not doing anything illegal or really immoral; we're just doing business.' Of course, the decision is affecting human beings, something for which the board of directors should hold executives accountable. Ethical codes of conduct at the executive level can really have teeth if they are used to assess how a decision is made, how it is implemented and what happens as a result of that decision."

> **Ethics are measurable if companies take a behavioral approach and define the meaning of phrases such as promise keeping.**

How do you demonstrate behavior to customers?

"One example would be in the arena of selling. A company really wants to compete with other companies so they sometimes encourage salespeople, either directly or indirectly, to promise products or services that can't be delivered. Or their salespeople promise some things because they really want those commission dollars. Ultimately the customer is dissatisfied, but the company has the customer's money. At what point then does the company give the money back or consider saying, 'We will do other things to meet the commitments of our sales staff?'"

Are businesses becoming more or less ethical?

"I think there is a much keener awareness of ethics today and perhaps for a good business reason. As people with talent and skills become scarcer, how a company treats it em-

ployees as knowledge capital is more and more important, because there is greater competition. People can make choices.

They don't have to stay in environments where they are treated abusively. Companies are becoming more sensitive perhaps not because they are more ethical but because they see a good business reason to be concerned with how they treat one another and how to retain the investment in their people.

Also, there is a growing interest in many businesses particularly among senior execu-

tives in this thing called legacy. Many people who grew up during the 1940s, 50s, and 60s and became leaders now look back and wonder what they are leaving behind that will last beyond simply the products and services which constantly change. They are beginning to realize that the stability and the idea of a company that stays the same is long gone, but whether or not they leave behind an environment that supports the best interest of its employees is of more and more importance."

• • • • •

[About the Author]

DARNELL LATTAL, PH.D.

For more than 30 years, Darnell has been dedicated to supporting clients in areas such as strategy implementation, behavioral systems redesign, and leadership development. Her expertise lies in coaching individuals and organizations towards effective behavior change and is currently working to help advance the mission of The Aubrey Daniels Institute. Darnell's greatest joy is in furthering the incredible power for bringing out the best that behavior analysis provides to others, including to her seven grandchildren.

[About ADI]

Regardless of your industry or expertise, one thing remains constant: People power your business. Since 1978 Aubrey Daniels International (ADI) has been dedicated to accelerating the business and safety performance of companies worldwide by using positive, practical approaches grounded in the science of behavior and engineered to ensure long-term sustainability. ADI provides clients with the tools and methodologies to help move people toward positive, results-driven accomplishments. Our clients accelerate strategy execution while fostering employee engagement and positive accountability at all levels of their organization.

CONNECT WITH US

aubreydaniels.com/stay-connected
web: aubreydaniels.com
blog: aubreydanielsblog.com
twitter: twitter.com/aubreydaniels